



# NEWSLETTER <sup>Weekly</sup>

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## SECURITIES AND EXCHANGE BOARD OF INDIA

### **1. Borrowing by Mutual Funds**

The Securities and Exchange Board of India (SEBI) issued a circular dated March 13, 2026, specifying conditions for intraday borrowings by mutual funds under the SEBI (Mutual Funds) Regulations, 2026, which come into force from April 1, 2026. Mutual funds often face intraday timing mismatches because redemption payouts are processed in the morning of T+1 day, while maturity proceeds from TREPS and reverse repo are received in the evening of the same day. To address this, mutual funds may enter into intraday borrowing arrangements with financial institutions. SEBI clarified that such borrowings must be used only for repurchase or redemption of units or payment of interest or income distribution payouts to unitholders. The borrowing amount cannot exceed guaranteed receivables due on the same day from specified sources such as TREPS, reverse repo, or government securities transactions. The cost or losses arising from intraday borrowing must be borne by the asset management company. SEBI also clarified borrowing conditions for equity-oriented index funds and ETFs participating in the closing auction session.

For more information:

[https://www.sebi.gov.in/legal/circulars/mar-2026/borrowing-by-mutual-funds\\_100329.html](https://www.sebi.gov.in/legal/circulars/mar-2026/borrowing-by-mutual-funds_100329.html)

### **2. Ease of doing Business – Relaxation in certification requirement for Persons Associated with Research Services (PARS) – Sales and other non-core services**

The Securities and Exchange Board of India (SEBI), through a circular dated 11 March 2026, introduced a relaxation in certification requirements for Persons Associated with Research Services (PARS) who perform sales and other non-core functions. Under Regulation 7 of the SEBI (Research Analysts) Regulations, 2014, PARS are required to obtain certification from the National Institute of Securities Markets (NISM). Previously, PARS had to pass the NISM Series-XV Research Analyst Certification Examination. Based on feedback from market participants and as part of SEBI's ease of doing business initiative, a lighter certification module has now been introduced for individuals engaged in sales, relationship management, or other non-core services that involve client interaction but not research activities. Such personnel must now pass the NISM Series-XXV-A certification examination. PARS directly involved in research functions must continue to obtain the NISM Series-XV certification. Those who already hold the Series-XV certification are not required to take the new examination until their current certification expires.

For more information:

[https://www.sebi.gov.in/legal/circulars/mar-2026/ease-of-doing-business-relaxation-in-certification-requirement-for-persons-associated-with-research-services-pars-sales-and-other-non-core-services\\_100249.html](https://www.sebi.gov.in/legal/circulars/mar-2026/ease-of-doing-business-relaxation-in-certification-requirement-for-persons-associated-with-research-services-pars-sales-and-other-non-core-services_100249.html)

## MINISTRY OF FINANCE

### **1. Government Boosts Credit Flow to Agriculture Sector through Targeted Policy Measures**

The Government has taken several measures to increase institutional credit flow to the agriculture sector, including to the underserved agricultural segments. These measures inter-alia includes the following:

- i. The Government fixes Ground Level Credit (GLC) targets for agriculture and allied sector every year which banks are required to achieve during the financial year. These targets are set region wise, agency-wise (Scheduled Commercial Banks, Regional Rural Banks & Rural Cooperative banks) and loan

category wise (crop and term loan). Beginning in 2021–22, dedicated targets for allied activities under GLC were introduced to provide focused credit support for sectors such as dairy, fisheries, and animal husbandry.

- ii. In terms of extant guidelines on Priority Sector Lending (PSL) issued by RBI, Commercial Banks including Regional Rural Banks, Small Finance Banks, Local Area Banks and Primary (Urban) Co-operative Banks (UCBs) other than Salary Earners' Banks are mandated to allocate at least 18% of their Adjusted Net Bank Credit (ANBC) or Credit Equivalent of Off-Balance Sheet Exposures (CEOBSE), whichever is higher, to agriculture, out of which a sub-target of 10 percent is prescribed for Small and Marginal Farmers (SMFs).
- iii. Kisan Credit Card (KCC) provides farmers with timely and affordable credit for purchasing agricultural inputs such as seeds, fertilizers, and pesticides, as well as for meeting cash requirements related to crop production and allied activities. Since 2019, KCC scheme has been extended to cover working capital requirement of animal husbandry, dairying and fisheries.
- iv. The Government through NABARD provides allocation under Rural Infrastructure Development fund to support the rural infrastructure creation which creates credit absorption capacity in rural areas of the country.
- v. The Government has also taken various steps like technology upgradation etc. to strengthen Rural Financial Institutes (Rural Cooperative Banks and Regional Rural Banks) which are primarily operating in rural and backward areas of the country.

For more information:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2237490&reg=3&lang=1>

## **2. IBA Hosts RRB Conclave 2026 on “Next-Gen Reforms for RRBs – Challenges & Opportunities”**

The Indian Banks' Association (IBA) hosted a one day “RRB Conclave 2026: “Next-Gen Reforms for RRBs – Challenges & Opportunities” on 11<sup>th</sup> March 2026 in New Delhi. Organised under the guidance of the Department of Financial Services, Ministry of Finance, Government of India, the conclave was convened to deliberate on opportunities, challenges, and the roadmap for next-generation reforms for RRBs. The initiative forms part of the broader reform journey aimed at strengthening the regional rural banks and aligning with the national vision of Viksit Bharat @2047.

Deliberations on the conclave focused on key theme areas viz: (i) Banking for Emerging India, (ii) Innovation in Agri-Financing, (iii) Digital & Technology Transformation, (iv) Financial Inclusion & Customer EASE, (v) Human Resource Development & Capacity Building for RRBs, and (vi) Collaborative Approach.

The Joint Secretary, DFS, stressed the need to strengthen consortium-based approaches by leveraging technology and called for modernization of RRBs' Information Technology infrastructure. Emphasizing a shift in mindset, he remarked that the perspective of RRBs need to essentially reflect a vision of being a “Bank always available to people in rural areas.”

The deliberations are expected to bring forward practical insights from the leadership of RRBs to better understand emerging challenges and identify opportunities for improving governance, operational resilience, technology adoption, and human resource capabilities.

For more information:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2238779&reg=3&lang=1>

### **3. DRI raids illegal Alprazolam factory in Andhra Pradesh under Operation “White Hammer”; 237 kg drugs worth ₹47 crore and over 3.5 tonnes of chemicals seized; two arrested**

In a significant crackdown on the illicit manufacture of synthetic drugs, the Directorate of Revenue Intelligence (DRI) has busted a clandestine facility engaged in the production of **Alprazolam**, a psychotropic substance under the NDPS Act, 1985, in Kondapalli Industrial Development Area, District NTR, Andhra Pradesh.

The intelligence-driven and well-coordinated operation codenamed “**Operation White Hammer**”, was carried out on 11<sup>th</sup> and 12<sup>th</sup> March 2026, and revealed a full-fledged industrial setup for production of Alprazolam, operating under the guise of a chemical manufacturing unit.

Searches at the premises resulted in the seizure of **237 kg Alprazolam** with an estimated market value of Rs. 47 crore, along with over 800 kg key raw materials, 2,860 litres of various chemicals, and industrial-scale equipment such as reactors, driers and a centrifuge, demonstrating an organised, large-scale clandestine manufacturing facility.

Preliminary investigation revealed the operation was orchestrated by a chemist with over 20 years’ experience in chemical and pharmaceutical sector, in collusion with his associate who arranged raw materials and distribution in Hyderabad. The accused had rented the factory premises for clandestinely manufacturing Alprazolam. Both masterminds have been arrested.

For more information:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2239382&reg=3&lang=1>

### **4. Government takes Measures to Increase Enrolment and Ensure Timely Disbursement of Benefits under PMJJBY**

The total number of beneficiaries covered under the Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and the number of active policies during the last five years are 26,79,81,084 and 12,55,58,532 respectively as on 18.02.2026.

The number of claims filed, settled and rejected along with the claim settlement ratio during the last five years **are** 10,75,337 claims received, 10,41,853 claims paid, and 32,893 claims rejected, with a claim settlement ratio of **99.95%**. as on 18.02.2026

With the aim of increasing enrolments and reduce policy lapses, and ensure timely disbursement of benefits to beneficiaries in PMJJBY, the following measures are being taken:

- i. To reduce policy lapses, Department of Financial Services issues an annual action plan prior to the renewal cycle, which is shared with implementing banks, insurance companies, and the Life Insurance Council. The latest such action plan was issued on 13.5.2025 for implementation by all banks, post offices, and insurance companies.
- ii. Further, in order to increase coverage under PMJJBY, PMSBY, regular campaigns were held at grass root level with active participation of banks and local administration.
- iii. A strong network of about 16 lakh Banking Correspondents (BCs), representing the last mile connect in the Banking Services delivery system, is also enrolling eligible people under these social security Schemes.
- iv. Jansuraksha Portal has been introduced for providing affordable universal access to social security protection through end-to-end digitized journeys and empowering beneficiaries through seamless enrolment and claim remittance for PMJJBY and PMSBY.

For more information:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2237489&reg=3&lang=1>

## MINISTRY OF CORPORATE AFFAIRS

### **1. IICA in partnership with DG Resettlement (DGR), Ministry of Defence inaugurates the Fourth Batch of its Directors' Certification in Corporate Governance for Defence Officers**

The Indian Institute of Corporate Affairs (IICA) in partnership with Directorate General Resettlement (DGR), Ministry of Defence inaugurated the Fourth Batch of its Directors' Certification in Corporate Governance for Defence Officers on 9th March 2026, at the IICA Campus in Manesar, Gurugram.

The program equips participants with an understanding of the roles and responsibilities of an Independent Director, enabling them to contribute meaningfully to corporate boards by drawing on their extensive experience in leadership, strategy, information technology, cyber security, and project management.

He underscored IICA's commitment to supporting the Government's vision of trust-based regulation and Ease of Doing Business, emphasising that good governance and reduced compliance burden must go hand in hand.

He emphasized the qualities that companies and executive search firms seek in board members and highlighted the convergence between the values of the armed forces and the expectations of India Inc., making a compelling case for greater representation of defence officers on corporate boards.

**Dr. Niraj Gupta**, Head, School of Corporate Governance & Public Policy, IICA, delivered the Welcome and Thematic Address, setting the conceptual tone for the two-week program by orienting participants to the landscape of corporate governance and its intersections with public and military governance. Dr. Anindita Chakrabarti, Principal Research Associate, IICA led the proceedings of the program.

For more information:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2237747&reg=3&lang=1>

### **2. IEPFA and SEBI to Organise 'Niveshak Shivir' in Bhubaneswar to Empower Investors and Simplify Grievance Redressal and Unclaimed Dividend Claims**

The Investor Education and Protection Fund Authority (IEPFA), under the Ministry of Corporate Affairs, Government of India, in collaboration with the Securities and Exchange Board of India (SEBI), is organising a '**Niveshak Shivir**' in Bhubaneswar, Odisha on 27th March 2026, from 10:00 AM to 4:00 PM. The venue for this program is Event Square, Near Hotel Swosti Premium, Jaydev Vihar.

The initiative is designed as a **one-stop facilitation platform** to assist investors in resolving issues related to **unclaimed dividends and shares**, while also enabling direct access to investor services and on-ground grievance redressal mechanisms.

The **Niveshak Shivir model** promotes **direct, intermediary-free engagement** between investors, companies, and **Registrars and Transfer Agents (RTAs)**. Dedicated service kiosks will be established at the venue to ensure **prompt grievance redressal**.

Stakeholder companies with substantial unclaimed dividend accounts will participate actively to engage with investors and address their concerns efficiently.

IEPFA is dedicated to promoting investor education, awareness, and protection through sustained financial literacy initiatives and collaborative outreach programmes nationwide.

For more information:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2240318&reg=3&lang=1>

## INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

### **1. Once NCLT Approves Resolution Plan under IBC, Appeal Serves No Purpose: CESTAT disposes Aircel Ltd.'s Service Tax Appeal**

The Customs, Excise and Service Tax Appellate Tribunal [CESTAT] Chennai Bench has disposed of the Service Tax appeal filed by Aircel Limited after taking note of the approval of the company's Resolution Plan by the National Company Law Tribunal (NCLT) under the Insolvency and Bankruptcy Code, 2016 (IBC). The appeal was filed by Aircel Limited as a result of the passing of the Order in Appeal by the Commissioner of Customs, Central Excise and Service Tax (Appeals), Coimbatore. During the hearing of the appeal by the Tribunal the counsel appearing for Aircel Limited stated that the company had undergone the Corporate Insolvency Resolution Process (CIRP). Further, it was stated by the counsel for the company that the National Company Law Tribunal Mumbai Bench approved the resolution plan submitted by UV Asset Reconstruction Company Limited on June 9, 2020 for the insolvency proceedings of Aircel Limited and its group companies. However, it was stated by the counsel for the company that the appeal for service tax may be disposed of as the resolution plan has already been approved. No objection to the same was taken by the Departmental Representative. The argument of the appellant was that once the resolution plan is approved, as provided for in Section 31 of the IBC it becomes binding on all stakeholders including government authorities. Therefore, proceedings relating to the claims that were not included in the approved resolution plan cannot proceed or continue at the appellate forums. The Tribunal comprising Ajayan T. V. (Judicial Member) and M. Ajit Kumar (Technical Member) relied on the judgment of the Supreme Court of India in the case of Ghanashyam Mishra and Sons Pvt. Ltd. v. Edelweiss Asset Reconstruction Company Ltd, where it held that once the resolution plan is approved, all other claims excluded from the plan would stand extinguished, and no proceedings would continue or be initiated relating to the same. Further, the Bench noted that since the resolution plan had already been approved by the NCLT and did not provide for the continuation of the present appeal hence the Tribunal could not proceed further. Accordingly, the Tribunal held that in the context of the approved resolution plan under the IBC, the present proceedings of the Service Tax appeal could not be continued and the appeal stood disposed of.

For more information:

<https://www.taxscan.in/top-stories/once-nclt-approves-resolution-plan-under-ibc-appeal-serves-no-purpose-cestat-disposes-aircel-ltds-service-tax-appeal-1443947>

## RESERVE BANK OF INDIA

### **1. RBI Issues Amendment Directions on 'Clarification on Owned Fund / Tier 1 Capital computation for NBFCs / ARCs and applicability to Credit / Investment Concentration Norms'**

Reserve Bank had, on January 13, 2026, issued seven draft Amendment Directions on 'Clarification on Owned Fund / Tier 1 Capital computation for NBFCs / ARCs and applicability to Credit / Investment Concentration Norms' seeking feedback from stakeholders. Currently, NBFCs (other than NBFC-UL) and ARCs reckon Tier 1 Capital as on March 31 of the previous year for complying with Credit / Investment concentration norms. The draft directions were aimed to incorporate proposed clarifications and revisions in the matter following review of relevant provisions / Directions / guidelines in response to requests received from NBFCs.

For more information:

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=62357](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=62357)

### **2. RBI issues Amendment Directions on 'Counterparty Credit Risk - Add-on factors for computation of Potential Future Exposure'**

1. The Reserve Bank of India had issued the draft circular on 'Counterparty Credit Risk: Add-on factors for computation of Potential Future Exposure – Revised Instructions' on August 20, 2025, seeking inputs from banks and other stakeholders till September 10, 2025. The draft instructions proposed to modify the

Counterparty Credit Risk (CCR) related instructions to (i) clarify that banks acting as clearing members of SEBI recognized stock exchanges in the equity derivatives and commodity derivatives segments are required to maintain capital charge for CCR; and (ii) largely align the add-on factors for calculation of Potential Future Exposure (PFE) in the Current Exposure Method (CEM) for 'Interest Rate Contracts' and 'Exchange Rate Contracts and Gold' with the Basel Committee on Banking Supervision (BCBS) guidelines.

2. Feedback received on the draft instructions has been examined and consequent modifications have been suitably incorporated in the final Amendment Directions. Statement on the feedback received on the draft instructions is provided in the Annex.
3. Accordingly, the Reserve Bank of India has today issued the following Amendment Directions to amend the extant instructions relating to Add-on factors for computation of Potential Future Exposure under CCR:

For more information:

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=62359](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=62359)

### **3. RBI issues Directions on Prudential Norms on Declaration of Dividend and Remittance of Profit by Regulated Entities**

The Reserve Bank of India has today issued the following five Master Directions, four Repeal Directions and one Amendment Guideline to revise the extant instructions applicable to banks. These Directions shall come into effect from Financial Year (FY) 2026-27 and the extant prudential norms on declaration of dividend and remittance of profits shall remain valid till FY 2025-26.

For more information:

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=62358](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=62358)

### **4. RBI announces OMO Purchase of Government of India Securities**

As announced vide the Press Release 2025-26/2228 dated March 06, 2026, the Reserve Bank will be conducting OMO purchase auction of Government of India securities for an aggregate amount of ₹50,000 crore on March 13, 2026.

For more information:

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=62367](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=62367)

### **5. Reserve Money and Money Supply for the fortnight ended February 28, 2026**

The Reserve Bank has today released data on Reserve Money and Money Supply for the fortnight ended February 28, 2026.

For more information:

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=62366](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=62366)

### **6. Digital Payments Awareness Week 2026 - Launch of 'Awareness Program on Digital Payments' and Interaction with Payment Systems Operators (PSOs)**

The sixth edition of Digital Payments Awareness Week (DPAW) is being observed during March 9-13, 2026. As part of this initiative, Governor Shri Sanjay Malhotra today launched the pilot program titled 'Awareness Program on Digital Payments'. The pilot will be conducted in Maharashtra in partnership with CSC e-Governance Services India Limited. The pilot will include conduct of in-person awareness programs for 10 lakh participants in rural and semi urban areas through Village Level Entrepreneurs (VLEs).

Speaking at the launch event, Governor highlighted the need to maintain trust in digital payments and underscored the Reserve Bank's efforts towards enhancing customer awareness and protection. He urged the stakeholders to take collaborative steps to further strengthen public confidence in adoption and usage of digital payments.

On this occasion, the Reserve Bank also launched a multi-media awareness campaign “**Thoda Dhyan Se**” (be alert/ be careful), which encourages users to be careful while making payments and transacting online.

Following the launch, the Governor also interacted with the Managing Directors/Chief Executive Officers of select Payment Systems Operators (PSOs).

Deputy Governors, Shri T Rabi Sankar, Dr Poonam Gupta and Shri S C Murmu, and other senior officers of the Reserve Bank, also attended the event.

For more information:

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=62374](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=62374)

#### **7. RBI imposes monetary penalty on Manappuram Finance Limited**

The Reserve Bank of India (RBI) has, by an order dated March 09, 2026, imposed a monetary penalty of ₹2.70 lakh (Rupees Two Lakh Seventy Thousand only) on Manappuram Finance Limited (the company) for non-compliance with certain directions issued by RBI on ‘Guidelines on Compensation of Key Managerial Personnel - Deferral of variable pay’. This penalty has been imposed in exercise of powers conferred on RBI under section 58G(1)(b) read with section 58B(5)(aa) of the Reserve Bank of India Act, 1934.

The statutory inspection of the company was conducted by RBI with reference to its financial position as on March 31, 2025. Based on the supervisory findings of non-compliance with RBI directions and related correspondence in that regard, a notice was issued to the company advising it to show cause as to why penalty should not be imposed on it for failure to comply with the said directions.

After considering the company’s reply to the notice and oral submissions made during the personal hearing, RBI found that the following charge against the company was sustained, warranting imposition of monetary penalty:

The company had paid the entire variable pay upfront to certain Key Managerial Personnel, without any deferment.

This action is based on deficiencies in regulatory compliance and is not intended to pronounce upon the validity of any transaction or agreement entered into by the company with its customers. Further, imposition of this monetary penalty is without prejudice to any other action that may be initiated by RBI against the company.

For more information:

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=62381](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=62381)

**You may send your suggestions at [niyati@asalegal.in](mailto:niyati@asalegal.in)**

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