



# NEWSLETTER <sup>Weekly</sup>

Volume-CXL, Issue-V, Dated: 30<sup>th</sup> March, 2026

## SECURITIES AND EXCHANGE BOARD OF INDIA

### **1. Clarification regarding eligibility of members of the Institute of Cost Accountants of India to conduct annual audit of Research Analysts.**

The Securities and Exchange Board of India (SEBI), through its circular dated March 25, 2026, has clarified the eligibility criteria for conducting annual compliance audits of Research Analysts (RAs). Earlier, only members of the Institute of Chartered Accountants of India (ICAI) and the Institute of Company Secretaries of India (ICSI) were permitted to conduct such audits. Based on representations and regulatory provisions under Regulation 25(3) of the SEBI (Research Analysts) Regulations, 2014, SEBI has now extended this eligibility to members of the Institute of Cost Accountants of India (ICMAI). The revised framework mandates that RAs must complete annual audits within six months from the end of the financial year and submit reports within prescribed timelines. Additionally, audit findings and corrective actions must be disclosed on the entity's website and shared with clients. This amendment enhances professional inclusivity while strengthening compliance, transparency, and investor protection in the research analyst ecosystem.

For more information, you can access the SEBI circular here:

[https://www.sebi.gov.in/legal/circulars/mar-2026/clarification-regarding-eligibility-of-members-of-the-institute-of-cost-accountants-of-india-to-conduct-annual-audit-of-research-analysts\\_100565.html](https://www.sebi.gov.in/legal/circulars/mar-2026/clarification-regarding-eligibility-of-members-of-the-institute-of-cost-accountants-of-india-to-conduct-annual-audit-of-research-analysts_100565.html)

### **2. Clarification regarding eligibility of members of the Institute of Cost Accountants of India to conduct annual audit of Investment Advisers.**

The Securities and Exchange Board of India (SEBI), through a circular dated March 25, 2026, clarified and expanded the eligibility criteria for conducting annual compliance audits of Investment Advisers (IAs). The circular modifies the Master Circular to allow members of the Institute of Cost Accountants of India, in addition to members of the Institute of Chartered Accountants of India and Institute of Company Secretaries of India, to perform such audits under the SEBI (Investment Advisers) Regulations, 2013. Investment Advisers must complete annual audits within six months of the financial year-end and submit reports, including adverse findings, by October 31. The circular also mandates obtaining annual compliance certificates for client-level segregation. This move enhances professional inclusivity, ensures robust compliance monitoring, and strengthens investor protection by broadening the pool of qualified auditors.

For more information, you can access the SEBI circular here:

[https://www.sebi.gov.in/legal/circulars/mar-2026/clarification-regarding-eligibility-of-members-of-the-institute-of-cost-accountants-of-india-to-conduct-annual-audit-of-investment-advisers\\_100561.html](https://www.sebi.gov.in/legal/circulars/mar-2026/clarification-regarding-eligibility-of-members-of-the-institute-of-cost-accountants-of-india-to-conduct-annual-audit-of-investment-advisers_100561.html)

### **3. Addendum to SEBI Circular on Borrowing by Mutual Funds.**

The Securities and Exchange Board of India (SEBI) issued an addendum to its earlier circular on borrowing by mutual funds, deferring the implementation of guidelines relating to intraday borrowings. The revised circular postpones the applicability of these provisions, originally introduced in March 2026, to July 15, 2026, in response to operational challenges raised by Asset Management Companies (AMCs). The guidelines, forming part of the SEBI Master Circular for Mutual Funds, aim to regulate borrowing practices and ensure prudent liquidity management. By granting additional time, SEBI intends to facilitate smoother implementation and allow stakeholders to align systems and processes with regulatory requirements. The decision reflects a balanced regulatory approach that considers industry concerns while maintaining investor protection and market stability under the SEBI (Mutual Funds) Regulations, 1996.

For more information, you can access the SEBI circular here:

[https://www.sebi.gov.in/legal/circulars/mar-2026/addendum-to-sebi-circular-on-borrowing-by-mutual-funds\\_100560.html](https://www.sebi.gov.in/legal/circulars/mar-2026/addendum-to-sebi-circular-on-borrowing-by-mutual-funds_100560.html)

## MINISTRY OF FINANCE

### **1. RBI Strengthens Framework on Unauthorised Electronic Banking Transactions.**

The Reserve Bank of India (RBI) had issued the extant instructions on limiting liability of customers in unauthorized electronic banking transactions in 2017. However, in view of the rapid adoption of technology in the banking sector and payments systems, RBI reviewed its existing instructions. The revised instructions, including a compensation mechanism in case of small value fraudulent electronic banking transactions, have been issued for public / stakeholders' consultation on March 06, 2026. Indian Digital Payment Intelligence Corporation (IDPIC) has been incorporated as section 8 company, under the Companies Act, 2013 on 16/10/2025. Its primary mandate is to detect, prevent, and analyze fraud in India's rapidly expanding digital payments ecosystem in real time by leveraging cutting-edge technologies, including Artificial Intelligence (AI), Machine Learning (ML), and Big Data Analytics. The Government has been constantly engaging with the Reserve Bank of India (RBI) and other concerned Regulators/ stakeholders. To curb the misuse of mule accounts for diversion and layering of funds in cyber frauds across the country, RBI has rolled out "MuleHunter.AI" an artificial intelligence/ machine learning-based solution for mule account detection. The solution is currently live in 26 banks and is being scaled up further. RBI has also issued advisories delineating specific actions to be taken by the banks in mitigating the misuse of banking channel through robust systems and controls for the prevention and detection of cyber enabled frauds & suspected money mules. Financial Literacy Week (FLW) has been conducted every year since 2016 to propagate the message of financial education among citizens across the country; RBI's multi-media and multilingual public awareness campaign, titled "RBI Kehta Hai" promotes financial literacy to create awareness among citizens on safe banking practices.

For more information, you can access the GOI press release here:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2244478&reg=3&lang=1>

### **2. RBI, IRDAI and SEBI Intensify Measures to Help Citizens Reclaim Unclaimed Deposits.**

The Financial Sector Regulators namely, Reserve Bank of India (RBI), Insurance Regulatory and Development Authority of India (IRDAI), and Securities and Exchange Board of India (SEBI) have informed that as on 28.02.2026, the unclaimed amount transferred by Public Sector Banks (PSBs) to the Depositor Education and Awareness (DEA) Fund of RBI is ₹ 60,518 crore (as on 31.1.2026).

In order to ensure timely identification of rightful claimants, reducing both the existing stock of unclaimed financial assets as well as the fresh accretion to it and to simplify and expedite the claim process for citizens, various measures have been undertaken by the Financial Sector Regulators, including, inter alia, the following:

- i. The RBI has issued comprehensive directions on settlement of claims in respect of deceased customers of banks, now consolidated under the RBI Responsible Business Conduction Directions, 2025, and an incentive scheme effective from 1.10.2025 providing a payout of 5% - 7.5% of the unclaimed deposit amount (subject to a cap) for successful settlement of claims. Banks have also been advised to undertake periodic drives to trace depositors or nominees or legal heirs, publish lists of unclaimed deposits and conduct awareness campaigns. The Banking Laws (Amendment) Act, 2025 has enabled multiple nominations in bank accounts, including successive and simultaneous nominations up to four. Further, the Indian Banks' Association (IBA) has introduced a Common Application Form and SOP for settlement of unclaimed deposits through a dedicated portal of banks.
- ii. IRDAI has informed that the collection of details of proposer as well as nominee are mandated and are required to be collected at the proposal stage itself. Insurers have been advised to initiate all possible measures to reach out to their customer regularly by sending advance intimation about their claims due

and to enhance their efforts in tracing the rightful recipient of unpaid amounts and ensure efficient disbursement of the same. Further, the SOPs, FAQs and awareness videos are made available on IRDAI website.

In terms of the DEA Fund Scheme, 2014, banks are mandated to transfer the credit balance in accounts which have not been operated upon for a period of 10 years or more, to DEA Fund. Further, the total amount of unclaimed deposits due to depositors which have been transferred to DEA Fund, form part of Contingent Liability (as off- balance sheet item) of the respective banks.

For more information, you can access the GOI press release here:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2244475&reg=3&lang=1>

### **3. National Housing Bank launches Gruh Sugam Portal focusing on Defence, Paramilitary & Government Personnel.**

The National Housing Bank (NHB), the apex agency established by Government of India to promote cost effective housing finance system, has launched the Gruh Sugam Portal. The portal enables Defence / Government personnel to avail home loans with ease from the location of their posting. This portal will accelerate digital lending adoption and financial inclusion. It will facilitate increased home ownership through improved access to housing loans, strengthening the mission of promoting affordable and sustainable housing finance.

#### **Salient features of the portal:**

- Defence Personnel, Members of Paramilitary Forces, Government Employees (State and Central) can apply for housing loans digitally through their respective administrative units. No need to visit the banks and financial institutions for loan approvals and processing.
- Unified Digital Marketplace which enables market transparency and discovery of best suited offer.
- Seamless digital integration with NHB and lending institutions to ensure ease of operations
- Enhanced Loan Processing Efficiency
- Grievance Redressal and Consumer Protection
- Online Chat facility for quick query resolution

For more information, you can access the GOI press release here:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2245721&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, you can access the GOI press release here:

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

## **5. Oriental Insurance Company Limited (OICL) crosses ₹20,000 crore in Gross Premium for FY 2025–2026.**

The Oriental Insurance Company Limited (OICL) has crossed ₹20,000 crore in Gross Premium for the FY 2025–2026. The development signifies growing trust of policyholders, intermediaries, and stakeholders in OICL in particular and public sector insurance institutions as a whole. The achievement aligns with the broader objective of the Government to promote financial inclusion (Insurance for All by 2047) and ensure wider access to risk protection mechanisms. For OICL, Motor Segment remained the Cornerstone of Growth and was the largest contributor to OICL's portfolio: Private Car Insurance led the segment with over 14.5 lakh policies and premium of Rs. 869 Cr. Two-Wheeler Insurance followed with 15.5 lakh policies and premium of Rs 143 Cr, reflecting strong presence in the retail segment. Goods Carrying Commercial Vehicle (GCCV) – with 4.82 lakh policies and premium of Rs 1725 Cr. This Department applauds the efforts made by the employees of Oriental Insurance Company Limited for their commitment to operational excellence and customer service. The Government reiterates its continued support to public sector insurance companies in their efforts to expand outreach, adopt innovative practices, and strengthen service delivery for the benefit of the nation.

For more information, you can access the GOI press release here:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2246224&reg=3&lang=1>

## **MINISTRY OF CORPORATE AFFAIRS**

### **1. IICA and NLUJA, Assam Launch LL.M. Programme in Corporate Law and Management.**

Ms. Deepti Gaur Mukerjee, Secretary, Ministry of Corporate Affairs, Government of India, formally launched the LL.M. in Corporate Law and Management, a two-year, fully residential programme, on 24th March 2026 at Kartavya Bhawan-I, New Delhi. The programme will be jointly offered by the Indian Institute of Corporate Affairs (IICA) and the National Law University and Judicial Academy Assam. Addressing the gathering, the Secretary, MCA, commended IICA and NLUJAA for successfully conceptualizing and launching a highly specialized master's programme in corporate law within a very short span of time and it would serve as landmark initiative since the inauguration of the Northeastern Centre of IICA by Hon'ble Finance Minister. She highlighted that the structure of the programme is thoughtfully designed and draws strength from the MCA's regulatory architecture and will enable students to gain hands-on exposure to industry experts, policymakers, and regulators. Shri Gyaneshwar Kumar Singh, DG & CEO, IICA, remarked that the two year programme has been uniquely designed to strengthen professional competencies in corporate law, governance, and regulatory frameworks. He underlined its importance in equipping students—especially from the North-Eastern region—with both academic rigor and practical insights aligned with the evolving corporate landscape. Prof. K. V. S. Sarma, Vice Chancellor, NLUJAA, stated that the programme aims to integrate legal education with managerial and compliance-oriented perspectives. He acknowledged the support of the Ministry of Corporate Affairs and appreciated the collaborative efforts of IICA leadership, faculty, and institutional partners in shaping this initiative.

For more information, you can access the GOI press release here:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2245675&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, you can access the GOI press release here:

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

## **INSOLVENCY AND BANKRUPTCY BOARD OF INDIA**

### **1. Parliament: LS to discuss Insolvency, Bankruptcy Code Bill; RS to take up CAPF Bill.**

The Insolvency and Bankruptcy Code (Amendment) Bill, 2025, is scheduled to be further discussed in the Lower House of Parliament on Monday. The Lok Sabha took up the Bill moved by Finance Minister Nirmala Sitharaman for discussion on March 27. The Bill, which was initially referred to a Select Committee, has been introduced to address the delays and bring procedural amendments to the insolvency and bankruptcy of a company or individual. The Lower House is also likely to take up discussion on the government's efforts to free the country from left-wing extremism, as Union Home Minister Amit Shah had announced March 2026 as the deadline for Naxal-free India. According to the List of Business, Shiv Sena MP Shrikant Shinde will move the motion for the short-duration discussion under Rule 193 of the Lok Sabha. Amit Shah, on several occasions, has affirmed the Centre's commitment to uprooting Naxalism by March 31, 2026. Meanwhile, in the Rajya Sabha, the Central Armed Police Forces (General Administration) Bill, 2026, will be taken up for further consideration. Union Minister Amit Shah will move the Bill for passing. On March 25, Minister of State (MoS) Home Nityanand Rai introduced the Bill in the Upper House, while the INDIA bloc MPs opposed it. The Bill provides for 50 per cent of posts in the CAPFs to be filled by deputation in the rank of Inspector General, and a minimum of 67 per cent of the posts to be filled by deputation in the rank of Additional Director General, and all posts in the ranks of Special Director General and Director General shall be filled by deputation only. The Opposition MPs flagged that the Bill goes against the Supreme Court judgment in 2025, which called for "the number of posts earmarked for deputation in the cadres of the CAPFs upto the level of Senior Administrative Grade (SAG) should be progressively reduced over a period of time, say within an outer limit of two years."

For more information, you can access the article here:

<https://news.webindia123.com/news/Articles/India/20260330/4432977.html>

## **RESERVE BANK OF INDIA**

### **1. Master Direction - Reserve Bank of India (Unique Identifiers in Financial Markets) Directions, 2026.**

Identifiers such as the Legal Entity Identifier (LEI) and Unique Transaction Identifier (UTI) are key global standards for promoting transparency in the financial markets. The Reserve Bank has mandated the implementation of LEI and UTI for transactions in financial markets regulated by it. The directions for the

implementation of these unique identifiers have been issued through various circulars. The directions have now been consolidated and issued in this Master Direction. The Master Direction has been issued in exercise of the powers conferred under section 45W of the Reserve Bank of India Act, 1934, read with section 45U of the Act and of all the powers enabling it in this behalf.

For more information, you can access the RBI notification here:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=13343&Mode=0>

## **2. NOP-INR position of Authorised Dealers.**

Authorized Dealers must check the Master Direction - Risk Management and Inter-Bank Dealings dated July 05, 2016, as amended from time to time. In terms of paragraph A (ii) (a) of Annex I of the Master Direction, the Reserve Bank may prescribe limits for open positions involving Rupee (NOP-INR) for exchange rate management, depending on market conditions. Accordingly, it has now been decided that Authorized Dealers shall ensure that their NOP-INR positions in the onshore deliverable market shall be maintained within US\$ 100 million at the end of each business day. Authorized Dealers shall ensure compliance with the above at the earliest but no later than April 10, 2026. The directions contained in this circular have been issued under Sections 10(4), 11(1) and 11(2) of the FEMA, 1999 (42 of 1999) and are without prejudice to permissions / approvals, if any, required under any other law.

For more information, you can access the RBI notification here:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=13344&Mode=0>

## **3. RBI imposes monetary penalty on Central Bank of India.**

The Reserve Bank of India (RBI) has, by an order dated March 23, 2026, imposed a monetary penalty of ₹63.60 lakh (Rupees Sixty Three Lakh Sixty Thousand only) on Central Bank of India (the bank) for non-compliance with certain provisions of directions issued by RBI on 'Know Your Customer (KYC)' and 'Financial Inclusion - Access to Banking Services - Basic Savings Bank Deposit Account (BSBDA)'. This penalty has been imposed in exercise of powers conferred on RBI under the provisions of section 47A(1)(c) read with sections 46(4)(i) and 51(1) of the Banking Regulation Act, 1949. The Statutory Inspection for Supervisory Evaluation (ISE 2025) of the bank was conducted by RBI with reference to its financial position as on March 31, 2025. Based on the supervisory findings of non-compliance with the provisions of RBI directions, a notice was issued to the bank advising it to show cause as to why penalty should not be imposed on it for its failure to comply with the said provisions of RBI directions. After considering the bank's reply to the notice, additional submission made by it and oral submissions made during the personal hearing, RBI found that the following charges against the bank were sustained, warranting imposition of monetary penalty: i) the bank failed to upload the KYC records of certain customers onto Central KYC Records Registry within the prescribed timeline. ii) the bank opened additional BSBDA accounts of certain customers, who were already holding BSBDA accounts in the bank. The action is based on deficiencies in statutory compliance and is not intended to pronounce upon the validity of any transaction or agreement entered into by the bank with its customers. Further, imposition of monetary penalty is without prejudice to any other action that may be initiated by RBI against the bank.

For more information, you can access the RBI press release here:

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=62453](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=62453)

## **4. RBI imposes monetary penalty on Pine Labs Limited.**

The Reserve Bank of India (RBI) has, by an order dated March 23, 2026, imposed a monetary penalty of ₹3.10 lakh (Rupees Three Lakh Ten Thousand only) on Pine Labs Limited (formerly known as Pine Labs Private Limited) [the company] for non-compliance with certain provisions of the directions issued by RBI on 'Prepaid Payment Instruments (PPIs)'. This penalty has been imposed in exercise of powers conferred on RBI under the provisions of section 30(1) read with section 26(6) of the Payment and Settlement Systems Act, 2007. The statutory inspection of the company was conducted by RBI with reference to its operations

for the period from July 2024 to May 2025. Based on 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 its failure to comply with the said directions. After considering the company's reply to the notice, additional submissions made by it and oral submissions made during the personal hearing, RBI found that the charge against the company of issuing several Full-KYC Prepaid Payment Instruments (PPIs) without completing Know Your Customer (KYC) of the PPI holders was sustained, warranting imposition of monetary penalty. The 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 monetary penalty is without prejudice to any other action that may be initiated by RBI against the company.

For more information, you can access the RBI press release here:

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=62452](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=62452)

#### **5. RBI imposes monetary penalty on Bank of India.**

The Reserve Bank of India (RBI) has, by an order dated March 23, 2026, imposed a monetary penalty of ₹58.50 lakh (Rupees Fifty Eight Lakh Fifty Thousand only) on Bank of India (the bank) for non-compliance with certain provisions of the directions issued by RBI on 'Priority Sector Lending (PSL) – Targets and Classification' and 'Interest Rate on Deposits'. This penalty has been imposed in exercise of powers conferred on RBI under the provisions of section 47A(1)(c) read with sections 46(4)(i) and 51(1) of the Banking Regulation Act, 1949. The Statutory Inspection for Supervisory Evaluation (ISE 2025) of the bank was conducted by RBI with reference to its financial position as on March 31, 2025. Based on supervisory findings of non-compliance with RBI directions and related correspondence in that regard, a notice was issued to the bank advising it to show cause as to why penalty should not be imposed on it for its failure to comply with the said directions. After considering the bank's reply to the notice, additional submissions made by it and oral submissions made during the personal hearing, RBI found that the following charges against the bank were sustained, warranting imposition of monetary penalty: i) the bank collected ad-hoc service charges / inspection charges / processing charges in certain priority sector loan accounts, having sanctioned amount up to ₹25,000/-; and ii) the bank did not pay interest on certain Term Deposit Receipts (TDRs) from the date of maturity till the date of their repayment. The 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 bank with its customers. Further, imposition of monetary penalty is without prejudice to any other action that may be initiated by RBI against the bank.

For more information, you can access the RBI press release here:

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=62451](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=62451)

#### **6. RBI imposes monetary penalty on Union Bank of India.**

The Reserve Bank of India (RBI) has, by an order dated March 23, 2026, imposed a monetary penalty of ₹95.40 lakh (Rupees Ninety Five Lakh Forty Thousand only) on Union Bank of India (the bank) for non-compliance with certain directions issued by RBI on 'Limiting Liability of Customers in Unauthorised Electronic Banking Transactions', and 'Automation of Income Recognition, Asset Classification and Provisioning processes'. This penalty has been imposed in exercise of powers conferred on RBI under the provisions of section 47 A(1)(c) read with sections 46(4)(i) and 51(1) of the Banking Regulation Act, 1949. The Statutory Inspection for Supervisory Evaluation of the bank was conducted by RBI with reference to its financial position as on March 31, 2025. Based on supervisory findings of non-compliance with the provisions of RBI directions and related correspondence in that regard, a notice was issued to the bank advising it to show cause as to why penalty should not be imposed on it for failure to comply with the said RBI directions. After considering the bank's reply to the notice, additional submissions made by it and oral submissions made during the personal hearing, RBI found that the following charges against the bank were sustained, warranting imposition of monetary penalty: (i) The bank did not credit (shadow reversal) the amount involved in the unauthorised electronic transaction to certain customers' accounts within 10 working days from the date of such notification by the customer; (ii) The bank did not provide customers with 24x7

access to report unauthorised banking transactions through multiple channels; and (iii) The bank resorted to manual intervention in the System based asset classification process in certain KCC accounts. The action is based on deficiencies in statutory and regulatory compliance and is not intended to pronounce upon the validity of any transaction or agreement entered into by the bank with its customers. Further, imposition of monetary penalty is without prejudice to any other action that may be initiated by RBI against the bank.

For more information, you can access the RBI press release here:

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=62454](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=62454)

## 7. WMA Limit for Government of India for April - September 2026.

Reserve Bank of India, in consultation with the Government of India, has decided that the limit for Ways and Means Advances (WMA) for the first half of the financial year 2026-27 (April to September 2026) will be ₹2,50,000 crore. Reserve Bank of India may trigger fresh floatation of market loans when the Government of India utilizes 75 per cent of the WMA limit. Reserve Bank of India, in consultation with the Government of India, retains the flexibility to revise the WMA limit at any time taking into consideration the prevailing circumstances. The interest rate on WMA/Overdraft will be as under:

- i. WMA: Repo Rate; and
- ii. Overdraft: Two percent above the Repo Rate

For more information, you can access the RBI press release here:

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=62458](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=62458)

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

### ***Disclaimer:***

*The content in this mail is offered only as updates in Financial, Capital Market, Corporate etc. sectors. This mail should not be used as a substitute for obtaining legal advice from an attorney licensed or authorized to practice in your jurisdiction. Nothing in this mail is intended to create an attorney-client relationship and nothing posted constitutes legal advice.*

---

#### **DELHI**

3, Birbal Road, Ground & First Floor,  
Jangpura Extension, New Delhi 110014.  
Phone: +91-11-43108998, 45661440,  
43552440, +91-11-24327050-52,  
9311052521

#### **MUMBAI**

404-405, 4<sup>th</sup> Floor, Magnum Opus,  
Near Grand Hyatt,  
Behind Mudra Group,  
Santacruz (East),  
Mumbai – 400 055.  
Phone: +91-22-62368654, 26661979

#### **BENGALURU**

1007, A-Wing, 10<sup>th</sup> Floor,  
Mittal Tower, M.G. Road,  
Bengaluru – 560001.  
Phone: +91-80-48536504

#### **AHMEDABAD**

Office No.10, Business Centre,  
5<sup>th</sup> Floor, Kalapuram Complex,  
Near Municipal Market,  
C.G. Road, Navrangpura,  
Ahmedabad-380009.  
Phone: +91-079-66660888,  
+91-9173660088