



## AL INSIGHTS

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## ABOUT ACUITY LAW

Acuity Law was founded in November 2011. We advise Indian and multinational companies, funds, banks and financial institutions, founders of companies, management teams, international law firms, domestic and international investment banks, financial advisors, and government agencies in various transactions in and outside India.

Acuity Law takes pride in rendering incisive legal advice taking into consideration commercial realities. Our areas of practice are divided into the following departments – Corporate practice; Direct Tax practice; Disputes practice; and Global Trade and Indirect Tax practice.

As part of the corporate practice, Acuity Law advises on:

- Mergers and acquisitions;
- Distressed mergers and acquisitions;
- Insolvency law;
- Private Equity and Venture Funding;
- Employment and labour laws;
- Commercial and trading arrangements; and
- Corporate Advisory.

As part of the Global Trade and Tax practice, Acuity Law advises on:

- Cross-border tax planning and jurisdiction analysis;
- Strategies for acquisitions, mergers, divestitures, diversification, or consolidation of businesses;
- Inbound and outbound investment structuring;
- Endowment planning/wealth management strategies;
- Global Trade & Customs laws, including foreign trade policy;
- International supply chain optimization;
- Goods & Services Tax and other Direct and Indirect taxes.

As part of the Disputes practice, Acuity Law advises and represents clients on domestic and cross - border:

- Civil disputes;
- Criminal law matters; and
- Arbitration matters.

Acuity Law actively follows legislative and policy developments in its chosen areas of practice and shares such developments with clients and friends on a regular basis.

If you want to know more about Acuity Law, please visit our website [acuitylaw.co.in](http://acuitylaw.co.in) or write to us at [al@acuitylaw.co.in](mailto:al@acuitylaw.co.in).

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This monthly legal roundup is a compilation of our thought leadership articles published in the month of March 2025 on key legal and regulatory topics. Please click on the access links to read more.

## **A. CORPORATE**

### **1. SEBI proposes expanding investment opportunities for category II AIFs**

The Securities Exchange Board of India (SEBI) on 07 February 2025, issued a consultation paper proposing to expand the investment avenues available to Category II AIFs under the SEBI (Alternative Investment Fund) Regulations, 2012, in relation to debt securities of listed companies. The consultation paper addresses the concerns raised by the AIF industry association arising from the amendments to SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (LODR Regulations).

[Read more](#)

### **2. Opening of Demat Account in name of Association of Persons**

The Securities Exchange Board of India (SEBI) has issued a circular dated 25 February 2025, amending the Master Circular for Depositories dated 03 December 2024. The amendment allows association of persons (AoP(s)) to open demat accounts in their own names to hold permitted securities.

[Read more](#)

### **3. Update on appointment and change of key managerial personnel by Fund Management Entities**

The International Financial Services Centre Authority has issued new guidelines for the appointment and change of Key Managerial Personnel by Fund Management Entities in IFSCs, effective from 20 February 2025.

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### **4. SEBI PIT Regulation Amendment: Strengthening insider trading norms**

International Financial Services Centre Authority has issued new guidelines for the appointment and change of Key Managerial Personnel by Fund Management Entities in IFSCs, effective from 20 February 2025.

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## **B. TAX**

### **1. Reduction of share capital amounts to 'transfer' of capital assets**

The Supreme Court in the case of Principal Commissioner of Income-tax v. Jupiter Capital (P.) Ltd. has held that reduction of share capital could be considered 'transfer' of capital assets under section 2(47) of the Income-tax Act, 1961 and the resultant capital loss should be allowed.

[Read more](#)

## **C. DISPUTES**

### **1. Registration as "Supplier" not required to approach facilitation council under MSME Act**

The Supreme Court in its single judge bench ruling '*NBCC (India) v. State of West Bengal*' clarified that a party is not required to be a 'supplier' in order to approach the Facilitation Council even when section 17 of the MSME Act provides for the liability of the buyer in relation to the goods supplied or services rendered by the 'supplier'.

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**D. MISCELLANEOUS****1. DPDP Rules: End of a long wait or yet another failed attempt?**

The Ministry of Electronics and Information Technology (MEITY) has released draft Digital Personal Data Protection Rules that aim to protect rights and privacy of individuals while clarifying the procedural framework for implementation of Digital Personal Data Protection Act, 2023. In this update, we discuss the key provisions of the draft rules and share our thoughts on the same.

[Read more](#)

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