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## FROM THE GOVERNMENT

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- The Companies (Incorporation) Second Amendment Rules, 2025
- Corrigendum to the Request for Proposal (RFP) for Third Party Evaluation (TPE) of Corporate Data Management (CDM) Scheme
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## Corporate Laws

Ministry of Corporate Affairs

### 01 Corrigendum to the Details of Pre-bid meeting date, submission of bids, etc. for REQUEST FOR PROPOSAL (RFP) floated on Gem Portal vide Bid Number: GEM/2025/B/6586758 dated 19.08.2025

[Issued by the Ministry of Corporate Affairs No. EGov-04/29/2025-e-Gov-MCA dated 27.08.2025]

Please refer to this Ministry Request for Proposal (RFP) document No. GEM/2025/B/6586758 dated 19.08.2025 on the subject matter of "Request for Proposal (RFP) for on boarding of consultant for Preparing Scoping Report, RFP, Bid Management Process, Project Implementation Monitoring for enhancements/upgrades in MCA21 system". Last date of submission of queries / requests for clarification may be read as "29.08.2025 09:00 AM" instead of "25.08.2025".

2. The Bidders are requested to submit the queries accordingly.

**KIRAN REDDY T**  
Director

*Complete details are not published here for want of space. For complete notification readers may log on to [www.mca.gov.in](http://www.mca.gov.in)*

### 02 The Companies (Incorporation) Second Amendment Rules, 2025

[Issued by the Ministry of Corporate Affairs [F. No. 01/13/2013 CL-V, Vol-VI] dated 26.08.2025]

In exercise of the powers conferred by section 3, section 4, sub-sections (5) and (6) of section 5, section 6, sub-sections (1) and (2) of section 7, sub-sections (1) and (2) of section 8, sub-sections (2), (3), (4), (5) and (9) of section 12, sub-sections (3), (4) and proviso to sub-section (5) of section 13, sub-section (2) of section 14, subsection (1) of section 17, section 20 read with sub-sections (1) and (2) of section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Incorporation) Rules, 2014, namely:-

1. (1) These rules may be called the Companies (Incorporation) Second Amendment Rules, 2025.
- (2) They shall come into force on the 15<sup>th</sup> day of September 2025.

**BALAMURUGAN D.**  
Joint Secretary

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### 03 Corrigendum to the Request for Proposal (RFP) for Third Party Evaluation (TPE) of Corporate Data Management (CDM) Scheme

[Issued by the Ministry of Corporate Affairs No. Q-14008/1/ 2019-STAS dated 21.08.2025]

Please refer to this Ministry's Request for Proposal (RFP) document dated 18.09.2025 on the subject matter of Request for Proposal (RFP) for Third Party Evaluation of Corporate Data Management Scheme- a Central Sector Scheme. Last date of submission of bids may be read as "15<sup>th</sup> Sept 2025 (12:00:00)" instead of "16<sup>th</sup> Sept 2025".

2. The Bidders are requested to submit the proposals accordingly.

**AKHILESH KUMAR SINGH**

Under Secretary to the Government of India

### 04 Request for Proposal (RFP) for Third Party Evaluation of Corporate Data Management Scheme- a Central Sector Scheme

[Issued by the Ministry of Corporate Affairs dated 19.08.2025]

Ministry of Corporate Affairs (MCA) is concerned with administration of the Companies Act 2013, the Companies Act 1956, the Limited Liability Partnership Act, 2008 & other allied Acts and rules & regulations framed there-under mainly for regulating the functioning of the corporate.

2. Corporate Data Management (CDM), Central Sector Scheme was launched in 2015-16, to create an in-house Data Mining and Data Analytics facility to provide a forward linkage to MCA21 data repository, by transforming statutory filing into a statistical data warehouse system and to build MCA's own advance Data Analytics hub.
3. This Ministry intends to invite proposals for third party evaluation of Corporate Data Management Scheme through Government e-Marketplace (GeM), from national agencies / firms / organizations / institutions, which have requisite experience in this field as detailed in the RFP.
4. Interested applicants are requested to submit their response to the RFP via GeM on or before 16<sup>th</sup> September, 2025.

**AKHILESH KUMAR SINGH**

Under Secretary to the Government of India

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### 05 The Companies (Indian Accounting Standards) Second Amendment Rules, 2025

[Issued by the Ministry of Corporate Affairs F. No. 01/01/2009-CL-V (Part. XIV) dated 13.08.2025]

In exercise of the powers conferred by section 133 read with section 469 of the Companies Act, 2013 (18 of 2013), the Central Government, in consultation with the National Financial Reporting Authority, hereby makes the following rules further to amend the Companies (Indian Accounting Standards) Rules, 2015, namely:-

1. Short title and commencement. - (1) These rules may be called the Companies (Indian Accounting Standards) Second Amendment Rules, 2025.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Companies (Indian Accounting Standards) Rules, 2015, in the “Annexure”, under the heading “B. Indian Accounting Standards (Ind AS)”, -

(A) in “Indian Accounting Standard (Ind AS) 101”, in Appendix 1, —

(a) in paragraph 7, for item (v), the following shall be substituted, namely:—

“(v) Paragraphs D31AA-D31AL includes the transitional provisions of IFRS 11 Joint Arrangements. Accordingly, paragraph D31 of IFRS 1 has not been included;”

(b) in paragraph 8, in sub-paragraph (c), for item (2), the following shall be substituted, namely:—

“(2) Paragraph D9AA has been added to provide for transitional relief to first-time adopter lessor while applying Ind AS 116, Leases. D9AA provides an entity to use the transition date facts and circumstances for lease arrangements which includes both land and building elements to assess the classification of each element as finance or an operating lease at the transition date to Ind ASs;”

(c) in paragraph 12, item (vii) shall be omitted;

(B) in “Indian Accounting Standard (Ind AS) 107”, —

(i) after paragraph 44II, the following paragraph shall be inserted, namely:—

“44JJ Supplier Finance Arrangements, which also amended Ind AS 7, amended paragraph B11F. An entity shall apply that amendment when it applies the amendments to Ind AS 7;”

(ii) in Appendix B, in paragraph B11F, for items (h) and (i), the following items shall be substituted, namely:—

(h) has instruments that allow the entity to choose whether it settles its financial liabilities by delivering cash (or another financial asset) or by delivering its own shares;

(i) has instruments that are subject to master netting agreements; or

(j) has accessed, or has access to, facilities under supplier finance arrangements (as described in paragraph 44G of Ind AS 7) that provide the entity with extended payment terms or the entity’s suppliers with early payment terms.”

**BALAMURUGAN D.**

Joint Secretary

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## Securities and Exchange Board of India

# 06 Technical Clarifications to Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/ ITD-1/ITD\_CSC\_EXT/P/CIR/2025/119 dated 28.08.2025]

1. Recognising the need for robust cybersecurity measures and protection of data and IT infrastructure, Securities and Exchange Board of India (SEBI) has issued ‘Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)’ vide circular SEBI/HO/ ITD-1/ITD\_CSC\_EXT/P/ CIR/2024/113 dated August 20, 2024.

2. Upon receipt of various queries from REs seeking extension and clarification on the aforementioned circular, SEBI has also issued following clarifications and Frequently Asked Questions (FAQs):

S. No.	Circular Title	Circular Number	Date of Issuance
1.	Clarifications to Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)	SEBI/HO/ITD-1/ITD_CSC_EXT/P/CIR/2024/184	December 31, 2024
2.	Extension towards Adoption and Implementation of Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)	SEBI/HO/ITD-1/ITD_CSC_EXT/P/CIR/2025/45	March 28, 2025
3.	Clarifications to Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)	SEBI/HO/ITD-1/ITD_CSC_EXT/P/CIR/2025/60	April 30, 2025
4.	Frequently Asked Questions (FAQs) on Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI REs and Framework for Adoption of Cloud Services by SEBI REs	FAQs	June 11, 2025
5.	Extension towards Adoption and Implementation of Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)	SEBI/HO/ITD-1/ITD_CSC_EXT/P/CIR/2025/96	June 30, 2025

3. Based on further discussions, technical clarifications are being issued with respect to Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs) in following parts:

- 3.1. Part-A: Principles for REs under multiple regulators' purview
- 3.2. Part-B: Technical clarifications
- 3.3. Part-C: Re-categorisation of Portfolio Managers and Merchant Bankers
- 3.4. Part-D: Cyber Security Audit Policy Guidelines from CERT-In

**MRIDUSMITA GOSWAMI**  
CISO - General Manager

*Complete details are not published here for want of space. For complete notification readers may log on to [www.sebi.gov.in](http://www.sebi.gov.in)*

## 07 Relaxation in timeline to submit net worth certificate by Stock Brokers to offer margin trading facility to their clients

**[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/MRD/MRD-PoD-2/P/CIR/2025/120 dated 26.08.2025]**

1. Para 4.5.3 of Chapter 1 of the Master Circular for Stock Exchanges and Clearing Corporations (SECC) dated December 30, 2024, states that in order to be eligible to offer the margin trading facility to their clients, the Stock Brokers shall submit to the stock exchange(s) a half-yearly certificate, as on 31<sup>st</sup> March and 30<sup>th</sup> September of each year, from an auditor confirming the net worth. Such a certificate shall be submitted not later than 30<sup>th</sup> April and 31<sup>st</sup> October of every year.
2. Based on representations received from market participants and with a view to promote ease of doing business, it has been decided to harmonize the timelines for the Stock Brokers to submit the net worth certificate under the aforesaid Master Circular with the timelines for declaration of the financial results as per Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.
3. Accordingly, in order to be eligible to offer the margin trading facility to their clients, the Stock Brokers shall submit the certificate as stated in para 1 above within 45 days from the half-year ended on September 30 and within 60 days from the half-year ended on 31<sup>st</sup> March.
4. In view of the above, para 4.5.3 of Chapter 1 of the Master Circular for Stock Exchanges and Clearing Corporations (SECC) dated December 30, 2024, shall be modified as follows:  
  
"The broker shall submit to the stock exchange a half-yearly certificate, as on 31<sup>st</sup> March and 30<sup>th</sup> September of each year, from an auditor confirming the net worth. Such a certificate shall be submitted not later than 31<sup>st</sup> May and 15<sup>th</sup> November every year."
5. The provisions of this circular shall come into effect immediately.
6. The Stock Exchanges are advised to:

- 6.1. Make necessary amendments to the relevant bye-laws, rules and regulations for the implementation of the above decision, as may be necessary/applicable.
- 6.2. Bring the provisions of this circular to the notice of their members and to disseminate the same on their website.
7. This circular is being issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, read with Regulation 51 of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.
8. This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) in at "Legal → Circulars".

**SANJAY SINGH BHATI**  
Deputy General Manager

## 08 Extension of timeline for implementation of SEBI Circular 'Margin obligations to be given by way of pledge/Re-pledge in the Depository System' dated June 03, 2025

**[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/118 dated 18.08.2025]**

1. SEBI issued circular on 'Margin obligations to be given by way of pledge/Re-pledge in the Depository System' on June 03, 2025. The provisions of the circular were to come into effect from September 01, 2025.
2. SEBI has received representation from depositories (CDSL and NSDL) requesting for an extension of time to carry out system developments and to ensure system readiness by carrying end-to-end testing. Based on the same and in order to ensure smooth implementation without any disruption to the market players and investors, it has been decided to extend the timeline for implementation to October 10, 2025.
3. Stock Exchanges, Depositories and Clearing Corporations are directed to:
  - 3.1. bring the provisions of this circular to the notice of their members / participants and also disseminate the same on their websites;
  - 3.2. put in place appropriate systems and procedures to ensure compliance of the provisions of this circular;
  - 3.3. make necessary amendments to the relevant Bye-laws, Rules and Regulations for the implementation of the above decision;
4. This circular is issued in exercise of powers conferred under Section 11(1) of Chapter IV of the Securities and Exchange Board of India Act, 1992, read with Regulation 30 of Chapter VII of SEBI (Stock Brokers) Regulations, 1992 to protect the interests of investors in securities and to promote the development of, and to regulate the securities markets.
5. This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) in under the category: 'Legal → Circulars'.

**ARADHANA VERMA**  
General Manager



## 09 Use of liquid mutual funds and overnight mutual funds for compliance with deposit requirement by Investment Advisers and Research Analysts

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/MIRSD/ MIRSD-PoD/P/CIR/2025/116 dated 12.08.2025]

1. In terms of regulation 8 of SEBI (Investment Advisers) Regulations, 2013 ('IA Regulations') and SEBI (Research Analysts) Regulations, 2014 ('RA Regulations'), Investment Advisers ('IAs') and Research Analysts ('RAs') are required to maintain a deposit of such sum as specified by SEBI from time to time. Such deposit was required to be maintained with a scheduled bank marked as lien in favour of Investment Adviser Administration and Supervisory body (IAASB) or Research Analyst Administration and Supervisory body (RAASB), as the case may be.
2. Based on the representations from industry participants and inputs received through public consultation, SEBI Board in its meeting held in June 2025 has approved the proposal to allow IAs and RAs to use liquid mutual funds and overnight mutual funds, as an option to the bank deposit, for compliance with deposit requirement as specified under IA Regulations and RA Regulations. In this regard, SEBI (Research Analysts) (Amendment) Regulations, 2025 and SEBI (Investment Advisers) (Amendment) Regulations, 2025 have been notified by SEBI on August 06 and August 07, 2025 respectively.
3. In order to ensure compliance with the deposit requirements under regulation 8 of IA Regulations and RA Regulations, IAs and RAs shall now maintain a deposit in the form of units of liquid mutual fund or an overnight mutual fund or as a deposit maintained with a scheduled bank. Such deposit shall be marked as lien in favour of IAASB or RAASB, as the case may be.
4. IAs and RAs shall comply with the deposit requirements latest by September 30, 2025.
5. IAASB/RAASB (BSE Limited) is hereby directed to put in place necessary systems and procedures for implementation of the provisions of this circular and bring the same to the notice of IAs/RAs.
6. The provisions of this circular shall come into effect from the date of issuance of this circular.
7. This circular is issued in exercise of powers conferred under section 11(1) of the Securities and Exchange Board of India Act, 1992 read with Regulation 8 of SEBI (Investment Advisers) Regulations, 2013 and SEBI (Research Analysts) Regulations, 2014 to protect the interests of investors in securities market and to promote the development of, and to regulate the securities market.
8. This circular is available on the SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) under the category "Legal →Circulars".

**ARADHANA VERMA**  
General Manager

## 10 Transaction charges paid to Mutual Fund Distributors

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/IMD/IMD-PoD-1/P/CIR/2025/115 dated 08.08.2025]

1. Paragraph 10.5 read with paragraph 10.4.1.b of SEBI Master Circular for Mutual Funds dated June 27, 2024 (Master Circular) allows AMCs to pay to the distributor transaction charges, subject to a minimum subscription amount of INR 10,000/- brought in by such distributors.
2. The public consultation on the captioned subject matter was carried out in May 2023 followed by an industry consultation in June 2025.
3. Based on the feedback received from the industry and considering that distributors as an agents of AMCs are entitled to be remunerated by the AMCs, the charges or commission, as prescribed under the paragraph 10.4.1.b and paragraph 10.5 of Master Circular, shall be done away with.
4. Accordingly, paragraphs 10.4.1.b and 10.5 of Master Circular stands deleted.
5. The circular shall come into force with immediate effect.
6. This circular is issued in exercise of the powers conferred by Section 11(1) of the Securities and Exchange Board of India Act, 1992 read regulation 52(4A) of the SEBI (Mutual Funds) Regulations 1996 to protect the interest of investors in securities and to promote the development of, and to regulate the securities market.
7. This circular is available at [www.sebi.gov.in](http://www.sebi.gov.in) under the link "Legal →Circulars".

**PETER MARDI**

Deputy General Manager

## 11 Review of Framework for conversion of Private Listed InvIT into Public InvIT

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/DDHS/DDHS-PoD-2/P/CIR/2025/114 dated 08.08.2025]

1. Chapter 14 of the Master Circular for Infrastructure Investment Trusts (InvITs) dated May 15, 2024 ("Master Circular") provides the framework for conversion of private listed InvIT into public InvIT.
2. SEBI is in receipt of certain suggestions from market participants to review the aforementioned framework. Based on the same and recommendations of the Hybrid Securities Advisory Committee ("HySAC"), the following changes are made in Chapter 14 of the Master Circular:
  - 2.1. Streamlining the requirements pertaining to minimum contribution from the sponsor(s) and sponsor group(s) in the public issue of units for conversion of a private listed InvIT into a public InvIT

- 2.1.1. Paragraph 14.6. of the Master Circular shall be substituted with the following:
- “14.6. Minimum unitholding for sponsor(s) and sponsor group(s)
- 14.6.1. The sponsor(s) and sponsor group(s) shall comply with the minimum unitholding requirement specified in Regulation 12(3) and 12(3A) of the InvIT Regulations, as applicable, at all times.”
- 2.1.2. Paragraph 14.7 of the Master Circular shall be substituted with the following:
- “14.7. Lock-in
- 14.7.1. The lock-in on units held by the sponsor(s) and sponsor group(s) to comply with the minimum unitholding requirement mentioned in paragraph 14.6.1 above shall be as specified in Regulation 12(5) of the InvIT Regulations.”
- 2.2. Aligning the procedure and disclosure requirements for public offer of units to convert a private listed InvIT into a public InvIT with the procedure and disclosure requirements applicable for follow-on offer
- 2.2.1. In paragraph 14.3.1. of the Master Circular, for the words “initial”, the words “follow-on” shall be substituted.
- 2.2.2. Paragraph 14.5.1. of the Master Circular shall be substituted with the following:
- “14.5.1. For such public issue, the InvIT shall comply with the requirements for follow-on offer prescribed under InvIT Regulations and the circulars issued thereunder including any amendments thereto.”
- 2.2.3. In paragraph 14.8.1. of the Master Circular, for the words “initial offer”, the words “such public issue” shall be substituted.
- 2.2.4. In paragraph 14.9.1. of the Master Circular, for the words “mandated in terms of Schedule III of”, the words “applicable for follow-on offer under” shall be substituted.
- 2.2.5. In paragraph 14.9.1. a) of the Master Circular, the words “as applicable for a follow-on offer” shall be inserted after the words “Details of distributions made by the InvIT”.
3. This circular shall be applicable with immediate effect.
4. This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 read with the provisions of Regulations 14(6) and 33 of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, to protect the interests of investors

in securities market and to promote the development of, and to regulate the securities market. This circular is issued with the approval of the competent authority.

5. The recognized Stock Exchanges and Bharat InvITs Association are advised to disseminate the contents of this Circular on their website.
6. This Circular is available on the website of the Securities and Exchange Board of India at [www.sebi.gov.in](http://www.sebi.gov.in) under the category “Legal” and under the drop down “Circulars”.

**RITESH NANDWANI**  
Deputy General Manager

## 12 **Ease of doing business (EODB) - Policy for joint annual inspection by MIIs – information sharing mechanism– action by Lead MII**

**[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/113 dated 07.08.2025]**

1. SEBI vide circular CIR/HO/MIRSD/MIRSD2/CIR/P/2017/73 dated June 30, 2017(hereinafter mentioned as ‘Circular’) and para 14 of Master Circular for stock brokers dated June 17, 2025 (hereinafter mentioned as ‘Master Circular’), specified provisions pertaining to policy for annual inspection of members.
2. Presently, annual inspection of stock brokers/depository participants (‘Brokers’/DPs) are conducted by each of the MIIs (Stock Exchanges/Depositories/Clearing Corporations) separately. Such an exercise unwarrantedly taxes the intermediaries due to frequent visits for inspections by different MIIs which result in disproportionate diversion of resources leading to disruption in the routine operations of the entities.
3. Accordingly, in order to ensure ease of doing business and to take comprehensive view of entity’s operations across all MIIs along with optimum utilization of resources, the following has been decided

### **I. Joint annual inspection instead of separate inspections by MIIs:**

Entities selected for annual inspections shall be inspected for all segments jointly by all exchanges along with their depository participant (DP) operations (if broker is also registered as DP) and clearing activity (if the broker is undertaking clearing for other brokers). DP operations and clearing activity undertaken by entities shall be inspected by Depositories and Clearing Corporations, respectively.

This will ensure that entities selected by MIIs for their annual inspection shall be inspected jointly by all MIIs at one time.

## II. Information sharing mechanism:

In order to improve the effectiveness of supervision, MIIs shall establish an information sharing mechanism with one another for sharing of inspection observations of entities who hold multiple registrations with MIIs.

## III. Rationalization and streamlining of criteria for selection of entities:

- i. It has been decided to revise the criteria for annual inspection as follows:
  - a. Top 25 entities paying high and recurring penalties for non-reporting or short reporting of margin/Client Code modification/CTCL mismatch fines or any other similar high risk compliance issue - shall be inspected irrespective of when they were last inspected.
  - b. Top 25 entities in terms of investor complaints and arbitration cases filed by investors, as percentage of number of active clients shall be inspected irrespective of the fact of when they were last inspected.
  - c. Top 25 entities based on 'High risk score' under Risk Based Supervision.
  - ii. Entities that do not fall under any of the above categories shall be inspected by the MIIs at least once in three years.
  - iii. However, entities inspected in preceding two years by any of the MII's/SEBI and/or entities that have not executed a single trade during last two financial years may not be considered for inspection under the above criteria.
  - iv. Irrespective of the above, inspections of Professional Clearing Members shall be conducted jointly by Clearing Corporations once in two years.
4. Notwithstanding the above, MIIs shall have the prerogative to carry out special purpose/limited inspections based on any triggers like patterns found during investor complaint resolution/Arbitration, complaints on specific malpractices of a broker or references from various authorities. The inspection shall be irrespective of the fact of when the last inspection was carried out.
5. MIIs are advised to frame a joint Standard Operating Procedure (SOP) by November 01, 2025 for detailed specifications of inspection criteria, information sharing mechanism and designating one MII as a 'Lead MII', which will initiate enforcement action for such inspections.

**ARADHANA VERMA**  
General Manager

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# 13 Review, Appeal or Waiver of penalty requests emanating out of actions taken by the Member Committee

**[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/MRD/POD-III/CIR/P/2025/112 dated 05.08.2025]**

1. The Terms of Reference (ToR) of Statutory Committees of Stock Exchanges, Clearing Corporations and Depositories (collectively referred as Market Infrastructure Institutions (MIIs)) have been prescribed under Paragraph 2.2.2 of Chapter 6 of SEBI Master Circular No. SEBI/HO/MRD-PoD2/CIR/P/2024/00181 dated December 30, 2024 for "Stock Exchanges and Clearing Corporations" and under Paragraph 4.66(B) of Section-4 of SEBI Master Circular No. SEBI/HO/MRD/MRD-PoD-1/P/CIR/2024/168 dated December 03, 2024 for "Depositories".
2. One of the ToR of Member Committee (MC) of MIIs on Regulatory Actions states that:  
*"Any review, appeal or waiver of penalty filed shall be placed before MC for its consideration."*
3. In order to further streamline the mechanism for handling of requests for review, appeal or waiver of penalty, based on feedback received from MIIs and deliberations in the Secondary Market Advisory Committee of SEBI (SMAC), the provision at Paragraph 2 above stands modified as under:
  - 3.1. Any request for review, appeal or waiver of penalty filed against actions taken by the Internal Committee (IC) of the Member Committee (MC), or against actions taken by the MII as per pre-approved policy on regulatory action shall be placed before the MC for its consideration.
  - 3.2. Any request for review, appeal or waiver of penalty filed against actions taken by the MC from the date of implementation of this circular shall be handled by a mechanism setup by the Governing Board of the MII with Public Interest Directors and/or Independent External Professionals not forming part of the MC. The Governing Board shall issue the Standard Operating Procedure (SOP) with regard to handling of such review, appeal or waiver of penalty requests, if any, emanating out of actions taken by the MC.
  - 3.3. For further appeal against the decisions emanating out of the appeal mechanism of the MII, the members or participants would be free to approach appropriate authority based on the applicable laws.
4. Applicability: The provisions of the circular shall be applicable from the 45<sup>th</sup> day of issuance of the circular.
5. All MIIs are advised to:
  - 5.1. take necessary steps and put in place necessary systems for implementation of the above;
  - 5.2. make necessary amendments to the relevant byelaws, rules and regulations, wherever required, for the implementation of the above; and
  - 5.3. bring the provisions of this circular to the notice of the market participants (including investors) and disseminate the same on their website.



6. This circular is issued in exercise of the powers conferred under section 11(1) of the Securities and Exchange Board of India Act, 1992 read with Regulation 51 of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 and section 26(3) of the Depositories Act, 1996 read with Regulation 97 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.
7. This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) in at "Legal Framework - Circulars."

**HRUDA RANJAN SAHOO**  
Deputy General Manager

#### Reserve Bank of India

## 14 Implementation of Section 51A of UAPA, 1967: Updates to UNSC's 1267/1989 ISIL (Da'esh) & Al-Qaida Sanctions List: Amendments to 05 Entries

[Issued by the Reserve Bank of India vide RBI/2025-26/76 DOR.AML.REC.48/14.06.001/2025-26 dated 25.08.2025]

Please refer to paragraph 51 of the RBI Master Direction on Know Your Customer dated February 25, 2016 as amended on August 14, 2025 (MD on KYC), in terms of which "Regulated Entities (REs) shall ensure that in terms of Section 51A of the Unlawful Activities (Prevention) (UAPA) Act, 1967 and amendments thereto, they do not have any account in the name of individuals / entities appearing in the lists of individuals and entities, suspected of having terrorist links, which are approved by and periodically circulated by the United Nations Security Council (UNSC)."

2. In this connection, Ministry of External Affairs (MEA), Government of India has informed about the UNSC press release SC / 16155 dated August 22, 2025 wherein the Security Council Committee pursuant to resolutions 1267 (1999), 1989 (2011) and 2253 (2015) concerning ISIL (Da'esh), Al-Qaida and associated individuals, groups, undertakings and enacted the amendments specified with strikethrough and/or underline in the entries below on its ISIL (Da'esh) and Al-Qaida Sanctions List of individuals and entities subject to assets freeze, travel ban and arms embargo set out in paragraph 1 of Security Council resolution 2734 (2024), and adopted under Chapter VII of the Charter of the United Nations.

**SAIDUTTA SANGRAM KESHARI PRADHAN**  
Chief General Manager

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## 15 Reserve Bank of India (Know Your Customer (KYC)) (2<sup>nd</sup> Amendment) Directions, 2025

[Issued by the Reserve Bank of India vide RBI/2025-26/75 DOR.AML.REC.46/14.01.001/2025-26 dated 14.08.2025]

Reserve Bank had issued Reserve Bank of India (Know Your Customer (KYC)) Directions, 2016 (hereinafter referred to as Master Direction) in compliance of the provisions of the

PML Act, 2002 and the Rules made thereunder. There is a need to further amend the same based on a review of the extant instructions.

2. Accordingly, in exercise of the powers conferred by sections 35A of the Banking Regulation Act, 1949, read with section 56 of the Act *ibid*, sections 45JA, 45K and 45L of the Reserve Bank of India Act, 1934, section 10(2) read with section 18 of Payment and Settlement Systems Act, 2007, section 11(1) of the Foreign Exchange Management Act, 1999, Rule 9(14) of Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 and all other laws enabling the Reserve Bank in this regard, the Reserve Bank being satisfied that it is necessary and expedient in the public interest to do so, hereby issues the Amendment Directions hereinafter specified.
3. (i) These Directions shall be called the Reserve Bank of India (Know Your Customer (KYC)) (2<sup>nd</sup> Amendment) Directions, 2025.  
(ii) These directions shall come into force with immediate effect.
4. These Amendment Directions modify the Reserve Bank of India (Know Your Customer (KYC)) Directions, 2016 as under:
  - (i) In paragraph 1, the following words shall be inserted after sub-para 1(b), namely: -  
"1(c) The Frequently Asked Questions (FAQs) on KYC may be accessed at the following link - Reserve Bank of India - Frequently Asked Questions ([rbi.org.in](http://rbi.org.in))."
  - (ii) In paragraph 11, after the word "disadvantaged", the following words shall be inserted, namely: -  
"including the Persons with Disabilities (PwDs). No application for onboarding or periodic updation of KYC shall be rejected without application of mind. Reason(s) of rejection shall be duly recorded by the officer concerned."
  - (iii) In paragraph 14, after the word "relationship", the following words shall be inserted, namely: -  
"or while carrying out occasional transaction of an amount equal to or exceeding rupees fifty thousand, whether conducted as a single transaction or several transactions that appear to be connected, or any international money transfer operations"
  - (iv) In Explanation 2 of paragraph 16, after the word "authentication", the following words shall be inserted, namely: -  
"including Aadhaar Face Authentication"
  - (v) In paragraph 18 (b) (i), after the words "upon it." The following words shall be inserted, namely: -  
"The liveness check shall not result in exclusion of person with special needs."



(vi) In the Appendix,

- a. the following shall be inserted after serial number 205, namely: -  
“205A. DNBS. (PD). CC.164/03.10.042/2009-10 dated November 13, 2009”; and
- b. the following shall be inserted after serial number 206, namely: -  
“206A. DNBS. (PD). CC.No. 171/ 03.10.42/ 2009-10 dated April 23, 2010”.

**SAIDUTTA SANGRAM KESHARI PRADHAN**  
Chief General Manager

## 16 Compliance with Hon'ble Supreme Court Order dated April 30, 2025 in the matter of Pragma Prasun and Ors. vs Union of India (W.P.(C) 289 of 2024) and Amar Jain vs Union of India & Ors. (W.P.(C) 49 of 2025)

**[Issued by the Reserve Bank of India vide RBI/2025-26/74 DoR.MCS. REC.47/01.01.028/2025-26 dated 14.08.2025]**

Attention of regulated entities is drawn to the Order of the Hon'ble Supreme Court dated April 30, 2025 in the matter of Pragma Prasun and Ors. vs. Union of India (W.P.(C) 289 of 2024) and Amar Jain vs. Union of India & Ors. (W.P.(C) 49 of 2025). All regulated entities shall undertake appropriate measures to ensure compliance with the above Supreme Court Order, as applicable.

**VEENA SRIVASTAVA**  
Chief General Manager

## 17 Introduction of Continuous Clearing and Settlement on Realisation in Cheque Truncation System

**[Issued by the Reserve Bank of India vide RBI/2025-26/73 CO.DPSS.RLPD. No.S536/04-07-001/2025-2026 dated 13.08.2025]**

Please refer to the Statement on Developmental and Regulatory Policies dated August 8, 2024, announcing the transition of Cheque Truncation System (CTS) from the current approach of batch processing to continuous clearing with settlement on realisation.

2. It has been decided to transition CTS to continuous clearing and settlement on realisation in two phases. Phase 1 shall be implemented on October 4, 2025 and Phase 2 on January 3, 2026. The modalities for the same are given in Annex.
3. All banks are advised to make their customers adequately aware of the changes in the cheque clearing process.
4. Banks are also advised to be in readiness to participate in continuous clearing in CTS on the above dates.
5. This directive is issued under Section 10 (2) read with Section 18 of Payment and Settlement Systems Act, 2007 (Act 51 of 2007).

**SAURABH NATH**  
Chief General Manager

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## 18 Investment in Government Securities by Persons Resident Outside India through Special Rupee Vostro account

**[Issued by the Reserve Bank of India vide RBI/2025-26/72 A.P. (DIR Series) Circular No. 09 dated 12.08.2025]**

Attention of Authorised Dealer Category-I (AD Category-I) banks is invited to Schedule 1 to the Foreign Exchange Management (Debt Instruments) Regulations, 2019 notified, vide Notification No. FEMA. 396/2019-RB dated October 17, 2019, and the Foreign Exchange Management (Deposit) Regulations, 2016 notified, vide Notification No. FEMA. 5(R)/2016-RB dated April 01, 2016 as amended from time to time and the relevant Directions issued thereunder. A reference is also invited to the Master Direction - Reserve Bank of India (Non-resident Investment in Debt Instruments) Directions, 2025 dated January 07, 2025 (hereinafter “Master Direction”).

2. Persons resident outside India that maintain a Special Rupee Vostro Account (SRVA) for international trade settlement in Indian Rupees in terms of A.P. (DIR Series) Circular No. 10 dated July 11, 2022 may invest their rupee surplus balance in the aforesaid account in Central Government Securities (including Treasury Bills).
3. Necessary operational instructions in this regard have been incorporated in the Master Direction; and the updated Master Direction is issued herewith.
4. These directions shall come into immediate effect.
5. AD Category – I banks may bring the contents of this circular to the notice of their constituents and customers concerned.
6. The Directions contained in this circular have been issued under sections 10(4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and are without prejudice to permissions/approval, if any, required under any other law.

**DIMPLE BHANDIA**  
Chief General Manager

## 19 Reserve Bank of India (Non-Fund Based Credit Facilities) Directions, 2025

**[Issued by the Reserve Bank of India vide RBI/DOR/2025-26/140 DOR. STR.REC.45/13.07.010/2025-26 dated 06.08.2025]**

### A. Introduction

1. Non-fund based (NFB) facilities like guarantees, letters of credit, co-acceptances etc. facilitate effective credit intermediation and smooth business transactions. In order to harmonize and consolidate guidelines covering these facilities across the entities regulated by the Reserve Bank and to broaden the funding sources for infrastructure financing, the Reserve Bank had issued draft guidelines on NFB facilities for public comments on April 9, 2025. The comments received thereon have been analysed and suitably incorporated in these Directions.

2. In exercise of the powers conferred under sections 21 and 35A read with section 56 of the Banking Regulation Act, 1949, sections 45JA, 45L and 45M of the Reserve Bank of India Act, 1934, and sections 30A, 32 and 33 of the National Housing Bank Act, 1987, the Reserve Bank of India, being satisfied that it is necessary and expedient in the public interest and in the interest of banking policy to do so, hereby, issues the Reserve Bank of India (Non-Fund Based Credit Facilities) Directions, 2025 (hereinafter referred to as 'Directions').

#### B. Applicability

3. These Directions shall apply to the following entities, hereinafter referred to as Regulated Entity (RE) and collectively as Regulated Entities (REs), as the context may require, for all their Non-Fund Based (NFB) exposures such as guarantee, letter of credit, co-acceptance etc., unless otherwise permitted under these Directions or any regulatory guidelines/ directions issued by the Reserve Bank.
  - a. Commercial Banks (including Regional Rural Banks and Local Area Banks);
  - b. Primary (Urban) Co-operative Banks (UCBs)/ State Co-operative Banks (StCBs)/ Central Co-operative Banks (CCBs);
  - c. All India Financial Institutions (AIFIs);
  - d. Non-Banking Financial Companies (NBFCs) including Housing Finance Companies (HFCs) in Middle Layer and above, only for the issuance of Partial Credit Enhancement, as permitted under Chapter IV of these Directions.

*Complete details are not published here for want of space. For complete notification readers may log on to [www.rbi.org.in](http://www.rbi.org.in)*

## 20 Reserve Bank of India (Co-Lending Arrangements) Directions, 2025

**[Issued by the Reserve Bank of India vide Notification No. RBI/DOR/2025-26/139 DOR.STR.REC.44/13.07.010/2025-26 dated 06.08.2025]**

#### Introduction

Regulated entities (REs) can enter into a lending arrangement with other REs for extension of credit to the borrowers, subject to compliance with the extant prudential regulations. While there is no generic regulatory framework for such lending arrangements, co-lending involving banks and NBFCs has gained traction in the wake of a specific regulatory framework being prescribed for the purpose of priority sector lending in terms of circular FIDD.CO.Plan. BC.No.8/04.09.01/2020-21 dated November 5, 2020.

In view of this and to broaden the scope of co-lending, comprehensive revised Directions on co-lending arrangements (CLA) are now being issued with the objective of providing specific regulatory clarity on the permissibility of such arrangements, while addressing some of the prudential as well as conduct related aspects. These Directions are issued in exercise of the powers conferred by the Sections 21 and 35A of the Banking Regulation Act, 1949, read with Section 56 of

the Act *ibid*; Chapter IIIB of the Reserve Bank of India Act, 1934; and Sections 30A, 32 and 33 of the National Housing Bank Act, 1987.

#### Short title and commencement

1. These Directions shall be called Reserve Bank of India (Co-Lending Arrangements) Directions, 2025.
2. These Directions shall come into force from January 1, 2026, or from any earlier date as decided by a RE as per its internal policy ("effective date"). Any new CLA entered into after the effective date shall be in compliance with these Directions.
3. Existing CLAs (i.e., the lending arrangements executed before the date of issuance of these Directions) and new CLAs entered into prior to the effective date shall be in compliance with the extant regulations.

#### Applicability

4. These Directions shall be applicable to CLAs entered into by the following REs:
  - a) Commercial Banks (excluding Small Finance Banks, Local Area Banks and Regional Rural Banks);
  - b) All-India Financial Institutions; and,
  - c) Non-Banking Financial Companies (including Housing Finance Companies).

*Complete details are not published here for want of space. For complete notification readers may log on to [www.rbi.org.in](http://www.rbi.org.in)*

## 21

### International Trade Settlement in Indian Rupees (INR)

**[Issued by the Reserve Bank of India of RBI/2025-2026/71 A.P. (DIR Series) Circular No.08 dated 05.08.2025]**

Attention of Authorised Dealer (AD) Category - I banks is invited to Para 10 of A.P. (DIR Series) Circular No.10 dated July 11, 2022 on the captioned subject.

2. On a review, it has been decided to allow AD banks to open Special Rupee Vostro Accounts (SRVAs) of overseas correspondent banks without referring to the Reserve Bank for approval.
3. The above instruction is applicable with immediate effect. AD banks may bring the contents of this circular to the notice of its constituents and customers concerned.
4. These directions are issued under sections 10(4) and 11(1) of the Foreign Exchange Management Act (FEMA), 1999 (42 of 1999) and are without prejudice to permissions / approvals, if any, required under any other law.

**N. SENTHIL KUMAR**  
Chief General Manager