

**SEBI Rolls Out “Validated UPI Handles” and “SEBI Check” for Secure Investor Payments – October 1, 2025**

Securities and Exchange Board of India (SEBI) issued press release announcing two major initiatives: the “Validated UPI Handles” (UPI IDs of SEBI-registered intermediaries will carry an exclusive “@valid” handle plus category-specific suffixes e.g., “.brk” for brokers, “.mf” for mutual funds) and the “SEBI Check” verification tool (allowing investors to verify bank account or UPI ID details of registered intermediaries). The purpose is to enhance investor protection by reducing fraud risk and ensuring payments made by investors go only to legitimate, SEBI-registered intermediaries. These measures were issued in response to rising incidents of impersonation and misdirected payments in the securities market, and to bolster digital trust and payment transparency. To access the press release, [click here](#).

**RBI Invites Comments on the Draft “Reserve Bank of India (Lending to Related Parties) Directions, 2025 – October 3, 2025**

The Reserve Bank of India (RBI) issued a draft Reserve Bank of India (Lending to Related Parties) Directions, 2025, to regulate and harmonise norms governing lending by commercial banks to their related parties. The draft, issued under Sections 20, 21, and 35A of the Banking Regulation Act, 1949, seeks to prevent conflicts of interest and ensure prudent lending practices. It prohibits banks from granting loans or advances to their directors, major shareholders (holding 10% or more), their relatives, or entities in which they have a substantial interest, while providing limited exemptions such as fully secured personal loans. The Directions mandate banks to include specific provisions on related-party lending in their credit policies, set materiality thresholds, require board or committee approval for significant exposures, and ensure that interested directors or key officials recuse themselves from decision-making. Banks must maintain updated lists of related parties, report such exposures to RBI through the DAKSH portal, and disclose them in financial statements. Any breach will attract penalties, including monetary fines and supervisory action. Once implemented from April 1, 2026, these Directions will replace 20 earlier circulars, thereby consolidating and modernising the regulatory framework on related-party lending by banks. To access the draft, [click here](#).

**Minimum Information to be Provided to the Audit Committee and Shareholders for Approval of Related Party Transactions – October 13, 2025**

SEBI issued a circular setting out revised “Industry Standards on Minimum Information to be Provided to the Audit Committee and Shareholders for Approval of Related Party Transactions (RPTs)”. The objective is to standardise and enhance the information that listed entities provide when seeking audit committee review and shareholder approval of RPTs, ensuring transparency and consistency. It divides disclosures into three parts: Part A (applicable to all RPTs, transactions exceeding INR one crore), Part B (additional details for specified types of RPTs, transactions exceeding INR one crore), and Part C (further disclosures for material RPTs, do not exceed 1% of annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity or INR ten crore, whichever is lower) for the audit committee, and similarly aligned disclosures for shareholders. The circular supersedes earlier SEBI circulars on the subject. To access the circular, [click here](#).

**Foreign Exchange Management (Foreign Currency Accounts by a Person Resident in India) (Seventh Amendment) Regulations, 2025 – October 13, 2025**

RBI issued the Foreign Exchange Management (Foreign Currency Accounts by a person resident in India) (Seventh Amendment) Regulations, 2025 under the Foreign Exchange Management Act, 1999. The amendment modifies the earlier Regulations of 2015 to include that a “Person resident in India” may open, hold, and maintain a foreign currency account with a bank outside India in an “International Financial Services Centre (IFSC), and clarifies that the definition of “IFSC” will be as per the International Financial Services Centres Authority Act, 2019. The amendment also changes timelines for utilisation of funds in

such accounts: for accounts held with banks in an IFSC, payments may be used or repatriated within three months from receipt (after adjusting for forward commitments); for all other jurisdictions outside IFSC, within the next month. To access the regulation, [click here](#).

#### **Foreign Exchange Management (Borrowing and Lending) (Amendment) Regulations, 2025 – October 13, 2025**

RBI issued the Foreign Exchange Management (Borrowing and Lending) (Amendment) Regulations, 2025, amending the principal regulations of 2018 under the Foreign Exchange Management Act, 1999. The key change is that Indian banks' authorised dealers are now explicitly permitted to lend in Indian Rupees to a person resident outside India who is resident in Bhutan, Nepal, or Sri Lanka (including banks in those jurisdictions) for cross-border trade transactions. To access the regulation, [click here](#).

#### **Relaxation in the Timeline for Disclosure of the Allocation Methodology by Angel Funds – October 15, 2025**

SEBI issued a circular extending the deadline for existing angel funds registered under the SEBI (Alternative Investment Funds) Regulations, 2012, to disclose a defined methodology for allocating investments among approving angel investors in their private placement memorandum. Earlier, the disclosure was to apply to allocations made after October 15, 2025; the new effective date is January 31, 2026. This means that any investment made after this date must follow the disclosed allocation methodology. The extension was granted in response to industry representations seeking more time to update systems and documentation in line with the new framework. All other provisions of SEBI's earlier circular dated September 10, 2025, remain unchanged. To access the circular, [click here](#).

#### **Consultation Paper on Proposed Amendment to Certain Provisions of SEBI (LODR) Regulations, 2015, to Facilitate Transfer of Securities Transferred Prior to April 1, 2019, and Simplify the Process of Dematerialization of Shares – October 17, 2025**

SEBI issued a consultation paper to facilitate the transfer of securities transferred prior to April 1, 2019, and simplify the process of dematerialisation of shares. It proposes to allow investors who executed physical share transfer deeds before April 1, 2019, to lodge and complete their transfers (even though the current rule bars physical transfers post that date) by amending Regulation 40(1) of LODR, subject to a sunset clause. Additionally, it proposes to simplify the dematerialisation process by doing away with the existing requirement for a "Letter of Confirmation" under Regulation 39(2) and enabling direct credit of securities into a demat account after due diligence by the registrar/listed entity. The rationale behind this paper is that many investors were prevented from transferring their shares because they missed previous deadlines due to issues such as the seller being deceased, companies dissolved, the transferor being untraceable, or documents being mislaid, leading to the loss of investor rights. To access the consultation paper, [click here](#).

#### **Consultation Paper on Relaxation in the Threshold for Identification of HVDLE and Measures Facilitating Ease of Doing Business for HVDLE, Including Provisions Relating to Related Party Transactions – October 27, 2025**

SEBI issued a consultation paper and proposes relaxation in the threshold for identifying "High Value Debt Listed Entities" (HVDLEs) and other measures to facilitate ease of doing business for such entities. SEBI had already raised the HVDLE threshold from INR five hundred crores to INR one thousand crores and introduced Chapter V A via amendments notified earlier. The consultation considers relaxation and alignment measures, as well as ease-of-doing-business initiatives, and outlines potential simplifications in compliance processes, disclosures, and reporting obligations for HVDLEs to ease the regulatory burden while preserving investor protection. The rationale behind issuing this consultation is that the existing regime (with a lower threshold and full governance requirements) was seen as placing a significant compliance burden on smaller debt-listed entities with relatively modest exposures. The consultation invites stakeholder views to fine-tune the balance between stronger governance for debt investors and operational ease for issuers. To access the consultation paper, [click here](#).

#### **Consultation Paper on Comprehensive Review of SEBI (Mutual Funds) Regulations, 1996 – October 28, 2025**

SEBI issues a consultation paper proposing a broad and comprehensive overhaul of the Mutual Fund

Regulations, 1996, including re-drafting the rules to simplify language, remove redundant provisions, reorganise them under thematic headings (governance, operations, disclosures, investor protection), and streamline regulatory burdens. The changes include:

- revising eligibility criteria for sponsors and trustees;
- strengthening governance (fit-and-proper norms for key persons, clearer roles for asset management companies and trustees); rationalising scheme categories;
- simplifying disclosure requirements; excluding all statutory levies (GST, securities transaction tax, stamp duty) from the Total Expense Ratio limits;
- removing a transient 5 basis-point additional expense charge; and lowering brokerage/transaction cost caps.

The review aims to modernise the regulatory framework, foster ease of compliance, enhance transparency, and protect investors. SEBI has invited public comments by November 17, 2025. To access the consultation paper, [click here](#).



#### NEW DELHI

30, Nizamuddin East  
New Delhi – 110 013  
Tel: + 91 11 4719 4400 | Fax: + 91 11 4050 6977  
E-mail: [delhi@dmd.law](mailto:delhi@dmd.law)

#### MUMBAI

121, Maker Chambers – IV, Nariman Point  
Mumbai – 400 021  
Tel: + 91 22 4356 5555 | Fax: + 91 22 4356 5550  
E-mail: [mumbai@dmd.law](mailto:mumbai@dmd.law)

[www.dmd.law](http://www.dmd.law)

Please feel free to address any questions or requests for advice to: [dmdadvocates@dmd.law](mailto:dmdadvocates@dmd.law)

**DISCLAIMER:** The information provided in this document does not constitute a legal opinion/advice by DMD Advocates. The information provided through this document is not intended to create any attorney-client relationship between DMD Advocates and the reader and, is not meant for advertising the services of or for soliciting work by DMD Advocates. DMD Advocates does not warrant the accuracy and completeness of this document and readers are requested to seek formal legal advice prior to acting upon any information provided in this document. Further, applicable laws and regulations are dynamic and subject to change, clarification and amendment by the relevant authorities, which may impact the contents of this document. This document is the exclusive copyright of DMD Advocates and may not be circulated, reproduced or otherwise used by the intended recipient without our prior permission.

