

JULY 2025

NEWSLETTER

REGULATORY

- RBI
- SEBI
- MCA



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1. Reserve Bank of India (Pre-payment Charges on Loans) Directions, 2025

Notification No.: RBI/2025-26/64 DoR.MCS.REC.38/01.01.001/2025-26

Dated: July 02, 2025

*Effective Date: January 1, 2026**(all loans and advances sanctioned or renewed on or after January 1, 2026)*

With the issuance of these directions, RBI has introduced a unified, transparent framework to regulate pre payment charges levied by financial institutions. These Directions are applicable to all commercial banks (excluding payments banks), cooperative banks, NBFCs and All India Financial Institutions. These directions are aimed at protecting borrowers – particularly Micro and Small Enterprises (MSEs) from unfair practices and promoting ease of credit mobility.

The gist of key provisions of the directions is as below:

1. No Pre-payment Charges on Floating-Rate Loans: Retail & Small Borrowers

- Individual borrowers (non-business loans): No charges at all, irrespective of co-borrower or funding source
- Business loans to individuals or MSEs: No charges if lender is:
 - ✚ Commercial bank (excluding small finance/ regional rural/ local area banks)
 - ✚ Tier 4 primary urban co-op bank
 - ✚ NBFC-UL (upper-layer NBFC)
 - ✚ All-India Financial Institution
- For Small Finance Banks, RRBs, Tier 3 co-op banks, Central/State co-op banks, NBFC-ML (middle-layer), no charges for loans \leq ₹50 lakh

2. Uniform Application

- Waiver applies regardless of source of repayment, whether full or partial prepayment, and there is no minimum lock-in period
- Dual/Special-rate loans (fixed + floating): Direction applies if the loan is in floating-rate phase at the time of prepayment

3. Other Loans (Not Covered Above)

- For cases not falling under the exempt categories, lenders may levy charges as per their board-approved policy with the following specific requirements to be complied with.
 - ✚ For term loans: charges based only on the amount prepaid.
 - ✚ For cash credit/overdraft: charges allowed up to the sanctioned limit; no lock-in charges if borrower gives prior notice not to renew and closes on due date

4. Disclosure & Prohibitions on Abuse

- Mandatory disclosure of whether pre-payment charges apply—this must be clearly stated in:
 - ✚ Loan sanction letter,
 - ✚ Loan agreement,
 - ✚ Key Facts Statement (KFS), where applicable
- No retrospective or hidden charges allowed. Any charges previously waived cannot be re-imposed
- No charges if prepayment is initiated by the lender (e.g. due to loan sale or restructuring)

[Notification](#)

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| SEBI |
| 1. Ease of Doing Investment - Special Window for Re-lodgement of Transfer Requests of Physical Shares |
| <p style="text-align: right;">Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 Dated 2nd July, 2025</p> <p>Vide this notification SEBI has provided a one-time special window for re-lodgement of transfer deeds, which were lodged prior to the deadline of April 01, 2019 and rejected/returned/not attended due to deficiency in the documents.</p> <p>SEBI vide earlier notification had discontinued the transfer of securities in physical form with effect from April 01, 2019. However it was provided that the transfer deeds lodged prior to the deadline of April 01, 2019 and which were rejected due to deficiency in documents, may be lodged till March 31, 2021.</p> <p>SEBI vide this circular has decided to provide one more opportunity to the investors to re-lodge such shares for transfer for a period of six months from July 07, 2025 till January 06, 2026.</p> <p>During this period, the securities that are re-lodged shall be issued only in demat mode.</p> <p>Listed companies, RTAs and Stock Exchanges are required to publicize the opening of this special window through various media including print and social media, on a bi-monthly basis during the six-month period.</p> <p>Circular</p> |
| 2. Master Circular for ESG Rating Providers (ERPs) |
| <p style="text-align: right;">Circular No. SEBI/HO/DDHS/DDHS-POD-2/P/CIR/2025/100 Dated 11th July, 2025</p> <p>ESG Rating Providers are regulated under the provisions of SEBI (Credit Rating Agencies) Regulations, 1999 ("CRA Regulations" as amended with effect from July 4, 2023) that inter-alia prescribes guidelines for registration of ERPs, general obligations of ERPs, manner of inspection and code of conduct applicable to ERPs.</p> <p>While the broad framework for ERPs has been laid down in the CRA Regulations, the procedural/ disclosure requirements and obligations are being specified vide this Master Circular, which will enable the industry and other users to have access to all the applicable directions applicable to ERPs at one place.</p> <p>ERPs are directed to comply with the conditions laid down in this master circular. Also, ERPs shall have necessary systems and infrastructure in place for implementation of this circular. The Board of Directors of the ERP shall be responsible for ensuring compliance with these provisions.</p> <p>This Master Circular is a compilation of the existing circulars as on date, with consequent changes. The list of existing circulars for ERPs which have been superseded by this Master Circular is placed at Appendix to this Circular.</p> <p>Notwithstanding such rescission,</p> <ol style="list-style-type: none"> anything done or any action taken or purported to have been done or taken under the rescinded circulars shall be deemed to have been done or taken under the corresponding provisions of this Master Circular. any application made to SEBI under the rescinded circulars, prior to such rescission, and pending before it shall be deemed to have been made under the corresponding provisions of this Master Circular. the previous operation of the rescinded circulars or anything duly done or suffered thereunder shall remain unaffected as if the rescinded circulars have never been rescinded. <p>Circular</p> |
| 3. Master Circular for Credit Rating Agencies (CRAs) |
| <p style="text-align: right;">Circular No. SEBI/HO/DDHS/DDHS-POD2/P/CIR/2025/101 Dated 11th July, 2025</p> |

(Credit Rating Agencies) Regulations, 1999 (“CRA Regulations”) prescribes guidelines for registration of Credit Rating Agencies (CRAs), general obligations of CRAs, manner of inspection and investigation and code of conduct applicable on CRAs. Multiple circulars have been issued, over the years, covering the operational and procedural aspects thereof.

In order to enable the industry and other users to have access to all the applicable circulars/ directions at one place, Master Circular for CRAs has been prepared.

This Master Circular is a compilation of the existing circulars as on date, with consequent changes. The list of existing circulars for CRAs which have been superseded by this Master Circular is placed at Appendix to this Circular.

Notwithstanding such rescission,

- a. anything done or any action taken or purported to have been done or taken under the rescinded circulars shall be deemed to have been done or taken under the corresponding provisions of this Master Circular.
- b. any application made to SEBI under the rescinded circulars, prior to such rescission, and pending before it shall be deemed to have been made under the corresponding provisions of this Master Circular.
- c. the previous operation of the rescinded circulars or anything duly done or suffered thereunder shall remain unaffected as if the rescinded circulars have never been rescinded.

[Circular](#)

4. Master Circular for listing obligations and disclosure requirements for Non-convertible Securities, Securitized Debt Instruments and/ or Commercial Paper

Circular No. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2025/0000000103
Dated 11th July, 2025

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), prescribes the continuous disclosure requirements for issuers of listed Non-convertible Securities, Securitized Debt Instruments and Commercial Paper. In this regard, SEBI has been issuing various circulars from time to time. In order to enable the stakeholders to have an access to all the applicable circulars/ directions at one place, the provisions of the circulars issued till June 30, 2025 are incorporated in this Master Circular.

The circulars mentioned at Annex-1 to this Master Circular shall stand superseded with the issuance of the Master Circular.

Notwithstanding such rescission,

- a. anything done or any action taken or purported to have been done or taken under the rescinded circulars shall be deemed to have been done or taken under the corresponding provisions of this Master Circular.
- b. any application made to SEBI under the rescinded circulars, prior to such rescission, and pending before it shall be deemed to have been made under the corresponding provisions of this Master Circular.
- c. the previous operation of the rescinded circulars or anything duly done or suffered thereunder shall remain unaffected as if the rescinded circulars have never been rescinded.

[Circular](#)

5. Master Circular for Real Estate Investment Trusts (REITs)

Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2025/99
Dated 11th July, 2025

SEBI has been issuing various circulars from time to time for effective regulation of Real Estate Investment Trusts. In order to enable the stakeholders to have an access to all the applicable circulars/ directions at one place, the provisions of the circulars issued till July 11, 2025 are incorporated in this Master Circular.

The circulars mentioned at Annex-1 to this Master Circular shall stand superseded with the issuance of the Master Circular.

Notwithstanding such rescission,

- a. anything done or any action taken or purported to have been done or taken under the rescinded circulars shall be deemed to have been done or taken under the corresponding provisions of this Master Circular.
- b. any application made to SEBI under the rescinded circulars, prior to such rescission, and pending before it shall be deemed to have been made under the corresponding provisions of this Master Circular.
- c. the previous operation of the rescinded circulars or anything duly done or suffered thereunder shall remain unaffected as if the rescinded circulars have never been rescinded.

[Circular](#)

6. Master Circular for Infrastructure Investment Trusts (InvITs)

Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2025/102

Dated 11th July, 2025

SEBI has been issuing various circulars from time to time effective regulation of Infrastructure Investment Trusts. In order to enable the stakeholders to have an access to all the applicable circulars/ directions at one place, the provisions of the circulars issued till July 11, 2025 are incorporated in this Master Circular.

The circulars mentioned at Annex-1 to this Master Circular shall stand superseded with the issuance of the Master Circular.

Notwithstanding such rescission,

- a. anything done or any action taken or purported to have been done or taken under the rescinded circulars shall be deemed to have been done or taken under the corresponding provisions of this Master Circular.
- b. any application made to SEBI under the rescinded circulars, prior to such rescission, and pending before it shall be deemed to have been made under the corresponding provisions of this Master Circular.
- c. the previous operation of the rescinded circulars or anything duly done or suffered thereunder shall remain unaffected as if the rescinded circulars have never been rescinded.

[Circular](#)

7. Master Circular for Portfolio Managers

Circular No. SEBI/HO/IMD/IMD-POD-1/P/CIR/2025/104

Dated 16th July, 2025

SEBI has been issuing various circulars from time to time for effective regulation of Portfolio Managers. In order to enable the users to have access to all the applicable circulars/directions pertaining to Portfolio Manager at one place, the provisions of the said circulars issued till March 31, 2024 were incorporated in the Master Circular for Portfolio Managers dated June 07, 2024.

Subsequently, SEBI had issued new circulars/directions pertaining to Portfolio Manager. In view of the same, the above Master Circular has been updated to include all relevant circulars that were issued on/before March 31, 2025. The instant Master Circular supersedes the Master Circular for Portfolio Managers dated June 07, 2024.

With the issuance of this Master Circular, the guidelines/directions contained in the circulars listed out in Sr. Nos. 37-39 of the Appendix, to the extent they relate to the Portfolio Managers, shall stand rescinded.

Notwithstanding such rescission,

- a. anything done or any action taken or purported to have been done or taken under the rescinded circulars shall be deemed to have been done or taken under the corresponding provisions of this Master Circular.
- b. any application made to SEBI under the rescinded circulars, prior to such rescission, and pending before it shall be deemed to have been made under the corresponding provisions of this Master Circular.
- c. the previous operation of the rescinded circulars or anything duly done or suffered thereunder shall remain unaffected as if the rescinded circulars have never been rescinded.

[Circular](#)

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| MCA | |
| 1. The Companies (Restriction on number of layers) Amendment Rules, 2025 | |
| Notification No. G.S.R. 427(E) Dated 27 th June 2025 | |
| <p><i>Effective Date: July 14th, 2025</i></p> <p>Vide this notification, MCA has amended the Companies (Restriction on number of layers) Rules, 2017.</p> <p>The amendment pertains to substitution of the existing Form CRL-1 with a revised version. Form CRL-1 is for <i>Return regarding number of layers</i> pursuant to proviso to section 2(87) of the Companies Act, 2013 and rule 2(4)(i) of the Companies (Restriction on number of layer) Rules, 2017.</p> <p>In the revised form, detailed disclosures are required on layer of subsidiaries.</p> <p>Notification</p> | |
| 2. The Companies (Incorporation) Amendment Rules, 2025 | |
| Notification No. G.S.R. 426(E) Dated 27 th June 2025 | |
| <p><i>Effective Date: July 14th, 2025</i></p> <p>Vide this notification, MCA has amended the Companies (Incorporation) Rules, 2014.</p> <p>Form INC-22A ACTIVE (Active Company Tagging Identities and Verification) pursuant to Rule 25A of the Companies (Incorporation) Rules, 2014 has been substituted and shifted from the MCA V2 Portal to the MCA V3 Portal.</p> <p>The revised form includes address along with geotagged photographs (internal and external), showing at least one director or KMP who digitally signs the form.</p> <p>Notification</p> | |
| 3. The Companies (Listing of equity shares in permissible jurisdictions) Amendment Rules, 2025 | |
| Notification No. G.S.R. 443(E) Dated 3 rd July 2025 | |
| <p>Vide this notification, MCA has amended the Companies (Listing of equity shares in permissible jurisdictions) Rules, 2024.</p> <p>Form LEAP-1 Form for submission of Prospectus with the Registrar pursuant to sub-section (3) of section 23 of the Companies Act, 2013 and rule 4 of the Companies (Listing of Equity Shares in Permissible Jurisdictions) Rules, 2024 has been substituted and shifted from the MCA V2 Portal to the MCA V3 Portal.</p> <p>The revised form includes certain additional disclosures and certification requirements.</p> <p>Notification</p> | |
| 4. The Companies (Corporate Social Responsibility Policy) Amendment Rules, 2025 | |
| Notification No. G.S.R. 452(E) Dated 07 th July 2025 | |
| <p><i>Effective Date: July 14th, 2025</i></p> <p>Vide this notification, MCA has amended the Companies (Corporate Social Responsibility Policy) Rules, 2014.</p> | |

As per amendment, Form CSR-1 is substituted with a new form. In the new version, Nature of Entity has been elaborated by adding 3 New Type of entities as under:

- a. Company established under section 8, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 and approved under section 80G of the Income Tax Act, 1961.
- b. Registered public trust, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 and approved under section 80G of the Income Tax Act, 1961.
- c. Registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 and approved under section 80G of the Income Tax Act, 1961.

[Notification](#)

Disclaimer:

This is not a complete listing of all circulars/notifications issued during the month.
Instead, it is only a listing of some of the circulars/notifications that we considered important.



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