

INDIA REGULATORY DEVELOPMENTS

16th - 31st Aug 2025

SEBI

[SEBI Extends Deadline for Margin Pledge/Re-Pledge Implementation \(Aug 18, 2025\)](#)

The Securities and Exchange Board of India (SEBI) has extended the deadline for implementing the June 3, 2025 circular mandating margin obligations via pledge/re-pledge in the Depository System. Originally set for September 1, 2025, the new implementation date is October 10, 2025, following requests from depositories CDSL and NSDL for additional time to complete system readiness and testing. Stock exchanges, clearing corporations, and depositories are instructed to update their systems, inform stakeholders, and revise rules accordingly to ensure a smooth transition and protect investor interests.

[Relaxation in Submission Timeline for Net Worth Certificates by Stock Brokers \(Aug 26, 2025\)](#)

SEBI, in its circular dated August 26, 2025, has revised the timeline for stock brokers to submit their half-yearly net worth certificates, which are required to offer margin trading facilities to clients. Previously, these certificates had to be submitted by April 30 and October 31. To align with financial result declaration timelines under SEBI Listing Regulations, the new deadlines are now extended to May 31 (for the period ending March 31) and November 15 (for the period ending September 30). This change aims to ease compliance, respond to industry feedback, and promote business efficiency, coming into immediate effect.

[SEBI Circular on Technical Clarifications to Cybersecurity and Cyber Resilience Framework \(CSCRF\) \(Aug 28, 2025\)](#)

SEBI's circular dated August 28, 2025, provides detailed technical clarifications and updates to the Cybersecurity and Cyber Resilience Framework (CSCRF) for its regulated entities. It addresses compliance challenges faced by entities under multiple regulators, redefines critical system criteria, amends guidelines on zero-trust security and audits, and re-categorizes Portfolio Managers and Merchant Bankers. It also integrates CERT-In's audit policy and mandates actions for exchanges and depositories. The circular aims to enhance cybersecurity governance, resilience, and regulatory alignment across the financial ecosystem.

[SEBI Circular on Extension of Timelines & Reporting Authority for Digital Accessibility Compliance \(Aug 29, 2025\)](#)

SEBI's August 29, 2025 circular extends key deadlines for regulated entities (REs) to comply with digital accessibility norms under the Rights of Persons with Disabilities Act, 2016. Extensions include deadlines for accessibility audits, remediation, and submission of digital platform lists. The appointment of IAAP-certified auditors is now due by December 14, 2025, with final remediation due by July 31, 2026. Additionally, reporting responsibilities for Investment Advisers and Research Analysts have shifted from BASL and SEBI to BSE Ltd., aiming to streamline compliance oversight.

IFSCA

[Enablers for Trade Finance in IFSC – IFSCA's Strategic Push Towards a Global Trade Hub \(Aug 29, 2025\)](#)

The International Financial Services Centres Authority (IFSCA) outlines its comprehensive efforts to strengthen trade finance in GIFT IFSC. With a global trade finance gap exceeding USD 2 trillion, India targets USD 2 trillion in exports by 2030. IFSCA has facilitated banking units, finance companies, and digital platforms (ITFS) to offer instruments like factoring, forfaiting, and syndicated loans. Trade finance disbursements via IBUs reached USD 13.79 billion by June 2025. Additionally, initiatives support sustainable finance, insurance coverage for exporters, and international integration to enhance capital access and risk management.

RBI

[RBI Draft Circular on Counterparty Credit Risk: Revised Add-On Factors for Potential Future Exposure \(Aug 20, 2025\)](#)

The Reserve Bank of India (RBI) released a draft circular on August 20, 2025, proposing revisions to the computation of Counterparty Credit Risk (CCR) through updated add-on factors used for estimating Potential Future Exposure (PFE). These revisions aim to align domestic practices with international standards set by the Basel Committee on Banking Supervision (BCBS), particularly in the interest rate and exchange rate derivatives markets. Public comments are invited by September 10, 2025.

SEBI Consultation Paper

[Consultation Paper on Minimum Public Offer and Shareholding Timelines under SCRR \(Aug 18, 2025\)](#)

SEBI is reviewing provisions under Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 to revise Minimum Public Offer (MPO) requirements and extend timelines for achieving Minimum Public Shareholding (MPS), especially for large issuers. This aims to ease capital-raising burdens and align public float with market capacity.

Discussion Points:

- **Market Cap Segmentation:** Proposed bifurcation of post-issue market cap slabs (e.g., ₹50,000 Cr to ₹1,00,000 Cr and above ₹5,00,000 Cr) with corresponding changes to MPO and MPS rules.
- **Relaxed MPO Requirements:** Reduced dilution burden—e.g., for market cap >₹5 lakh Cr, MPO of ₹15,000 Cr and 1% capital, with minimum 2.5% dilution.
- **Extended Timelines for MPS:** Proposals include extending MPS compliance to 10 years for top-tier firms and making new timelines retroactively applicable to existing non-compliant entities. Deadline For Comments: Sept 08, 2025

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[Consultation Paper on Implementation of Eligibility Criteria for Derivatives on Non-Benchmark Indices \(Aug 18, 2025\)](#)

SEBI seeks public feedback on operationalizing prudential norms for Non-Benchmark Indices with derivatives, focusing on constituent count and weight limits. The aim is to reduce concentration risks and ensure broader-based indices.

Discussion Points:

- **Approach Preference:** Should existing indices be adjusted (Alternative B) or new ones introduced (Alternative A)? Exchanges prefer adjustments to avoid disruption.
- **Glide Path for Adjustment:** For indices with significant AUM (e.g. ₹34,251 Cr in Nifty Bank), a phased reweighting across four tranches is proposed to minimize market impact.
- **Operational Modalities:** Feedback is sought on the proposed iterative method of weight adjustment and redistribution among compliant constituents.

Deadline For Comments: Sept 08, 2025

[Consultation Paper on Review of Block Deal Framework \(Aug 22, 2025\)](#)

SEBI has issued a draft circular to revise the Block Deal Framework based on stakeholder feedback and committee deliberations. Key changes include revised block deal timings, pricing rules, and transparency measures.

Discussion Points:

- **Revised Time Windows:** Introduction of Morning (08:45–09:00) and Afternoon (14:05–14:20) trading windows with defined reference prices (previous close & VWAP).
- **Pricing and Order Conditions:** Price ranges set at $\pm 1\%$ for F&O and $\pm 3\%$ for non-F&O stocks; minimum order size fixed at ₹25 crore with compulsory delivery.
- **Disclosure and Transparency:** Mandate for same-day post-market public disclosure of trade details and implementation of normal trading surveillance in block deals.

Deadline For Comments: Sept 15, 2025

[Consultation paper on 'Introduction of Closing Auction Session in the equity cash segment' \(Aug 22, 2025\)](#)

SEBI has released a consultation paper on introducing a Closing Auction Session (CAS) in the equity cash segment to improve price discovery and align with global standards. It seeks public comments on 13 key proposals impacting trading, price setting, mutual funds, and operational processes

Discussion Points:

- **Session Design & Timing:** Proposes a 20-minute CAS from 3:15–3:35 PM with segmented phases, replacing the current VWAP-based closing price to improve price stability and reduce market disruption.
- **Order Prioritization & Transition Rules:** Suggests giving execution priority to market orders over limit orders in CAS, limits on carried-forward order modifications, and specific price bands for greater control and fairness.
- **Liquidity Support for Passive Funds:** Allows overnight borrowing by passive mutual funds to manage temporary negative cash balances due to CAS trades, enabling smoother index rebalancing.

Deadline For Comments: Sep12, 2025

IFSCA Consultation Paper

[Consultation Paper on IFSCA \(Performance Review Committee\) \(Amendment\) Regulations, 2025 \(Aug 28, 2025\)](#)

This consultation paper seeks public feedback on proposed amendments to the IFSCA Performance Review Committee Regulations, 2022. The changes aim to enhance governance, ethical standards, and operational clarity for committee members.

Discussion Points:

- **Committee Composition & Eligibility:** Inclusion of eligibility restrictions for independent experts (e.g., age limit of 75, no insolvency or criminal convictions).
- **Code of Conduct:** Introduction of mandatory ethical declarations and confidentiality requirements for committee members.
- **Meeting Protocols:** Changes to quorum, voting rights, and frequency of meetings (reduced from twice to once a year).

Deadline For Comments: Sept 17, 2025