

# SEBI LODR

## Recent key amendments

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March 7, 2026

*Happy  
International  
Women's Day*

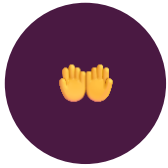
GIVE TO GAIN | IWD 2026

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*Generosity as the foundation of collective growth*

# Give to Gain

The 2026 IWD theme centres on **generosity as strategy** — when we share knowledge, mentorship, and opportunity, the returns multiply for everyone.



## Give Knowledge

Mentorship and skill-sharing across generations accelerates progress far beyond what any individual can achieve.



## Give Opportunity

Open access to networks, leadership roles, and resources creates lasting structural change for gender equality.



## Gain Together

Collective generosity compounds. The whole community grows stronger and more resilient.

*"When we give — knowledge, time, and opportunity — everyone gains."*

# Discussion Topics

01

**Related Party Transactions amendments**

02

**SEBI (LODR) (Amendment) Regulations, 2026 – Jan 20, 2026**

03

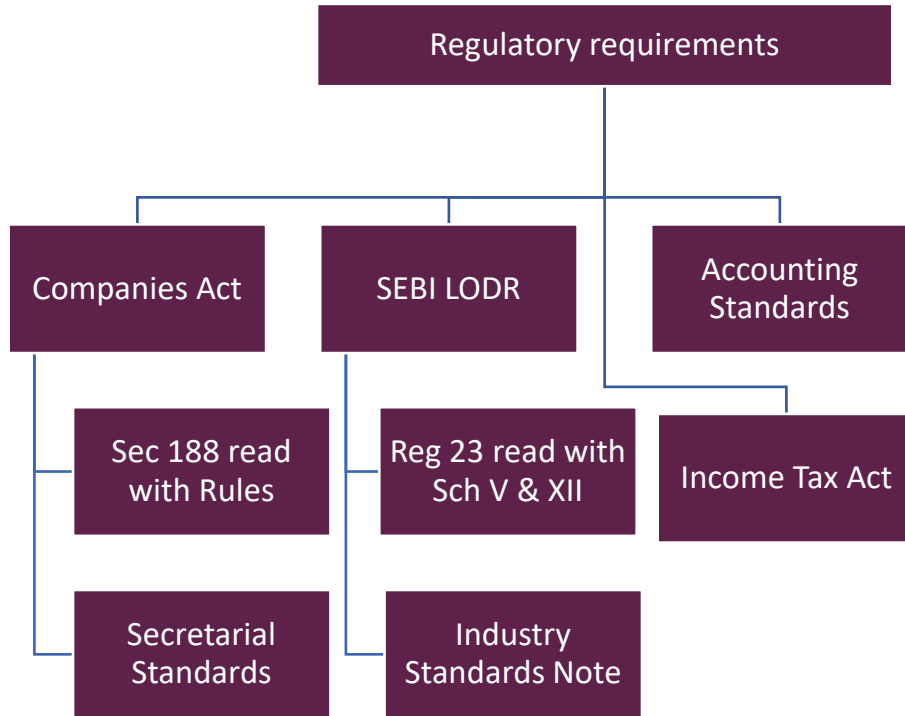
**SEBI Circulars**

04

**Discussion and Q & A**

# Related Party Transactions

Governance Framework for Listed companies



- **Mandatory approvals and controls**
  - Audit Committee
  - Board of Directors
  - Shareholders
- **Disclosure and reporting**
  - Half-yearly & annual disclosure of RPTs to stock exchanges
- **Inclusions in statutory reports**
  - Board's Report
  - Notes to financial statements

# Related Party Transactions

SEBI (LODR) (Fifth Amendment) Regulations, 2025 – Nov 18, 2025

## Materiality Thresholds: From Single static threshold to Graded / Scale-based framework

Earlier Thresholds - lower of 10% of consolidated turnover or ₹1,000 crore

### New thresholds as provided in Schedule XII of SEBI LODR

Annual Consolidated Turnover (₹ Crores)	Approved Threshold (% of Turnover)
< 20,000	10%
20,001 – 40,000	2,000 Cr + 5% above 20,000 Cr
> 40,000	3,000 Cr + 2.5% above 40,000 Cr or 5,000 whichever is lower.

Reduced compliance burden: Reduction in shareholder approvals for RPT

# Related Party Transactions

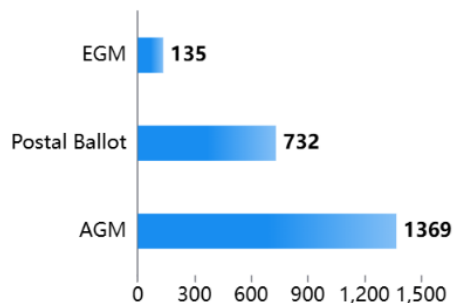
SEBI (LODR) (Fifth Amendment) Regulations, 2025 – Nov 18, 2025

Annual Consolidated Turnover	Illustrations	Materiality
₹30,000 Crore	₹2,000 Crore + 5% of the remaining ₹10,000 Crore = ₹2,500 Crore	
₹50,000 Crore	₹3,000 Crore + 2.5% of the remaining ₹10,000 Crore = ₹3,250 Crore	
₹1,50,000 Crore	₹3,000 Crore + 2.5% of the remaining ₹1,10,000 Crore = ₹5,750 Crore	However, threshold for material related party transaction would be ₹5,000 Crore as it is lower than ₹5,750 Crore

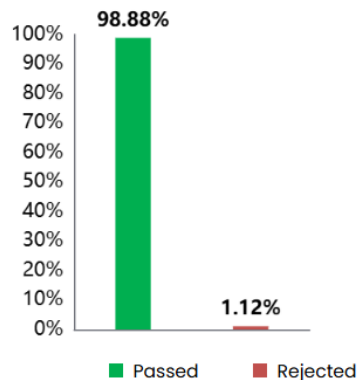
# Proxy Advisory Firms and key statistics

Data from 1st Jan 2023 to date has been presented graphically.

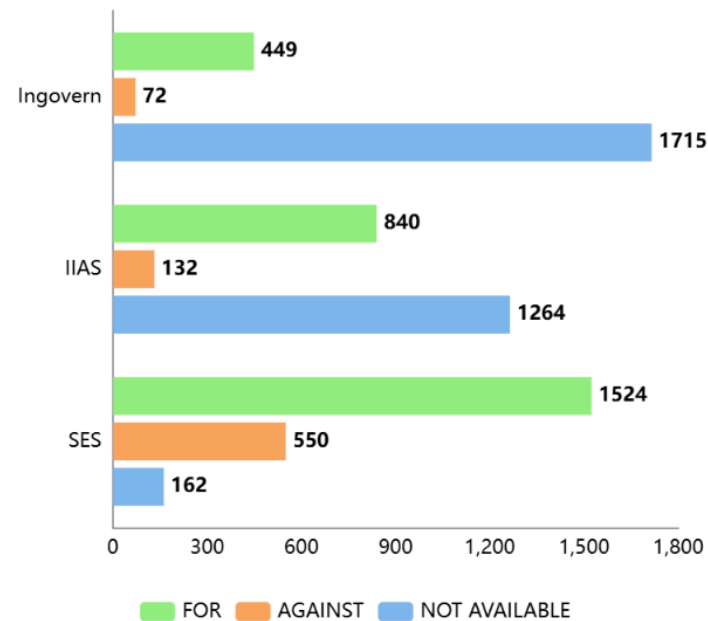
### RPTs approval proposed in general meetings



### RPT Resolution approved by Shareholders in %



### Proxy Advisory Recommendations



# Related Party Transactions

SEBI (LODR) (Fifth Amendment) Regulations, 2025 – Nov 18, 2025

## Subsidiary-Level RPTs and Audit Committee approval

Subsidiary Type	RPT value trigger	Approval required if exceeds lower of)
≥ 1 year audited FS	> ₹1 crore	<ul style="list-style-type: none"><li>– 10% of subsidiary turnover</li><li>– Schedule XII threshold</li></ul>
< 1 year audited FS	> ₹1 crore	<ul style="list-style-type: none"><li>– 10% of paid-up capital + securities premium*</li><li>– Schedule XII threshold</li></ul>

\*The capital and premium base must not be older than three months prior to seeking approval.

Meaningful RPT oversight | Consideration for early-stage subsidiaries

# Related Party Transactions

SEBI (LODR) (Fifth Amendment) Regulations, 2025 – Nov 18, 2025

## Case -1

A massive listed entity has an annual consolidated turnover of ₹50,000 Crores. One of its large, established subsidiaries has its own turnover of ₹40,000 Crores. Subsidiary is entering into an RPT of ₹3,250 Crores.

- 10% of subsidiary turnover = ₹4,000 Crores
- Schedule XII limit: For consolidated turnover > ₹40,000 Cr, the threshold is ₹3,000 Cr + 2.5% of the excess. In this case, ₹3,000 Cr + 2.5% of ₹10,000 Cr = ₹3,250 Crores

## Case -2

A subsidiary with a turnover of ₹5 Crores is entering into a service contract with a related party for ₹80 Lakhs.

10% of subsidiary turnover = ₹50 Lakhs.

# Related Party Transactions

SEBI (LODR) (Fifth Amendment) Regulations, 2025 – Nov 18, 2025

## Case -1

**YES**

Because the regulation requires approval for whichever is lower, the Audit Committee must approve any transaction exceeding ₹3,250 Crores, even though it's less than 10% of the subsidiary's individual turnover

## Case -2

**NO**

Even though the transaction (₹80 Lakhs) is more than 10% of the subsidiary's turnover, it does not require Audit Committee approval because it is below the ₹1 Crore "floor" trigger

# Related Party Transactions

SEBI (LODR) (Fifth Amendment) Regulations, 2025 – Nov 18, 2025

## ▪ **Tenure of Shareholder Approvals**

- From AGM to AGM – in case approval is obtained in an AGM
- One year – in case approval is obtained in any other general meeting/ postal ballot

## ▪ **Exclusion of RPT approval for retail purchases**

- Extended to the relatives of the directors/ KMP, when undertaken on terms which are uniformly applicable to all employees, directors, KMPs and relatives of directors or KMPs

## ▪ **Clarification on Holding Company**

- There is an exemption from audit committee and shareholder approvals for transactions between a holding company and its WoS. It has been clarified that the term 'holding company' refers to the listed entity

# Related Party Transactions

Industry standards on Minimum information for approval

**Feb 14, 2025**

Introduction of Industry Standards on 'Minimum information to be provided for Review of the Audit Committee and Shareholders for approval of RPT' in a specific format

**Effective Apr 1, 2025**

**Mar 21, 2025**

Extension of timeline for applicability of the Industry Standards

**Effective Jul 1, 2025**

**Feb 14, 2025**

SEBI revised the Industry Standards with a heightened focus on the nature and materiality of RPTs. Deferred applicability

**Effective Sep 1, 2025**

# Related Party Transactions

Industry standards on Minimum information for approval

Part	Applicability	Description	Sample Information
<b>Part A</b>	All RPTs	Minimum information required for every proposed RPT	Basic details of RP and RPT, justification, valuation report (if any), amount of all the transactions with the related party during the last & current financial year, etc.
<b>Part B</b>	Specific categories of RPTs	Additional disclosures for 7 specified types of RPTs. (sale/purchase, loans, invts, guarantees, borrowings, royalty)	Bidding or other process (if any) for selection of party, basis of determining the price, source of funds/incurrence of financial indebtedness if any/end use of the funds provided for loans given/investments made in RPTs, for guarantee RPTs – rationale, creation of legal binding obligation, material covenants etc.
<b>Part C</b>	Material RPTs under Regulation 23(1) & (1A)	Enhanced disclosures required for Material RPTs; applies in addition to Parts A & B.	Industry peer comparison, financial performance of RP, credit rating of RP, etc.

## Certification requirement to Audit Committee ('KMP certificate')

- From CEO/ MD/ WTD/ Manager and CFO to the effect that RPTs proposed are in the interest of the listed entity
- Audit Committee to review the certificate – the fact to be disclosed in the notice to shareholders

# Related Party Transactions

Industry standards on Minimum information for approval

**Oct 13, 2025 – Following representations from the Industry Standards Forum and public consultation, the SEBI Board approved relaxations to the "RPT Industry Standards"**

- **New Disclosure Thresholds:** Listed entities permitted to follow the simplified information requirements specified in Annexure-13A of SEBI circular if an RPT (individually or cumulatively in a financial year) does not exceed 1% of annual consolidated turnover or ₹10 Crore, whichever is lower
- **Full Exemption:** The requirement to provide this information does not apply to transactions that, individually or cumulatively during a financial year, do not exceed ₹1 Crore

Practical and proportionate compliance framework for RPT disclosures

# Related Party Transactions

NFRA | Audit Committee - Auditor Interactions Series 3 | Dealing with audit of RPs - Mar 20, 2025

## Potential questions Auditors may expect from the Audit Committee

- Whether management's understanding of the meaning of related parties is consistent with the definitions given in CA 2013, Ind AS 24 or AS 18, SA 550 and the SEBI Regulations 2015?
- Which risk assessment procedures were performed by the auditor to understand the management controls established to Identify, account for, and disclose RPs & RPTs; authorize and approve significant transactions and arrangements with related parties?
- Did the management establish procedures to independently validate the information declared by directors or promoters?
- Did the auditor identify related party relationships and/or transactions which the management had not identified?
- How did the auditor evaluate business rationale of significant related party transactions?
- Does the company maintain the database of related parties on a technology enabled platform and integrated with other databases of the company? (for example, the vendor master, customer master, etc.)
- How did the auditor verify that all companies which are a part of the listed holding company's group, comply with the RPT rules of SEBI and CA 2013?
- Did the auditor examine the circumstances leading to necessity of obtaining ratification of RPT from the Audit Committee, if any?
- Have you evaluated any significant variation between the value of proposed RPT approved by the Audit Committee and the actual value of RPT executed?

# High Value Debt Listed Entities

SEBI (LODR) (Amendment) Regulations, 2026 – Jan 20, 2026

- Threshold for HVDLE classification raised from ₹1,000 crore to ₹5,000 crore for outstanding listed non-convertible debt securities, significantly reducing the number of entities classified as HVDLE
- Corporate governance norms rationalised, aligning many HVDLE requirements with those applicable to equity-listed entities.
- RPT framework streamlined, including alignment with Regulation 23 and easing some requirements for HVDLEs while retaining debenture-holder protections.
- Subsidiary-related norms adjusted, including harmonisation of definitions and compliance requirements with those applicable to equity-listed companies.

**Lesser compliance for frequent debt issuers (NBFCs) | Strong governance for larger entities**

# Demat, Transfer & Duplicate Reforms

SEBI (LODR) (Amendment) Regulations, 2026 – Jan 20, 2026 | SEBI Circulars – Dec, 2025 & Jan , 2026

## Direct Credit of Securities

- Mandate for direct credit of securities in demat form for investor service requests such as sub-division/split, consolidation, renewal/exchange, and issue of duplicate securities
- Demat credit to be completed within 30 days of receiving documents
- Operational procedure yet to be notified
- Letter of Confirmation (LOC) mechanism removed effective Apr 02, 2026

## Transfer of Physical Securities

- Amendment allows registration of transfers of physical securities for deeds executed before Apr 1, 2019
- SEBI has notified a special window from Feb 5, 2026 to Feb 4, 2027, for lodging such physical transfer requests where original certificates are available.
- Listed companies, RTAs, and stock exchanges must publicize the special window every two months across print and social media.

## Duplicate Certificate Issuance Simplification

Threshold for simplified documentation increased from ₹5 lakh to ₹10 lakh

Notarisation requirement removed for Affidavit-cum-Indemnity for securities up to ₹10,000



## Un-Gender

A perspective that  
goes beyond  
gender

A Future beyond  
Labels

We grow up in a world where gender often defines expectations, limitations, and opportunities

Un-gendering is not about denying identity - it is about removing constraints that come with identity

It is about allowing people to simply be human first

Let us honor women not by placing them on a separate pedestal, but by building a world where pedestals are unnecessary

A world where no identity grants privilege and none invites limitation

**Thank You**