

Standard FAQ for Intermediaries

Frequently Asked Questions (FAQs) Clarification on SEBI Circular dated June 11, 2025 on Adoption of Standardized, Validated and Exclusive "@valid" UPI IDs for Payment Collection by SEBI Registered Intermediaries from Investors

Q1. Which intermediaries this is applicable to?

Considering **T as the date of issuance of this clarification**, this is applicable to the intermediaries in the following segments:

Activity	End
Mutual Fund	T + 30 Days
Stock Brokers across Segment	
Depository Participants across depositories	
Investment Adviser	T + 60 Days
Research Analyst	

Q2. Why is SEBI issuing this clarification ?

The objective is to ensure that **all bank accounts through which an intermediary receives money from individual / non- institutional investors, including through NEFT, RTGS, IMPS, bank transfer or any other modes, are verifiable through the "SEBI Check" facility.**

Currently, only those bank accounts that are linked with a validated "@valid" UPI ID are visible on SEBI Check. Consequently, investors cannot verify other bank account of an intermediary not having "@valid" UPI ID before transferring money.

To strengthen investor protection and reduce the risk of fraudulent fund transfers, all investor-facing collection accounts should therefore be made verifiable through SEBI Check.

Q3. Which bank accounts are covered?

All bank accounts that satisfy **both** of the following conditions:

- are directly visible to an investor; and

- may receive funds, fees or any other money from an individual / non- institutional investor.

Examples include:

- Trading account collection accounts
 - Margin collection accounts
 - Mutual fund application accounts
 - PMS fee collection accounts
 - DP charge collection accounts
 - Research Analyst fee collection accounts
 - Investment Adviser fee collection accounts
 - Any account whose number or QR code is shared with investors for payment.
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Q4. Which bank accounts are not required to obtain a "@valid" UPI ID?

The clarification does **not** apply to accounts which individual / non- institutional investors are not expected to directly transfer money into.

Illustrative examples include:

- Internal settlement accounts
 - Pool accounts not directly disclosed to investors
 - Treasury accounts
 - Vendor payment accounts
 - Salary accounts
 - Internal operational accounts
 - Any account used only for inter-bank or internal transfers.
 - Escrow account of the payment aggregator
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Q5. Do we have to actually accept payments through every "@valid" UPI ID?

No.

The purpose is that every investor-facing bank account should become verifiable on SEBI Check.

An intermediary may continue accepting payments through only the preferred "@valid" UPI IDs based on its business requirements.

Q6. Can the additional "@valid" UPI IDs remain disabled for inward UPI payments?

Yes.

If an intermediary already has sufficient active "@valid" UPI IDs for business operations, the additional "@valid" UPI IDs may remain disabled for inward UPI transactions, subject to the bank's operational policies.

Their purpose is to make the corresponding bank accounts verifiable on SEBI Check.

Q7. Can offline "@valid" UPI IDs be used?

Yes.

Offline "@valid" UPI IDs may also be used wherever permitted by the concerned bank.

Q8. Do we need separate "@valid" UPI IDs for every bank account?

Yes.

Each investor-facing bank account that receives money from individual/ non- institutional investors should be linked with its own "@valid" UPI ID so that the account becomes verifiable on SEBI Check.

Q9. We currently collect investor money only through one account. Other accounts are presently inactive. What should we do?

If the other accounts are **not** receiving money from investors and will not be used for such purpose, no action is required.

However, if at any future point such accounts are intended to receive investor funds, they should first be linked with a "@valid" UPI ID before being used.

Q10. We occasionally provide an alternate bank account to investors in exceptional situations. Is it covered?

Yes.

If an investor may transfer funds into such an account, the account should also be linked with a "@valid" UPI ID before being used.

Q11. Can investors continue paying through NEFT, RTGS, IMPS, bank transfer or any other mode?

Yes.

This clarification does not restrict any payment mode.

Investors remain free to use any permitted payment channel.

However, the destination bank account should be verifiable on SEBI Check.

Q12. Are intermediaries required to discontinue existing payment arrangements?

No.

Existing payment arrangements may continue, provided that every investor-facing collection account becomes verifiable on SEBI Check within the prescribed timelines.

Q13. What if an intermediary opens a new collection account after the implementation date?

The new account should obtain a "@valid" UPI ID before it is used to receive money from investors.

Q14. Will investors be informed about this?

Yes.

SEBI intends to encourage investors to verify intermediary bank accounts through SEBI Check before transferring funds.

Q15. What happens after the prescribed implementation date?

After the applicable timeline, intermediaries should receive funds from individual / non-institutional investors only into bank accounts that are verifiable on SEBI Check.

Q16. How can an intermediary determine whether a bank account is investor-facing?

A simple guiding principle is:

If an individual/ non-institutional investor can directly transfer money into that account, the account should be capable of being verified through SEBI Check.

Q17. We have hundreds of branch collection accounts. Are all covered?

Yes.

If investors directly remit money into those branch accounts, each such account should be linked to a "@valid" UPI ID. However, if each investor is transferring the money to their own account

which I practice in some cases by PMS by obtaining the POA then in such cases for those individual / non- institutional account one need not to obtain a separate “@valid” UPI ID.

Q18. Do escrow accounts require "@valid" UPI IDs?

Only if investors directly transfer money into those escrow accounts.

Q19. Can one "@valid" UPI ID cover multiple bank accounts?

No.

Each "@valid" UPI ID is linked to a specific bank account.

Q20. Whom should intermediaries contact for operational issues?

Intermediaries should coordinate with their respective sponsor bank/partner bank for issuance and activation of "@valid" UPI IDs.

Q21. Does this clarification amend the June 11, 2025 Circular?

No.

This clarification supplements the implementation of the Circular dated June 11, 2025 and explains the manner in which the circular is expected to be operationalized to achieve its intended investor protection objective.