

THE BEGUR BULLETIN

INVESTMENT FUNDS

APRIL - SEPTEMBER 2025

HALF YEARLY REGULATORY UPDATE



WELCOME TO THE BEGUR BULLETIN!

India's investment fund sector has witnessed remarkable growth in recent years, driven by increasing participation from both retail and institutional investors. In 2024, the combined assets under management (“**AUM**”) of Mutual Funds (“**MFs**”) amounted to approximately Rs. 67 trillion, more than a 6-fold increase from 10.5 trillion in 2014. Similarly, investment commitments in Alternative Investment Funds (AIFs) have surpassed 12 trillion, with more than 5 trillion in funds raised, offering investors exposure to alternative asset classes like private equity and venture capital. Further, Real Estate Investment Trusts (“**REITs**”) have also witnessed steady capital inflows, fuelled by a surge in demand for commercial real estate in the country along with increased government spending on infrastructure projects including expressways, railways, airports and ports. Moreover, the International Financial Services Centre (“**IFSC**”) in Gandhinagar, Gujarat, is finally witnessing substantial progress with the government keen to attract global funds by offering favourable taxation benefits and a business-friendly environment. This surge in the investment fund landscape has prompted the Securities and Exchange Board of India (“**SEBI**”) along with International Financial Services Centres Authority (“**IFSCA**”) to ensure the regulatory framework remains robust, adaptive, and conducive to growth, fostering a more transparent and investor-friendly environment.

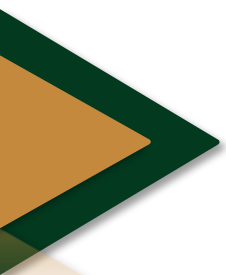
The period from April to September, 2025 saw SEBI and IFSCA introduce key regulatory amendments to strengthen transparency, compliance, and investor protection. In the AIF and FPI space, extensions were granted for certification and compliance timelines to enable smoother regulatory alignment, while mutual fund reforms enhanced transparency through standardised formats, revised NAV cut-offs, and defined rebalancing timelines. REIT and InvIT regulations were bolstered with eased compliance, stricter disclosures, and the launch of an Investor Charter to deepen trust. Investor-facing initiatives such as charters for Investment Advisers and Research Analysts, digital KYC accessibility, stronger cybersecurity norms, and standardised UPI verification furthered governance standards. At the international level, IFSCA adopted a phased approach for GIFT-IFSC, easing broker operations, facilitating FME transitions, and enabling structured co-investment, collectively signalling a shift towards a more resilient and inclusive market framework.

In this regulatory update, we explore these developments in the field of investment funds elaborating on their potential impact on stakeholders and discussing the efficacy of such developments.

We value your thoughts and suggestions. If there is feedback on how we can improve The Begur Bulletin, we'd love to hear from you on communications@begurs.com. Your input helps us keep this platform insightful.

Enjoy reading, here's to staying informed, compliant, and capital-ready!

— Team Begur





ALTERNATIVE INVESTMENT FUNDS (AIFs)

1. EXTENSION OF TIMELINE FOR COMPLYING WITH THE CERTIFICATION REQUIREMENT FOR THE KEY INVESTMENT TEAM OF THE MANAGER OF AIF

SEBI vide its Circular dated May 13, 2025, extended the deadline for key investment team members of AIF managers to obtain the required NISM-Series XIX-C certification. Originally mandated under Reg. 4(g) of SEBI (Alternative Investment Funds) Regulations, 2012 (“**AIF Regulations**”), this certification ensures professional qualification of those responsible for investment decisions. The timeline has been extended from May 9, 2025 to July 31, 2025 to obtain the requisite NISM certification.

B&P View: The move eases compliance pressure on AIFs, allowing them to manage staffing and certification processes without risking regulatory infractions. It reinforces the long-term objective of raising professional standards within AIFs, helping ensure that investment decisions are made by certified experts while avoiding immediate disruption to fund management operations.

2. SEBI AIF (AMENDMENT REGULATIONS), 2025

SEBI vide amendment dated May 23, 2025, has revised the conditions of Category II AIFs as applicable in AIF Regulations. As per the amended Regulation 17(a) of AIF Regulations, Category II AIFs are now permitted to invest in unlisted securities and/or listed debt securities (including securitised debt instruments) which are rated ‘A’ or

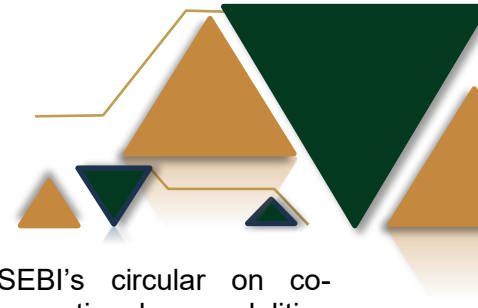
below by a credit rating agency registered with the Board, directly or through investment in units of other AIFs, in the manner as may be specified by the Board.

B&P View: The amendment provides Category II AIFs with greater flexibility to additionally invest in debt securities. It reflects SEBI’s intent to broaden investment avenues while ensuring regulated oversight through specified investment norms, such as credit ratings.

3. SEBI AIF (SECOND AMENDMENT) REGULATIONS, 2025

SEBI vide amendment dated September 9, 2025, has introduced significant reforms to the AIF landscape with respect to co-investment schemes and regulatory framework for Angel Funds. Key changes include:

- a. **Co-Investment (CIV) Schemes:** Category I and II AIFs can launch separate co-investment schemes for each co-investment in unlisted securities of an investee company. Each co-investment scheme is treated as a separate scheme, investing in a single investee company, with a shelf placement memorandum filed through a merchant banker. Angel Funds are restricted from launching a co-investment scheme. Only accredited investors of Category I and II AIFs shall be eligible to invest in a co-investment scheme. A co-investment scheme shall not invest in units of AIFs.
- b. **Angel Funds:** Definition of Angel Funds has been changed to mean



sub-category of Category I AIF that raises funds from accredited investors. Earlier the minimum value of investment in Angel Funds was INR 5 crores, but now this requirement has been removed and now there is no minimum value of investment for investment in an angel fund. An angel fund shall onboard at least five accredited investors before declaring its first close.

B&P View: Angel Funds registered post this amendment will cater exclusively to accredited investors, enhancing targeted capital deployment while ensuring regulatory oversight. This approach promotes focused investments balancing investor protection with fund flexibility.

4. FRAMEWORK FOR AIFS TO MAKE CO-INVESTMENT WITHIN AIF STRUCTURE

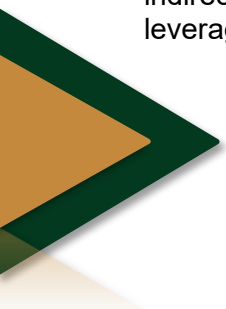
SEBI vide circular dated September 9, 2025 has listed various operational modalities for making co-investment. Managers of AIFs can make co-investment for an investor in an investee company either through PMS route or CIV scheme route. It also provides for a template of shelf placement memorandum for issuing a CIV scheme. Each CIV scheme shall have separate bank account and demat account and assets of each CIV scheme shall be ring fenced from assets of the other schemes. A defaulting or excused or excluded contributor shall not be allowed to co-invest in investment of such investee company where it has defaulted or is excused/excluded. CIV Scheme shall not borrow funds directly or indirectly or engage in any kind of leverage.

B&P View: SEBI's circular on co-investment operational modalities provides a structured and risk-mitigated framework for AIF managers. By allowing co-investments either through the PMS route or a separate CIV scheme, it gives flexibility while ensuring regulatory oversight. The requirement for each CIV scheme to maintain separate bank and demat accounts, along with ring-fencing of assets, enhances transparency and protects investors' capital from cross-scheme exposure.

5. EXTENSION OF TIMELINE OF ADDITIONAL LIQUIDATION PERIOD FOR VCFS MIGRATING TO AIF REGULATIONS

SEBI vide its Circular dated June 6, 2025, extended the timeline for the additional liquidation period granted to Venture Capital Funds ("VCFs") migrating to the AIF Regulations. Under the existing framework, VCFs that had not fully liquidated their schemes by the expiry of their original tenure were permitted an additional liquidation period up to July 19, 2025, provided they applied for migration. SEBI has now extended this additional liquidation period by one year, i.e., up to July 19, 2026, to facilitate smoother transition. However, the deadline for submitting the migration application remains unchanged at July 19, 2025.

B&P View: By granting an extra year, SEBI is responding to industry feedback and mitigating operational pressure on VCFs transitioning to AIFs. Importantly, by keeping the migration application deadline unchanged, SEBI ensures this accommodation doesn't stall the policy objective of integrating VCFs into the more comprehensive AIF framework. The move strengthens regulatory





flexibility while preserving the intended timeline for structural reform.

6. MONITORING OF MINIMUM INVESTMENT THRESHOLD UNDER SPECIALIZED INVESTMENT FUNDS (SIF)

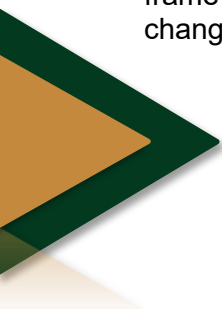
SEBI vide circular dated 29 July 2025 introduced a mechanism to operationalize daily monitoring and enforcement of the INR 10 lakh minimum investment threshold for SIFs. Under the new framework, if an investor's total holdings across all strategies under a SIF fall below INR 10 lakh because of investor-initiated actions (redemptions, transfers, etc.), all their units will be frozen for debit, and a 30-calendar-day notice will be issued to rebalance. If compliance is not restored within this period, the frozen units will be automatically redeemed at the applicable NAV.

B&P View: A clear enforcement process where units are frozen if the minimum investment threshold is breached, a 30 calendar day notice is issued to the investor to restore compliance, and if not cured, the units are automatically redeemed at the applicable NAV, ensures compliance certainty and reduces dispute risk. However, it may create operational challenges for fund managers in monitoring investor holdings and communicating effectively to avoid unintended forced redemptions.

7. REVISED REGULATORY FRAMEWORK FOR ANGEL FUNDS UNDER AIF REGULATIONS

SEBI vide circular dated September 10, 2025, has revised the regulatory framework for Angel Funds. Key changes are as follows:

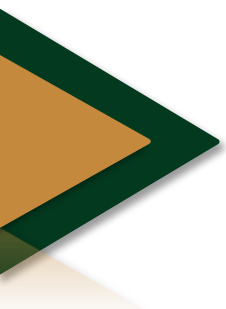
- a. Investments in investee companies shall be made directly by Angel Funds, without the requirement of launching a scheme for this purpose.
- b. Term Sheet: The requirement of filing term sheet with SEBI for launching scheme and making investment has been discontinued with. However, Angel Funds shall maintain records of term sheets for each investment, including the list of investors who participate in that investment and their contribution to the investment.
- c. Follow-on investments: Follow-on investments can be made in Angel Fund's existing investee companies which are no longer start-ups, subject to certain conditions: (i) post-issue shareholding of Angel Fund should not exceed the pre-issue shareholding of Angel Fund in such investee company; (ii) total investment (including follow-on investment) in an investee company should not exceed INR 25 crores; and (iii) follow-on investment contributions can be taken only from existing investors, on a pro-rata basis. If an investor declines their pro-rata share, it can be offered to the remaining existing investors.
- d. Lock-in requirements: Investment by an Angel Fund in an investee company shall be locked-in for a period of one year (or 6 months in case of exit of the Angel Fund by way of third-party sale, excluding buy-back by the investee company or purchase by its promoters or their associates.
- e. Overseas investment: For overseas investments, the 25% limit as prescribed under the AIF Master Circular should be calculated based





on the Angel Fund's total investments (at cost) on the date of its application to SEBI for overseas investment.

B&P View: The revised framework simplifies compliance requirements and provides greater flexibility for Angel Funds by removing the scheme-launching and term sheet filing obligations, while enabling them to make direct investments and participate in follow-on rounds under defined safeguards. These changes reduce administrative burden and increase operational efficiency for Angel Funds.





MUTUAL FUNDS

1. APPLICATION & INVESTMENT STRATEGY INFORMATION DOCUMENT FORMAT FOR SPECIALIZED INVESTMENT FUND

SEBI vide its Circular dated April 11, 2025, mandated a uniform application format for Mutual Funds seeking to establish Specialized Investment Funds ("SIFs"), along with a standardized Investment Strategy Information Document ("ISID"). The format includes sections detailing fund structure, investment personnel (including routes based on track record or alternate route), risk profiling, asset allocation, NAV computation, recurring expenses, distribution terms, and investor eligibility, etc.

B&P View: The introduction of SIFs marks SEBI's effort to create a distinct, regulated vehicle for thematic or concentrated investment strategies within the mutual fund ecosystem. By prescribing detailed application and disclosure norms upfront, SEBI aims to balance innovation with investor protection and regulatory oversight, while offering fund houses a flexible product structure tailored for informed, higher-ticket investors.

2. CUT-OFF TIMINGS FOR NAV CALCULATION WITH RESPECT TO REPURCHASE/ REDEMPTION OF UNITS IN OVERNIGHT SCHEMES OF MUTUAL FUNDS

SEBI vide its Circular dated April 22, 2025, amended the cut-off timing rules for redemption of units in overnight mutual fund schemes. Henceforth,

redemption applications received in offline mode up to 3:00 PM will use the previous business day's closing NAV, while those after 3:00 PM will use the next business day's NAV. Importantly, online redemptions for overnight schemes now have a later cut-off of 7:00 PM. This will come into effect from June 1, 2025.

B&P View: SEBI's extension of the online cut-off time to 7:00 PM for redemptions in overnight schemes is a targeted operational reform aimed at aligning mutual fund processes with the settlement timelines of the securities market. This move facilitates smoother pledging and upstreaming of client funds by brokers and clearing members, especially in light of SEBI's stricter upstreaming framework.

3. PROPOSED ENHANCEMENT OF MUTUAL FUND HOLDINGS IN REITs AND InvITS

SEBI vide consultation paper dated April 17, 2025, proposed significant expansion in the investment limit for mutual funds in REITs and InvITs. Currently, mutual funds are allowed to invest up to 10% of a scheme's NAV in REITs and InvITs subject to a cap of 5% per issuer.

It is now proposed to increase the single issuer limit from 5% to 10% and the overall exposure limit of mutual funds to REITs and InvITs from 10% to 20% for equity and hybrid schemes. For debt schemes, the existing 10% aggregate limit is proposed to be retained.



B&P View: The proposal is in response to increasing investor interest in REITs and InvITs as an income generating asset class, aiming to provide mutual funds greater flexibility to invest, particularly in equity and hybrid schemes, participating in infrastructure and commercial real estate backed instruments.

4. TIMELINES FOR REBALANCING OF PORTFOLIOS OF MUTUAL FUND SCHEMES IN CASES OF ALL PASSIVE BREACHES

SEBI vide its circular dated June 26, 2025, has clarified that all passive breaches in actively managed mutual fund schemes, whether related to asset allocation, issuer, sector, or group-level limits permitted under the SEBI (Mutual Funds) Regulations, 1996, must be rebalanced within 30 business days from the date of breach. This timeline, earlier applicable only to asset allocation deviations, will now uniformly apply to other passive breaches as well. SEBI acknowledged that such breaches may occur due to factors beyond the control of the AMC, such as corporate actions, significant price movements in underlying securities, maturity of portfolio instruments or large redemptions, and are not the result of any deliberate action or oversight by the fund manager.

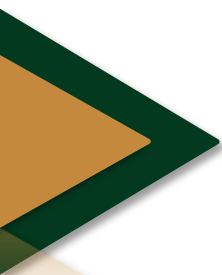
B&P View: SEBI's clarification brings much-needed consistency to the treatment of passive breaches in mutual fund portfolios. This approach enhances investor protection by ensuring timely corrective action without penalizing fund

managers for factors outside their control, while reinforcing SEBI's broader focus on transparency and risk management within the mutual fund ecosystem.

5. SEBI ABOLISHES TRANSACTION CHARGES FOR MUTUAL FUND DISTRIBUTORS

On August 8, 2025, SEBI issued Circular No. SEBI/HO/IMD/PoD1/CIR/P/2025/115, effectively removing the provision that allowed Asset Management Companies (AMCs) to pay transaction charges to mutual fund distributors for investments exceeding a certain threshold. The circular clarifies that distributors, as agents of AMCs, are entitled to be remunerated by the AMCs, and therefore, transaction charges or commissions prescribed under paragraphs 10.4.1.b and 10.5 of the SEBI Master Circular for Mutual Funds dated June 27, 2024, shall be done away with. This decision follows public and industry consultations and aligns with SEBI's goal to streamline distributor compensation and enhance transparency in the mutual fund industry.

B&P View: By eliminating transaction charges, SEBI aims to simplify the distributor remuneration process and reduce indirect costs for investors. This move reflects a broader trend towards rationalizing mutual fund fee structures to foster investor trust and market efficiency.





REAL ESTATE INVESTMENT TRUSTS (REITs) AND INFRASTRUCTURE INVESTMENT TRUSTS (InvITs)

1. SEBI (REIT) (SECOND AMENDMENT) REGULATIONS, 2025

SEBI on September 3, 2025 notified the SEBI (Real Estate Investment Trusts) (Second Amendment) Regulations, 2025.

Key amendments:

- a. Revision of the definition of “public” to exclude related parties, sponsors, sponsor groups, managers, or any other person specified by SEBI, while expressly treating Qualified Institutional Buyers (QIBs) as “public” even if otherwise excluded;
- b. Alignment of the timeline for disclosing the development status of under-construction properties with quarterly financial results and requiring valuation reports to be submitted to trustees simultaneously with stock exchange filings;
- c. Permitting HoldCos with negative net distributable cash flow to offset such deficit against cash flows from SPVs, subject to mandatory disclosures to unitholders; and

Standardizing the timing of annual and half-yearly valuation reports with annual valuations to be carried out as on March 31 and half-yearly valuations as on September 30, and clarifying submission and unitholder communication

obligations.

B&P View: The amendments strengthen the REIT framework by tightening the definition of “public,” improving disclosure quality, and aligning valuation and reporting timelines with financial results. Flexibility for HoldCos to adjust negative cash flows, backed by mandatory disclosures, balances operational needs with investor protection. Overall, the changes enhance transparency, reduce compliance friction, and improve market discipline.

2. SEBI (InvIT) (THIRD AMENDMENT) REGULATIONS, 2025

SEBI on September 03, 2025 notified the SEBI (Infrastructure Investment Trusts) Third Amendment Regulations, 2025.

Key amendments:

- a. Definition of public revised to exclude related parties, sponsors, sponsor groups, and managers, while allowing Qualified Institutional Buyers (QIBs) to be treated as ‘public’ even if otherwise excluded.
- b. Timelines for reporting and valuation aligned with quarterly financial results, including disclosure of under-construction project status and quarterly investment manager reports. Annual and half-yearly valuation reports must follow strict timelines, with quarterly



valuations triggered when borrowings exceed 49%.

- c. Minimum investment threshold reduced from ₹1 crore to ₹25 lakhs, with the earlier ₹25 crore minimum investment requirement for InvITs investing 80% in completed, revenue-generating assets removed.
- d. Cash flow adjustments permitted for HoldCos, allowing negative net distributable cash flows to be offset with cash inflows from SPVs, subject to SEBI-prescribed disclosures to unitholders.

B&P View: These amendments lower barriers to entry for retail and mid-sized investors, improve regulatory clarity, and enhance transparency in reporting. The alignment of timelines with financial disclosures and strengthened governance norms are expected to attract a broader investor base and improve market efficiency.

3. REVIEW OF FRAMEWORK FOR CONVERSION OF PRIVATE LISTED InvIT INTO PUBLIC InvIT

SEBI vide circular dated 8 August 2025 revised the framework for converting private InvITs into public InvITs. The updated guidelines stipulate that the conversion process must include a public offering of units. The circular outlines the minimum unitholding for sponsor and sponsor groups, lock-in on the units held by the sponsor and sponsor groups and compliance with disclosure norms for follow-on offer.

B&P View: The revised framework introduces a structured pathway for private listed InvITs to transition into public entities, enhancing transparency and investor confidence. By enforcing stringent eligibility and governance norms, SEBI aims to align private InvITs with public market standards, potentially broadening their investor base and liquidity.

4. MASTER CIRCULAR FOR REITs

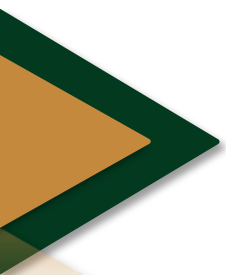
SEBI vide circular dated July 11, 2025, ("**Circular**") consolidated various circulars issued by SEBI under the SEBI (Real Estate Investment Trusts) Regulations, 2014 up until July 11, 2025, superseding the previous Master Circular for REITs dated May 15, 2024.

5. MASTER CIRCULAR FOR InvITs

SEBI vide circular dated July 11, 2025, ("**Circular**") consolidated various circulars issued by SEBI under the SEBI (Infrastructure Investment Trusts) Regulations, 2014 up until July 11, 2025, superseding the previous Master Circular for InvITs dated May 15, 2024.

6. SEBI APPROVES AMENDMENTS PROMOTING EASE OF DOING BUSINESS FOR REITs AND InvITs

SEBI in its Board Meeting dated June 18, 2025 approved certain amendments aimed at streamlining operations and enhancing flexibility for REITs and InvITs. Related parties of the REIT/InvIT and that of its Sponsor, Manager and Project Manager shall now be considered as "public" unitholders only if they fall within the category of Qualified Institutional Buyers





(QIBs), thus benefitting REITs and InvITs in complying with the provisions of minimum public holding.

Further, a Holding Company shall now be permitted to offset its own negative cash flows against the cash it receives from underlying Special Purpose Vehicles (SPVs) before distributing funds to the REIT/InvIT. Earlier, it had to pass on 100% of SPV cash flows regardless of its own losses. This change offers financial flexibility and ensures more realistic distributions, subject to proper disclosures to unitholders.

Moreover, the timeline for submission of several quarterly reports, such as certain financial information of the REIT and InvIT will now be aligned with the timeline for submission of quarterly financial statements. Reduction of minimum allotment lot in the primary market for privately placed InvITs from Rs. 1 crore to Rs. 25 lakhs has also been approved.

B&P View: The amendments, pending notification, signify SEBI's continuous push towards extensively promoting ease of doing business for REITs and InvITs balancing regulatory flexibility along with ensuring adequate investor protection.

7. INVESTOR CHARTER FOR REITs AND InvITs

SEBI vide notification dated June 12, 2025 issued a revised investor charter for REITs and InvITs ("**Charter**") aiming to further strengthen the regulatory framework for protection of interests of investors, mandating REITs/InvITs and their Investment Managers to display and disseminate the Charter prominently not only on their websites and office premises

but also on mobile apps and through direct communication to investors, such as email or physical correspondence. Additionally, REITs/InvITs are now required to publish monthly data on investor grievances received and resolved, in a standardized format, by the 7th of each month on their websites.

These changes align the Charter with recent market reforms, including the Online Dispute Resolution (ODR) platform and SCORES 2.0, SEBI's upgraded grievance redressal system. The Charter also consolidates and supersedes previous directives, providing a more streamlined compliance framework and ensuring that investor communication is proactive rather than merely passive.

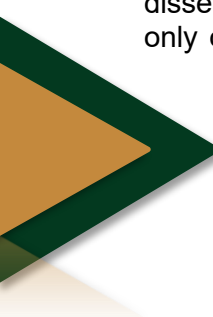
B&P View: The Charter represents a shift towards greater regulatory clarity, accountability, and investor empowerment in REITs/InvITs. By mandating more frequent, transparent disclosures and integrating digital grievance mechanisms, SEBI aims to reinforce investor trust and foster a more robust and responsive investment environment.

8. SEBI REVISES DISCLOSURE GUIDELINES IN OFFER DOCUMENTS FOR REITs AND InvITs

SEBI vide circulars dated May 7, 2025 ("**Circulars**") revised Chapters 3 and 4 of the Master Circular for REITs and InvITs, enhancing disclosure requirements for offer documents and post-listing compliances.

Key amendments:

- a. Offer documents must include audited financial statements for the past 3 years, with additional pro forma data for material acquisitions/divestments.





- b. Enhanced project-level disclosures covering cash flows, valuations, related party transactions and net distributable cash flows (NDCF).
- c. Follow-on offers require financial projections for new acquisitions along with a Management Discussion and Analysis (MDA) including major business and financial trends.
- d. Quarterly/half yearly disclosures must now comply with Ind AS and Schedule III formats, including updated statements of NDCF and net assets at fair value.
- e. New governance and audit requirements: auditor certifications, Board approvals and CFO/CEO sign-offs are now mandatory.

B&P View: This is a significant move promoting transparency, comparability and investor confidence in Indian REITs and InvITs, aligning Indian disclosure standards with global benchmarks, likely to boost capital market participation and reduce diligence risks in the long run.

9. SEBI (InvIT) (SECOND AMENDMENT) REGULATIONS, 2025

SEBI on April 29, 2025 notified the SEBI (InvIT) (Second Amendment) Regulations, 2025, permitting InvITs to invest unutilized funds in unlisted equity, specified liquid mutual funds and interest rate derivatives. This amendment expands investment options beyond traditional projects, allowing InvITs to earn returns on surplus funds while waiting for deployment in core infrastructural

assets.

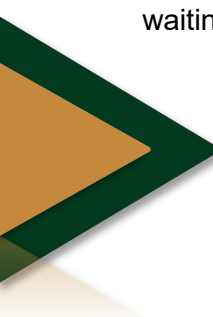
B&P View: The amendment provides InvITs with greater operational flexibility and improved cash management, enabling more efficient deployment of surplus resources while maintaining transparency and protecting unitholder interests.

10. SEBI REIT (AMENDMENT) REGULATIONS, 2025

SEBI on April 23, 2025, notified the SEBI (REITs) (Amendment) Regulations, 2025 introducing a host of reforms aimed at enhancing operational flexibility, aligning REIT governance with global best practices and expanding permissible investments.

Key amendments:

- a. New definition of “Common Infrastructure” covering assets like power plants, water/waste treatment facilities, cooling systems, etc., any excess output can now be sold to the grid with full disclosure and audit confirmation
- b. Expanded “cash equivalent” instruments: REITs’ 20% investment bucket may now include liquid mutual fund units (Class A I, credit risk ≥ 12) and interest rate derivatives
- c. Revised lock-in transfers: Sponsors can transfer locked-in units within their own group, transfer must respect remaining lock-in period. Transfers permitted during sponsor change or transition to self-sponsored manager
- d. Board composition timelines: Any vacancy (including independent directors) must be filled either by the date of term expiry, or within three





months if for any other reason

- e. Strengthened trustee duties: Trustees must now follow explicit fiduciary obligations such as transparency, due diligence, oversight, unitholder protection, etc.—with Schedule based role descriptions and a 180 day implementation window
- f. Mandatory issuer credit rating: Required for REIT borrowings exceeding specified thresholds
- g. Nomination & Remuneration Committee (NRC) flexibility: Now permits inclusion of non-executive directors if at least two-thirds of members are independent

B&P View: The amendments aim to enhance asset diversification, governance and operational flexibility by allowing infrastructure monetization, access to liquid assets and intra sponsor unit transfers. Strengthened governance and duties of trustees promote accountability, improve investor confidence and market liquidity.

11. SEBI InvIT (AMENDMENT) REGULATIONS, 2025

SEBI on April 02, 2025 notified the SEBI (Infrastructure Investment Trusts) (Amendment) Regulations, 2025.

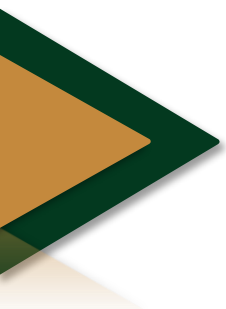
Key amendments:

- a. Additional onus on the trustee:

Regulation 9 now includes sub-regulation (23), expanding trustee duties to cover due diligence, governance standards, and prioritizing unitholders' interests.

- b. Inter-se transfer of locked-in units: Sponsors and their group entities can now transfer locked-in units among themselves or to incoming sponsors, provided the lock-in period continues as required.
- c. Investments in unlisted equity shares: InvITs that raised funds publicly may now invest in unlisted equity shares of exclusive project managers/service providers, if wholly owned directly or indirectly by the InvIT.
- d. Vacancies on the board of an investment manager: Set timelines have been prescribed for filling independent director vacancies on the investment manager's board, which must include at least 50% independent directors and one woman independent director on a six-member board.

B&P View: The amendments mark a significant strengthening of trustee roles, enhancing governance but also increasing their liabilities. The flexibility introduced in transferring locked-in units and investing in unlisted equity shares of project managers supports smoother operations and better ease of doing business within the InvIT framework.





FOREIGN PORTFOLIO INVESTORS

1. AMENDMENT TO SIZE CRITERIA THRESHOLD

SEBI vide its Circular dated April 9, 2025, has amended certain provisions of Master Circular for Foreign Portfolio Investors (“FPI”), Designated Depository Participants and Eligible Foreign Investors dated May 30, 2024, (“**FPI Master Circular**”), and increased the threshold under size criteria. The threshold under size criteria has been increased from INR 25,000 crore to INR 50,000 crore.

B&P View: FPIs are required to make additional disclosures as per the FPI Master Circular if they cross the threshold criteria. Effective immediately from the date of the Circular, the size based disclosure has increased. This may reduce compliance burdens for FPIs that fall below the new threshold, potentially broadening participation and attracting greater foreign investment.

2. EXTENSION OF TIMELINE FOR ODI & FPI REGULATORY COMPLIANCE

SEBI vide its circular dated December 17, 2024, provided for additional disclosures to be made by Offshore Derivative Instruments (“ODI”) subscribers and FPIs with segregated portfolios. Originally slated to take effect by May 17, 2025, these provisions now apply from November 17, 2025. All other provisions from the December 2024 Circular remain effective immediately, and depositories along with relevant entities must ensure compliance by the revised deadline


B&P View: The extension granted by

SEBI reflects a pragmatic approach to regulatory implementation, acknowledging operational challenges faced by market participants in complying with enhanced disclosure and compliance norms for ODIs and segregated portfolio FPIs. By deferring the applicability of specific provisions to November 17, 2025, SEBI provides additional time for systems alignment and process adjustments, without compromising the effectiveness of the broader framework. This phased approach helps avoid market disruption while reinforcing SEBI’s continued focus on addressing regulatory arbitrage and enhancing transparency in the FPI ecosystem.

3. SEBI EASES REGULATORY COMPLIANCE FOR FPIS INVESTING SOLELY IN GOVERNMENT SECURITIES

SEBI vide circular dated September 10, 2025, has simplified regulatory requirements for FPIs that invest exclusively in Indian Government Securities through Fully Accessible Route (GS-FPIs). FPIs are exempt from furnishing investor group details. GS-FPIs are required to inform all material changes (both Type I and Type II) within 30 days of such change. New FPI applicants willing to invest only in Government Securities may identify themselves as GS-FPIs by making appropriate declaration to their DDPs at the time of on boarding. Mechanism for transition from regular FPIs to GS-FPI is also provided in this circular. This provisions of this circular shall come into force with effect from February 8, 2026.

B&P View: SEBI's move to ease compliance for FPIs investing solely in government securities is intended to attract more foreign capital and deepen the sovereign debt market. By reducing



regulatory hurdles, it strengthens market liquidity and investor confidence while aligning with global best practices.



INVESTMENT ADVISER (IA) & RESEARCH ANALYST (RA)

1. RELAXATION FOR PROVISION OF ADVANCE FEE

SEBI vide circular dated April 2, 2025, ("**Circular**") increased the period of advance that IA/RA may charge from its clients. IA/RA may charge advance fee for a period of one year, provided that (a) same is agreed upon by the client, and, (b) such fee related provisions are applicable only in case of individual clients and Hindu Undivided Family clients, who are not accredited investors. For non-individual clients, accredited investors, and in case of institutional investors seeking recommendation of proxy adviser, fee related terms and conditions will be governed by bilaterally negotiated contractual terms.

B&P View: By allowing advance fee collection for a longer period of 1 year, SEBI has addressed practical challenges faced by market participants in structuring their service arrangements. The emphasis on clear fee disclosure in client agreements helps maintain transparency, but its effectiveness will hinge on proper documentation, investor awareness, and continued regulatory monitoring to avoid potential misuse.

2. INVESTOR CHARTERS FOR IAs AND RAs

SEBI vide its 2 circulars issued on June 2, 2025 has modified and amended the Investor Charter dated May 21, 2024 published for IA and RA. The amended investor charters now include the Vision & Mission Statements for investors, list of businesses activities that IA/RA can provide to the investors, rights & responsibilities of investors and

grievance redressal mechanism. The primary objective of these amendments is to strengthen financial consumer protection while advancing financial inclusion and literacy, in light of recent market developments such as the launch of the Online Dispute Resolution (ODR) platform and the introduction of SCORES 2.0.

B&P View: This move demonstrates SEBI's intent to streamline grievance redressal and improve accessibility, key steps toward boosting both financial inclusion and literacy in a fast-evolving market landscape.

3. MASTER CIRCULAR FOR IAs

SEBI vide circular dated June 27, 2025, ("**Circular**") consolidated various circulars issued by SEBI under the SEBI (Investment Advisers) Regulations, 2013 ("**IA Regulations**") up until June 11, 2025, and superseding the previous Master Circular for IAs dated May 21, 2024.

4. MASTER CIRCULAR FOR RAs

SEBI vide circular dated June 27, 2025, ("**Circular**") consolidated various circulars issued by SEBI under the SEBI (Research Analyst) Regulations, 2014 ("**RA Regulations**") up until June 20, 2025, and superseding the previous Master Circular for IAs dated May 21, 2024.

5. SEBI ALLOWS IAs AND RAs to USE LIQUID & OVERNIGHT MFS FOR DEPOSIT COMPLIANCE

SEBI vide circular dated August 12, 2025

has permitted IAs and RAs to utilize liquid and overnight mutual fund schemes to meet the deposit requirements stipulated under IA Regulations and RA Regulations. As and RAs shall now maintain a deposit in the form of units of liquid mutual fund or an overnight mutual fund or as a deposit maintained with a scheduled bank. Such deposit shall be marked as lien in favour of IAASB or RAASB, as the case may be. IAs and RAs shall comply with the deposit requirements latest by September 30, 2025.

B&P View: By allowing the use of liquid and overnight mutual funds, SEBI provides IAs and RAs with more efficient means to manage regulatory deposits, potentially reducing the opportunity cost associated with idle funds. This initiative reflects SEBI's commitment to fostering a more dynamic and adaptable regulatory environment for financial intermediaries.

6. FAQs RELATED TO REGULATORY

PROVISIONS OF RA

SEBI vide circular July 23, 2025 has clarified key aspects of the RA Regulations. The clarifications state that all persons offering research services must secure NISM certification within one year; institutional investors and QIBs need only be informed of terms (not sign consents); exclusions of research report; journalists are exempt unless opining on specific securities; and additional guidance is given on conflict management, segregation of functions, client classification, recordkeeping, and compliance officer requirements.

B&P View: The circular enhances clarity and credibility by setting clear boundaries and reducing compliance ambiguities, especially for large firms and institutions.



INTERNATIONAL FINANCIAL SERVICES CENTRE

1. STOCK BROKERS TO OPERATE IN GIFT-IFSC VIA SEPARATE BUSINESS UNITS

SEBI, through its circular dated May 2, 2025, has allowed SEBI-registered stock brokers to undertake permissible activities in the GIFT International Financial Services Centre (IFSC) by setting up a Separate Business Unit (SBU) of the same legal entity. The circular specifies that the SBU must maintain separate accounts, net worth, and operations that are clearly segregated from the domestic business of the broker. Activities in the IFSC will be governed by the applicable framework prescribed by the International Financial Services Centres Authority (IFSCA), and clients dealing with the SBU will not have access to SEBI's SCORES platform or the Investor Protection Fund.

B&P View: This move is aimed at facilitating ease of doing business and promoting operational flexibility for stock brokers looking to participate in IFSC. By allowing the use of an SBU structure under the same legal entity, SEBI reduces the compliance burden and cost of entry for brokers while maintaining essential safeguards through operational and financial segregation.

2. TRANSITION TO NEW FME REGULATIONS

IFSCA, through its circular dated April 8, 2025, has outlined a transition framework for Fund Management Entities (FMEs) shifting from the Fund Management Regulations, 2022 to the new Regulations, 2025. The circular also permits schemes recorded under the 2022 Regulations

within six months prior to February 19, 2025, or those granted PPM extensions beyond that date, to migrate to the new regime. Additionally, FMEs whose PPMs expired before February 19, 2025, are offered a one-time opportunity to re-file within three months, with a 50% reduced fee and extended validity of six months. Filings made pursuant to regulatory changes or IFSCA directions will be exempt from processing fees.

B&P View: The circular reflects IFSCA's intent to ensure a smooth and practical transition to the Fund Management Regulations, 2025, without disrupting ongoing or planned fund activity. Grandfathering existing schemes and offering a one-time re-filing window reduce administrative disruption, while the fee waiver provision acknowledges the need for flexibility amid evolving norms. Overall, this demonstrates a thoughtful regulatory approach, fostering a supportive environment for fund managers navigating the shift to the new regulations.

3. IFSCA FUND MANAGEMENT AMENDMENT REGULATIONS, 2025: INTRODUCTION OF THIRD-PARTY FUND MANAGEMENT SERVICES

IFSCA vide notification dated 24 July 2025 has amended the Fund Management Regulations, 2025 by introducing a new Part D: Third-Party Fund Management Services under Chapter VI. This framework allows a Fund Management Entity (FME) in IFSC to manage investment schemes on behalf of a third-party fund manager, i.e., an entity already regulated or registered for fund management, portfolio management, investment advisory, or similar activity in its home jurisdiction, without requiring the

third party to set up separately in IFSC. FMEs remain fully responsible for all regulatory obligations under these arrangements, must appoint designated Principal Officers and Compliance Officers, ensure disclosures on third-party roles and conflicts, and implement strong risk management and monitoring systems.

B&P View: The regulatory changes are intended to boost investor confidence in IFSC-based funds by imposing stricter regime while allowing for operational flexibility in delegation and outsourcing, subject to safeguards. While the amendment enables a platform-play model and greater flexibility by allowing third-party fund managers to piggy-back on FMEs, it also elevates compliance burdens significantly on FMEs, who must shoulder full liability.

4. IFSCA FEE STRUCTURE FOR THIRD-PARTY FUND MANAGEMENT SERVICES

IFSCA vide circular dated 8 September 2025 has specified the fee structure for Fund Management Entities (FMEs) offering Third-Party Fund Management Services (TPFMS) under Part D of the Fund Management Regulations, 2025. Registered FMEs (Retail and Non-Retail) are required to pay an Application Fee of USD 2,500 along with their application and an Authorisation Fee of USD 7,500 prior to the grant of authorisation. Additionally, FMEs must pay a conditional recurring fee of USD 2,000 per TPFM annually, starting from the financial year following the execution of a contract with a TPFM, payable in April. Activity-based and other regulatory fees will continue to follow the existing fee framework for IFSC entities as per the circular dated April 08, 2025.

B&P View: The circular clearly defines upfront and recurring costs for FMEs, ensuring transparency and regulatory clarity. While it standardizes fees, smaller FMEs managing multiple TPFMs may face a significant cumulative financial burden.

5. IFSCA (TECHFIN & ANCILLARY SERVICES) REGULATIONS, 2025

IFSCA notified TechFin & Ancillary Services (TAS) Regulations, 2025 on July 8, 2025. It is a consolidated framework for entities providing technology-driven or supporting services in IFSCs, superseding prior separate regimes for TechFin and Ancillary Service providers. These regulations define eligibility (entity form, promoter jurisdictions), require registration (via SWIT), prescribe “fit & proper” criteria, mandatory appointment of IFSC-based Principal Officer and Compliance Officer, code of conduct, reporting norms, and allow for regulatory relaxation or inspection powers.

B&P View: The regulations centralize oversight and rationalize the framework for TechFin and ancillary services, ensuring consistency. However, by treating both categories at the same level and imposing similar compliance requirements, the framework may unfairly burden ancillary service providers who do not pose the same risks as TechFin entities.

6. TRANSITION TO IFSCA (TECHFIN AND ANCILLARY SERVICES) REGULATIONS, 2025

IFSCA vide its circular dated July 31, 2025, has issued framework to facilitate the transition of existing Ancillary Service Providers and FinTech entities into the new TechFin & Ancillary Services (TAS) Regulations, 2025. The circular lays down



how new applications should be made with associated fees, how pending applications under legacy frameworks will be processed under TAS (without additional fees where already paid), and the timeline for in-principle approvals to convert into a full Certificate of Registration (CoR) within 12 months, failing which approvals lapse. It also permits existing entities to continue operations under old frameworks during the transition period (up to 12 months or until CoR issuance) unless extended.

B&P View: This circular provides clarity and continuity by avoiding disruption for entities during transition while aligning them under a unified regulatory regime. The fixed timeline and CoR conversion creates certainty on regulatory status.

7. IFSCA (CAPITAL MARKET INTERMEDIARIES) REGULATIONS, 2025

IFSCA vide notification dated 16 April 2025 has issued the IFSCA (Capital Market Intermediaries) Regulations, 2025 (**CMI Regulations**) providing a comprehensive framework for regulation, registration, and supervision of Capital Market Intermediaries (CMIs) in IFSC. CMIs include entities such as Custodians, Investment Advisers, Research Analysts, Investment Bankers, Brokers/Dealers, Credit Rating Agencies, and other entities specified by the Authority. The regulations outline the process for obtaining a Certificate of Registration, specifying eligibility criteria, minimum net worth requirements, governance standards, compliance obligations, and reporting requirements. Only eligible entities can apply for registration under these regulations. All CMIs are required to submit annual compliance audits to ensure adherence to regulatory norms.

The framework provides clarity on permissible activities, internal governance, risk management, and investor protection mechanisms within the IFSC.

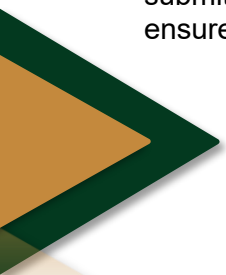
B&P View: The regulations provide a clear, structured framework for regulating CMIs and specifying who can obtain registration, enhancing transparency and supervision.

8. MASTER CIRCULAR FOR RESEARCH ENTITIES

IFSCA vide circular dated 5 August 2025 has issued the Master Circular for Research Entities in IFSC, consolidating the regulatory framework under the CMI Regulations. The circular outlines the registration process, governance requirements, permissible activities, and compliance obligations for Research Entities operating in the IFSC. Key provisions include the necessity for a valid Certificate of Registration and Letter of Approval, appointment of Principal and Compliance Officers based in the IFSC, adherence to Know Your Customer, Anti-Money Laundering, and Counter-Terrorist Financing guidelines, and maintenance of a Code of Conduct. Additionally, Research Entities are required to conduct client risk profiling, enter into formal agreements with clients, and ensure transparency in fee structures. The circular also emphasizes the importance of maintaining client records, implementing internal policies for outsourcing activities, and establishing robust grievance redressal mechanism.

9. MASTER CIRCULAR FOR INVESTMENT ADVISERS IN IFSC

IFSCA vide circular dated 5 August 2025 has issued the Master Circular for





Investment Advisers in IFSC, consolidating the regulatory framework under the CMI Regulations. The circular outlines the registration process, governance requirements, permissible activities, and compliance obligations for Investment Advisers operating in the IFSC. Key provisions include the necessity for a valid Certificate of Registration and Letter of Approval, appointment of Principal and Compliance Officers based in the IFSC, adherence to Know Your Customer, Anti-Money Laundering, and Counter-Terrorist Financing guidelines, and maintenance of a Code of Conduct. Additionally, Investment Advisers are required to conduct client risk profiling, enter into formal agreements with clients, and ensure transparency in fee structures. The circular also emphasizes the importance of maintaining client records, implementing internal policies for outsourcing activities, and establishing robust grievance redressal mechanisms.

10. EXTENSION OF TIMELINE FOR APPOINTMENT OF CUSTODIAN

IFSCA, through its circular dated May 24, 2025, has granted a six-month extension for compliance with Regulation 132 of the IFSCA Fund Management Regulations, 2025 ("**FME Regulations**"), which mandates the appointment of an independent custodian based in an IFSC. The extension applies to schemes taken on record on or after February 19, 2025, and also to schemes recorded earlier where no custodian agreement was executed by that date. During the extended period, FMEs may appoint a domestic or foreign-regulated custodian, subject to providing custodial details to IFSCA upon request. During this six-month period, FMEs are permitted to appoint a domestic or foreign-regulated

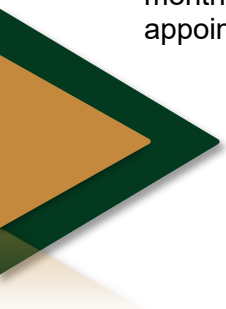
custodian temporarily, with obligations to provide custodial information to IFSCA upon request.

B&P View: By allowing interim arrangements with domestic or foreign-regulated custodians, IFSCA reduces immediate disruption while maintaining regulatory oversight through information-sharing obligations. This phased extension supports market stability and continuity, ensuring FMEs have clear pressure relief while preserving the objective of relocating custodial services into GIFT IFSC within a reasonable timeframe.

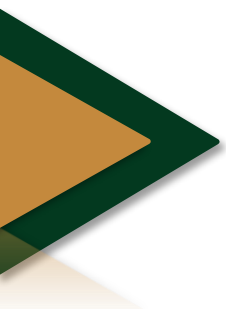
11. CO-INVESTMENT BY VENTURE CAPITAL SCHEME AND RESTRICTED SCHEME

IFSCA's Circular dated May 21, 2025 introduces a structured framework FMEs with operational Venture Capital or Restricted Schemes to set up a Special Scheme, an SPV, structured as a Company, LLP, or Trust. The Special Scheme must align with the parent scheme's AIF category, hold a minimum 25% equity by the existing scheme, and invest in a single portfolio company. Co-investment, with or without leverage (within limits disclosed in the parent placement memorandum), is permitted. The FME retains control, and any term sheet must be filed with IFSCA within 45 days of investment. Existing investors are exempt from fresh KYC, while new investors must comply with IFSCA's KYC guidelines.

B&P View: The framework marks a significant step by IFSCA to promote flexible yet regulated co-investment structures within GIFT IFSC. By allowing FMEs to launch Special Schemes for single-asset investments with streamlined



KYC for existing investors and post-investment regulatory filings, it enables faster deal execution while maintaining oversight. The 25% minimum investment by the parent scheme ensures alignment of interests, and continued FME control supports consistency in governance. Overall, the framework enhances structuring options for venture and private capital, aligning with global investment practices.





MISCELLANEOUS

1. ACCESSIBILITY AND INCLUSIVENESS OF DIGITAL KYC TO PERSONS WITH DISABILITIES

SEBI, through its Circular dated May 23, 2025, directed all SEBI-registered intermediaries to ensure that digital KYC processes are accessible and inclusive for persons with disabilities. The circular arises from a Supreme Court judgment dated April 30, 2025, the need for equal and accessible inclusion of persons with disabilities for availing financial services.

B&P View: By updating digital KYC systems to accommodate visual or physical disabilities and allowing flexible verification methods, SEBI is helping reduce barriers in onboarding disabled clients. It marks a crucial step in aligning digital financial services with the principles of accessibility and non-discrimination, ensuring that technological advancement does not come at the cost of exclusion.

2. MANDATORY COMPLIANCE WITH RIGHTS OF PERSONS WITH DISABILITIES ACT, 2016 BY ALL REGULATED ENTITIES

SEBI vide circular dated 31 July 2025 directed all regulated entities, including stock exchanges, depositories, clearing corporations, mutual funds, and intermediaries, to comply with the Rights of Persons with Disabilities Act, 2016 and related rules. Entities are required to ensure accessibility of their websites, mobile applications, and physical premises, provide reasonable accommodations for persons with disabilities, and train staff on disability

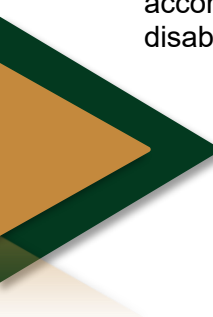
inclusion. Regulated entities must designate a Nodal Officer to oversee compliance and submit detailed reports to SEBI, including timelines and steps taken to implement accessibility measures.

B&P View: This directive underscores SEBI's commitment to inclusivity and accessibility in the financial sector. By enforcing compliance with the Disabilities Act, SEBI ensures that financial services are accessible to all, promoting equal participation and opportunities for persons with disabilities.

3. SEBI EXTENDS TIMELINES AND UPDATES REPORTING AUTHORITY FOR DIGITAL ACCESSIBILITY COMPLIANCE BY IAs AND RAs

SEBI vide circular dated August 29, 2025 has extended the timelines for mandatory compliance with the Rights of Persons with Disabilities Act, 2016 as per SEBI circular dated July 31, 2025.

S/N	Compliance required	Timeline	Current Date	Extension Granted	New Date
1	REs shall submit a compliance/ action taken report pertaining to the clauses of this circular	Within 30 days	Aug 30, 2025	1 month	Sept 30, 2025
2	REs shall submit a list of digital platforms provided by them for the investors	Within 30 days	Aug 30, 2025	1 month	Sept 30, 2025
3	Appointment of IAAP certified accessibility professionals as Auditor.	Within 45 days	Sept 14, 2025	3 months	Dec 14, 2025
4	Conduct of Accessibility Audit for the digital platforms.	Within 3 months	Oct 31, 2025	6 months	April 30, 2026
5	Remediation of findings from the audit and ensuring compliance with this circular.	Within 6 months	Jan 31, 2026	6 months	July 31, 2026
6	Annually compliance give to conducting annual accessibility audits of all the digital platforms and submit final report of such audit to SEBI	Within 30 days of each Financial Year	April 30, 2026	To next Financial year	April 30, 2027





4. COMPLIANCE GUIDELINES FOR DIGITAL ACCESSIBILITY MANDATORY COMPLIANCE CIRCULAR

SEBI vide circular dated September 25, 2025 has issued Compliance Guidelines for Digital Accessibility Circular 'Rights of Persons with Disabilities Act, 2016 and rules made thereunder - mandatory compliance by all Regulated Entities' dated July 31, 2025. It provides for a summary of compliance requirements, mechanism of submission of compliance, formats for compliance submission, and list of REs who are required to submit compliance directly to SEBI.

B&P View: The guidelines will require regulated entities to upgrade digital platforms, potentially increasing compliance costs. They reinforce SEBI's commitment to an inclusive financial ecosystem, ensuring accessibility for persons with disabilities

5. CLARIFICATIONS TO THE CYBERSECURITY AND CYBER RESILIENCE FRAMEWORK

SEBI, through its circular dated April 30, 2025 issued clarifications to the Cybersecurity and Cyber Resilience Framework (CSCRF) applicable to SEBI regulated entities. It standardizes how entities are classified—based on previous financial year data, fixed for the full year, and provides updated thresholds for categorizing entities such as AIF/VCF managers, stock brokers, portfolio managers, and investment advisers.

B&P View: SEBI's clarifications exemplify a risk-aligned, pragmatic regulatory approach, standardizing entity

categorization timelines and thresholds removes ambiguity and enhances compliance predictability. Fixing categories for the entire year and requiring adherence to the strictest applicable criteria for multi-registered entities strengthens governance integrity.

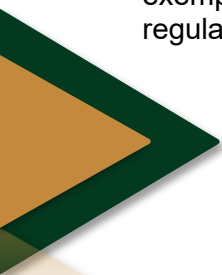
6. EXTENSION FOR ADOPTION OF CYBERSECURITY AND CYBER RESILIENCE FRAMEWORK

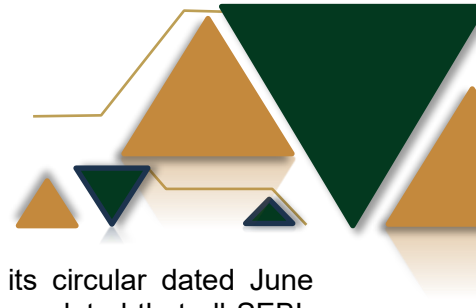
SEBI, via its circular dated June 30, 2025, has extended the compliance deadline under its Cybersecurity and Cyber Resilience Framework (CSCRF). The new deadline for adoption and implementation is now August 31, 2025, granting a two-month extension. This extension applies to all SEBI-regulated entities, except Market Infrastructure Institutions, KYC Registration Agencies, and Qualified Registrars to an Issue and Share Transfer Agents, who continue to adhere to the original timeline.

B&P View: SEBI's extension signals a practical response to the readiness gaps among regulated entities, without compromising on its broader cybersecurity mandate. By excluding MIIs, KRAs, and QRTAs from this relief, SEBI reinforces its expectation that systemically critical entities maintain stricter timelines, while allowing others the flexibility to align their systems and controls.

7. TECHNICAL CLARIFICATIONS TO CSCRF FOR SEBI REGULATED ENTITIES

SEBI vide circular dated August 28, 2025 provides detailed technical clarifications to its Cybersecurity and Cyber Resilience Framework for SEBI





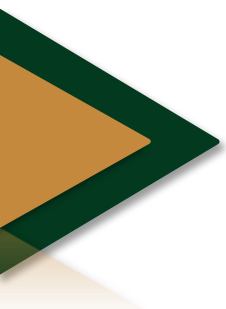
Regulated Entities (REs). For ease of compliance and clarity in implementation, SEBI has introduced two key principles: (i) the Principle of Exclusivity, which ensures that the scope of CSCRF shall be limited to only those systems/ applications/ infrastructure/ processes which are exclusively used for REs, and, (ii) the Principle of Equivalence, which ensures that CSCRF controls which have an equivalence in other regulators cybersecurity frameworks/guidelines shall be deemed compliant provided that the frameworks/ guidelines issued by primary regulator are adhered by such REs. Furthermore, certain technical clarifications have been provided by SEBI relating to zero-trust security model, mobile application security guidelines, recommendation (but not mandatory) requirement of ISO 27001 certification for Qualified REs, etc.

B&P View: The circular strengthens cybersecurity accountability and clarity for SEBI-regulated entities. By formalizing these principles, it balances compliance rigor with practical implementation flexibility.

8. STANDARDISED VERIFIED UPI IDS FOR INVESTOR PAYMENTS TO INTERMEDIARIES

SEBI, through its circular dated June 10, 2025, has mandated that all SEBI-registered intermediaries adopt standardised, validated, and exclusive UPI IDs for collecting payments from investors. These UPI IDs must follow a prescribed format ending with “@valid” and will be verified by NPCI. The circular also introduces a “SEBI Check” tool to help investors authenticate UPI details, and the implementation will be carried out in phases starting from October 1, 2025. This framework is applicable only for UPI-based payments; investors may continue using other approved payment methods.

B&P View: This initiative marks a proactive step by SEBI to enhance payment security and curb rising instances of fraud in capital market transactions. By requiring intermediaries to use uniquely formatted and NPCI-validated UPI handles, SEBI ensures that investors can clearly identify and trust legitimate payment channels. The integration of visual markers, like a thumbs-up icon, and the launch of the “SEBI Check” tool further strengthen verification at the user level. While preserving investor choice in payment modes, SEBI’s move promotes safer use of UPI and aligns with its broader push toward digital infrastructure, financial hygiene, and investor protection.



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IBLJ A List
A List (2023-2024)

ALB India Law Awards 2025
Notable Firm (2024)

Legal 500
Private Equity (including Venture Capital) - Tier 5 (2025)

IFLR1000 (34th Edition) 2024

1. Rajesh Begur B Ranking: Leading Lawyer – Highly Regarded
2. Firm Ranking: Recommended Firm
3. Southern Asia, Australasia and Central Asia Ranking: Highly Regarded

Corporate INTL Global Awards

Cross Border Private Equity Transactions Law Firm of the Year in India - 2025

Forbes India – Legal Powerlist 2023

Top Law Firm (above 10 years' experience)

Asia Law 2022

Notable Firm – Private Equity, Investment Funds, Banking and Finance, Corporate and M&A

Global Law Expert 2021

Cross Border Private Equity Transactions Law Firm of the year

RSG Consulting 2019

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