



October – December 2025

## Introduction

The final quarter of 2025 (“Q4’25”) witnessed the Indian economy demonstrating a sophisticated ‘Strategic Resilience’ amidst a changing global order. While international markets faced new trade policies and geopolitical changes, India’s domestic foundations provided a stable anchor for Private Equity (“PE”) and Venture Capital (“VC”) activity.

As per publicly available data, the PE/VC activities in Q4’25 in India showed strong resilience with significant investments reaching around USD 9.9 billion (United States Dollars nine point nine billion) across various sectors like banking, financial services, insurance, manufacturing and retail, marking a strong finish to 2025. The overall investments in 2025 were valued at USD 33 billion (United States Dollars thirty three billion), similar to 2024. Late-stage companies and domestic economy focus drove activity, with significant investments in areas like tech and financial services despite global economic headwinds.<sup>1</sup>

This newsletter highlights the PE/VC investment trends and thriving sectors in India for the period October 2025 to December 2025. It captures the regulatory developments in Alternative Investment Funds (“AIFs”), Real Estate Investment Trusts (“REITs”), Infrastructure Investment Trusts (“InvITs”), Foreign Portfolio Investors (“FPIs”) and Foreign Venture Capital Investors (“FVCIs”) space that are likely to shape the investment activities in India.

## Overview of the regulatory measures

The regulatory bodies in India are periodically reviewing the regulatory framework, to strengthen investor confidence and bring transparency across the Indian investment and business landscape. Some of the key regulatory developments for the period October 2025 to December 2025 are:

### Minimum information to be provided to the audit committee and shareholders for approval of related party transactions

The Securities and Exchange Board of India (“SEBI”), vide [circular](#) dated October 13, 2025, has relaxed the requirement of providing minimum information to the audit committee and shareholders for approval of Related Party Transactions (“RPT”). If an RPT, whether individually or together, with previous transaction(s) during a financial year, does not exceed 1% of annual consolidated turnover of the listed entity as per the last audited financial statements or INR 10,00,00,000 (Indian Rupees ten crore), whichever is lower, the listed entity is required to provide the simplified minimum information, as specified in Annexure – 13A of the said circular. Such information must be disclosed in line with the explanatory statement to the Industry Standards on “Minimum information to be provided to the Audit

<sup>1</sup> [ventureintelligence.com](https://ventureintelligence.com)

Committee and Shareholders for approval of RPTs". However, this requirement does not apply to transaction(s) which individually or in aggregate, do not exceed INR 1,00,00,000 (Indian Rupees one crore) and the same is applicable in relation to the notice being sent to the shareholders seeking approval for any RPT.

## Transfer of Portfolio Management Services business by Portfolio Managers

SEBI, *vide* [circular](#) dated October 24, 2025, has permitted Portfolio Managers ("PMs") to transfer their Portfolio Management Services ("PMS") business, upon approval from SEBI, subject to the following conditions:

1. PMs will now have the option to transfer select investment approach(es) or complete PMS business to another PM within the same group subject to: (a) where a complete transfer of PMS business occurs, the transferor PMs are required to surrender its certificate of PMS registration within, a period of 45 (forty-five) working days from the date of completion of transfer; and (b) in case of transfer of only select investment approach (es), the transferor PMs may continue to hold the certificate of PMS registration; and
2. for transfer of PMS business from one PM to another PM not belonging to the same group: (a) a joint application is required to be made by both the PMs (transferor and transferee) to SEBI for approval of transfer of PMS business; (b) the transferor PMs must transfer complete PMS business and the transfer of select investment approach(es) of PMS business to the transferee will not be permitted; (c) the transferee is required to fulfill all the regulatory requirements and once the transfer of PMS business is complete, the acts, deeds, pending actions/litigations, other obligations against the transferor, if any, will be the responsibility of the transferee; and (d) the entire process of transfer must be completed as expeditiously as possible but not later than 2 (two) months from the date of approval. Until the transfer process is complete, the transferor must continue to act as PM but not onboard any new client(s).

## SEBI (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2025

SEBI, *vide* [notification](#) dated October 24, 2025, has amended the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021. These amendments aim to simplify and add flexibility to the process of issuing and listing non-convertible securities. Some of the key amendments are as follows:

1. issuers are now required to execute the trust deed in accordance with the format, and within the timelines as specified by SEBI;
2. a proviso has been inserted to Regulation 18 (1) of the principal regulations stating that the debenture trustee can accept deviations from the specified format for executing the trust deeds however, the issuer must provide a summary of the deviations and rationale in the general information document/ key information document or shelf prospectus; and
3. the previous requirement to structure the trust deed into 2 (two) parts (Part A and Part B) has been removed.

## SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2025

SEBI, *vide* [notification](#) dated October 24, 2025, has amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, modifying Regulation 56 (*Documents and Intimation to Debenture Trustees*). Accordingly, the timeline for listed entities to share information with debenture trustees has been significantly tightened, with listed entities requiring to forward specific information to the debenture trustees within 24 (twenty-four) hours of an event or receipt of information, unless otherwise specified. This replaces the previous requirement to forwarding documents to the debenture trustee 'promptly' and replaces it with a definitive, time-bound mandate.

## SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2025

SEBI, *vide* [notification](#) dated November 18, 2025, has issued the SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2025. Some of the key amendments are as follows:

1. thresholds for material RPTs are now aligned with the newly inserted Schedule XII, which prescribes a turnover-based framework for determining materiality;
2. stricter provisions for audit committee approvals are introduced for high-value transactions involving subsidiaries, including those lacking at least 1 (one) year of audited financials;
3. the omnibus approval approved by the shareholders for material RPTs in an annual general meeting will be valid till the date of the next annual general meeting held within the timelines prescribed under Section 96 of the Companies Act, 2013. However, the validity of such omnibus approval will not exceed 1(one) year from the date of its approval. Further, it is clarified that 'holding company' in relation to Sub-regulation (5) of Regulation 23 refers to a listed holding company; and
4. Regulations 53 and 58 are amended to enhance annual report disclosures and streamline timelines for dissemination of documents.

## SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2025

SEBI, *vide* [notification](#) dated December 15, 2025, has issued the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2025. The key amendment includes a uniform substitution of the term "Share Transfer Agent" with "Registrar to an Issue and Share Transfer Agent". This amendment ensures consistency with the new SEBI (Registrar to an Issue and Share Transfer Agent) Regulations, 2025.

## Enabling Investment Advisers to provide second opinion to clients on assets under pre-existing distribution arrangement

SEBI, *vide* [circular](#) dated October 30, 2025, has decided to provide investors the opportunity of obtaining a second opinion on assets under pre-existing distribution arrangement with other entities. Accordingly, the Master Circular for Investment Advisers ("IAs") is revised and now, IAs may charge fee on such assets subject to a limit of 2.5% of the assets value per annum. IAs are required to disclose and seek consent from such clients (on an annual basis), so that in addition to the advisory fees payable to the IA, the clients will also be incurring costs towards distributor consideration for such assets.

## Interim arrangement for certified past performance of IAs and Research Analysts prior to operationalisation of Past Risk and Return Verification Agency

SEBI, *vide* [circular](#) dated October 30, 2025, has provided an interim arrangement for IAs and Research Analysts ("RAs") to communicate certified past performance data to clients for the period prior to operationalisation of Past Risk and Return Verification Agency ("PaRRVA"). In this regard the following has been decided:

1. IAs/RAs may provide past performance data certified by a member of the Institute of Chartered Accountants of India/Institute of Cost Accountants of India to a client (including prospective client) upon specific request of such client;
2. such past performance data must not be made available to general public through public media/website of IA/RA or any other mode and must be communicated to clients (including prospective clients) only on a one-to-one basis;

3. IAs/RAs who wish to communicate certified past performance data to clients (including prospective clients) are required to enrol with PaRRVA within 3 (three) months of its operationalisation;
4. any communication of such past performance data must be accompanied with the prescribed disclaimer as provided in the circular; and
5. IAs/RAs will be permitted to communicate/display only PaRRVA verified risk and will not be permitted to use past performance data related to the period prior to the date of operationalisation of PaRRVA, in any communication to clients (including prospective clients), after 2 (two) years from the date of operationalisation of PaRRVA.

## **Key changes to the allocation norms for anchor investors introduced pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Third Amendment) Regulations, 2025**

SEBI, *vide* [notification](#) dated October 31, 2025, has notified the SEBI (Issue of Capital and Disclosure Requirements ("ICDR")) (Third Amendment) Regulations, 2025. The key changes relating to the allocation norms for anchor investors in a book-built public issue are made under Schedule XIII, Part A, paragraph (10) of the SEBI (ICDR) Regulations, 2018. These are enumerated as below:

1. for issues with an allocation up to INR 250,00,00,000 (Indian Rupees two hundred fifty crore), a minimum of 2 (two) and a maximum of 15 (fifteen) anchor investors are permitted, with a mandatory minimum allotment of INR 5,00,00,000 crore (Indian Rupees five crore) per investor;
2. for issues with an allocation exceeding INR 250,00,00,000 (Indian Rupees two hundred fifty crore), a minimum of 5 (five) and a maximum of 15 (fifteen) investors are permitted for the first INR 250,00,00,000 (Indian Rupees two hundred fifty crore), plus an additional 15 (fifteen) investors for every subsequent INR 250,00,00,000 (Indian Rupees two hundred fifty crore) or part thereof, subject to a minimum allotment of INR 5,00,00,000 (Indian Rupees five crore) per investor; and
3. 40% of the anchor investor portion is now reserved, with 33.33% reserved for domestic Mutual Funds ("MFs") and 6.67% reserved for life insurance companies and pension funds respectively. Any under-subscription in the life insurance/pension fund category may be allocated to domestic MFs.

## **Periodic disclosure requirements for securitised debt instruments**

Pursuant to the amendments made to the SEBI (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008 on May 5, 2025, SEBI, *vide* [notification](#) dated December 16, 2025, has notified that the trustee of special purpose distinct entity must submit the disclosures, as mentioned in the specified Annexure I (for securitised debt instruments backed by loan / listed debt securities / credit facility exposures) and Annexure II (for securitised debt instruments backed by other exposures), on a half yearly basis to SEBI and on the stock exchange where they are listed, within 30 (thirty) days from the end of March or September. The circular will be effective from March 31, 2026.

## **Modification in the conditions specified for reduction in denomination of debt securities**

SEBI, *vide* [notification](#) dated December 18, 2025, has notified the conditions specified for reduction in denomination of debt securities under the Master Circular for Issue and Listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated October 15, 2025, is amended. The issuer is now eligible to issue debt securities at a reduced face value, which may be either interest bearing or zero interest bearing security, without any structured obligations.

## Real Estate Investment Trusts and Infrastructure Investment Trusts

### Reclassification of REITs as equity related instruments for facilitating enhanced participation by MFs and specialized investment funds

SEBI *vide* [notification](#) dated November 28, 2025, has notified that with effect from January 1, 2026, any investment made by MFs and Specialized Investment Funds (“SIFs”) in REITs will be considered as investment in equity related instruments. InvITs will continue to be classified as hybrid instruments for the purpose of investments by MFs and SIFs. Further, existing REIT holdings in debt schemes and SIF strategies as of December 31, 2025, will be grandfathered. The Association of MFs in India will include REITs in the list of classification of scrips as per their market capitalisation. Additionally, REITs may be included in equity indices only after July 1, 2026.

### SEBI (REITs) (Third Amendment) Regulations, 2025 and SEBI (InvITs) (Fourth Amendment) Regulations, 2025

SEBI, *vide* notification dated December 9, 2025, has amended the SEBI (REITs) Regulations, 2014 and the SEBI (InvITs) Regulations, 2014. Some of the key amendments are as follows:

1. the amendments revise the definition of certain investor categories, including family trusts and intermediaries, requiring them to have a net worth exceeding INR 500,00,00,000 (Indian Rupees five hundred crore) as per the last audited financial statements to be recognised under the relevant clause;
2. the definition of “qualified institutional buyer” is aligned with the meaning assigned under the SEBI (ICDR) Regulations, 2018, ensuring uniformity across regulatory frameworks; and
3. the definition of “strategic investor” is amended by expanding eligibility to institutional investors, specific foreign portfolio investors, and regulated non-banking finance companies across middle, upper and top layers. Strategic investors must invest at least 5% of the total offer size, subject to compliance with the Foreign Exchange Management Act, 1999.

## Alternative Investment Funds

### SEBI (AIFs) (Third Amendment) Regulations, 2025

In the recently notified [amendments](#) to the SEBI (AIFs) Regulations, 2012, SEBI has introduced a new AIF scheme, namely the ‘Accredited Investors Only Fund’, that exclusively caters to accredited investors. This development follows SEBI’s consultation paper dated August 8, 2025 which recognised that accredited investors possess the knowledge to understand diverse financial products and their associated risk-return profiles, enabling informed investment decisions. Accordingly, SEBI proposed a dedicated AIF framework tailored specifically for accredited investors, providing lighter-touch compliance requirements given their sophisticated investor profile.

For a detailed analysis, please refer to the [JSA Prism of December 4, 2025](#).

### Modalities for migration to Accredited Investors Only Schemes and relaxations to large value funds for accredited investors under SEBI (AIFs) Regulations, 2012

SEBI, *vide* [notification](#) dated December 8, 2025, has notified the modalities for migration to Accredited Investors Only Schemes (“AI-only schemes”). Existing AIFs or schemes can convert to AI-only schemes or large value funds schemes with investor consent, subject to reporting requirements to SEBI and depositories within 15 (fifteen) days of conversion. Maximum permissible extension for AI-only schemes is 5 (five) years, including prior tenure. Large value funds are exempted from following the standard placement memorandum template and annual audit requirements without specific investor waivers. Trustees or sponsors must ensure compliance through the Compliance Test Report.



For a detailed analysis, please refer to the [JSA Prism of January 12, 2025](#).

## Foreign Portfolio Investors and Foreign Venture Capital Investors

### SEBI (FPIs) (Second Amendment) Regulations, 2025 and SEBI (FVCIs) (Amendment) Regulations, 2025

SEBI, *vide* gazette notifications dated December 1, 2025, has issued the SEBI (FPI) (Second Amendment) Regulations, 2025 (“**FPI Amendment**”) and SEBI (FVCIs) (Amendment) Regulations, 2025 (“**FVCI Amendment**”). The concept of Single Window Automatic and Generalised Access for Trusted Foreign Investor (“**SWAGAT-FI**”) is introduced and consequent relaxations to the eligibility and fee framework are introduced. The FPI Amendment and FVCI Amendment will come into force 180 (one hundred and eighty) days from publication in the official gazette.

Some of the key amendments are as follows:

1. **SWAGAT-FI – concept and scope:** The term SWAGAT-FI is inserted in the SEBI (FPIs) Regulations, 2019 (“**FPI Regulations**”) and SEBI (FVCIs) Regulations, 2000 (“**FVCI Regulations**”), which includes: (a) Government and Government related investors under Regulation 5(a)(i) of the FPI Regulations; and (b) public retail funds as defined in the explanation to Regulation 22(4) of the FPI Regulations, subject to SEBI specified conditions.
2. **Amendments to the FPI Regulations:**
  - a) a proviso is inserted to Regulation 4 (c) (v) of the FPI Regulations to allow mutual funds as constituents of applicants, include retail schemes under AIFs, and redefines the roles of fund management entities and associates; and
  - b) registration fees for SWAGAT-FI are now payable in advance for 10 (ten)-year blocks before the beginning of such block, instead of the standard periodic payments.
3. **Amendments to the FVCI Regulations:**
  - a) Regulation 3(2) of the FVCI Regulations (*dealing with eligibility/conditions for grant of FVCI registration*) is amended to insert a proviso that the provisions of sub-regulation (2) will not apply to a SWAGAT-FI, thereby exempting such trusted investors from certain entry-level conditions;
  - b) in case of a SWAGAT-FI, renewal fees have to be paid every 10 (ten) years from the eleventh year of registration; and
  - c) the standard investment limits of 66.67% and 33.33% under the FVCI Regulations will not apply to SWAGAT-FIs and the renewal fees for SWAGAT-FIs must be collected in advance for 10 (ten) year blocks.

## Private Equity Practice

We provide legal services to PE funds across the full range of their operations and activities, besides International and Domestic entities. The PE practice represents both investors and investee entities in diverse sectors. We are actively involved in legal and governmental issues affecting the Private Equity and Venture Capital industry on a national level, including legislative and regulatory matters, and provide ongoing support, advice and views to the various committees of SEBI. The PE practice complements and works closely with our Investment Funds practice to provide legal advice on several aspects such as:

- Onshore and Offshore structuring and formation of funds in India and overseas and enabling tax efficient modes of investing in India;
- Investment structures to ensure compliance with Takeover Regulations, Insider Trading Regulations;
- Representation of funds, either alone or as lead members of a syndicate;
- Drafting applications for regulatory approvals and liaising with regulatory authorities, including SEBI/ RBI registrations and compliance;
- Drafting offer documents for the raising of funds;
- Due Diligence of prospective investee companies and targets;
- Negotiation assistance from term sheet stage till closing;
- Assisting in downstream investments;
- Advising on ongoing activities of portfolio companies;
- Assistance with exit strategies and implementation thereof;
- Advising investee companies on issues relating to receiving venture capital and PE investment;
- Negotiations and drafting of transaction documents including investor agreements, share subscription/purchase agreements, joint venture agreements and shareholder agreements;
- Documentation and overall transactional support, including working closely with regulators like RBI, Foreign Investment Facilitation Portal (FIFP) and SEBI; and
- Structuring incentives and sharing of the 'carry' for fund managers and research analysts.

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19 Practices and  
40 Ranked Lawyers



7 Ranked Practices,  
21 Ranked Lawyers



15 Practices and  
20 Ranked Lawyers



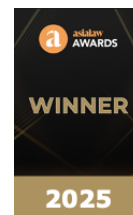
13 Practices and  
49 Ranked Lawyers



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24 Ranked Lawyers



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