

SIMPLIFICATION OF REQUIREMENTS FOR GRANT OF ACCREDITATION TO INVESTORS



SEBI Circular No: HO/19/34/11(9)2025-AFD-POD1/2286/2026

Date of Issue: January 09, 2026

SEBI has streamlined the onboarding timeline by permitting AIF Managers to commence investor registration while formal accreditation is still in process. Rather than waiting for the final certificate from the Accreditation Agency, managers may move forward with administrative tasks based on their own internal assessment of the investor's eligibility, provided specific conditions are met:

- Agreement Execution: Managers can finalize and sign the Contribution Agreement.
- No Funds Transfer: The AIF is strictly prohibited from accepting any capital contributions until the formal accreditation certificate is secured.
- Corpus Calculation: Any financial commitment from the investor must be excluded from the scheme's "Corpus" total until they are officially certified.

Documentation updates: Investor Privacy

SEBI has amended the "Annexure to Net Worth Certificate" to address privacy concerns regarding the disclosure of granular financial data.

- Removal of Detailed Break-up: Investors are no longer required to submit a detailed break-up of their net worth to the Accreditation Agency.
- Value Disclosure Optional: It is now optional for the Chartered Accountant (CA) to explicitly state the investor's actual net worth in the certificate. The CA may simply certify that the investor meets the requisite eligibility threshold.
- Validity of Certificate: The Net Worth Certificate submitted for accreditation must not be older than 6 months.

Compliance & Reporting Obligations

- Compliance Test Report (CTR): Trustees, Sponsors, and Managers must ensure that the 'Compliance Test Report' (per Chapter 15 of the Master Circular for AIFs) reflects adherence to these new provisions.
- Verification: Accreditation Agencies retain the right to request additional documents if submitted information appears contradictory or suspicious.

Impact: This SEBI circular reduces procedural friction for High-Net-Worth Individuals by simplifying net worth documentation and allowing fund managers to begin administrative steps (like signing agreements) based on eligibility assessments prior to formal accreditation, while still ensuring that actual commitments and fund receipts count only after accreditation is granted.

[Click Here to read the SEBI Circular](#)

KNOWLEDGE DESK

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