

MEMO# 30799

July 26, 2017

Response to SEBI Consultation on Easing FPI Access Norms

[30799]

July 26, 2017 TO: ICI Members

ICI Global Members

ICI Global Regulated Funds Committee

International Operations Advisory Committee

Securities Operations Advisory Committee SUBJECTS: International/Global RE: Response to SEBI Consultation on Easing FPI Access Norms

In June, the Securities and Exchange Board of India (SEBI) issued a consultation on the easing of access norms for investment by foreign portfolio investors (FPIs). In the consultation, SEBI proposed a number of discrete changes to the FPI registration process and qualifications, including proposals on easing the broad based criteria for funds and new share class approval.

On July 26 we submitted the enclosed response. We generally supported SEBI's proposals that impact regulated funds. However, with respect to certain proposals, such as the broad based fund requirements, we explained that SEBI's changes do not go far enough in addressing the challenges that regulated funds face in meeting SEBI's requirements and proposed alternate provisions. In addition, we requested that SEBI consider a number of further changes to its provisions applicable to FPIs that are unrelated to the consultation.

We encouraged SEBI to carefully balance the need for appropriate regulation of FPIs with creating an environment that fosters foreign investment.

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[Attachment](#)

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