SEBI reduces Social Impact Fund Investment Threshold to Rs. 1000

The **Securities and Exchange Board of India (SEBI)** vide its **Press Release PR No.18/2026 dated 23 March, 2026**, has approved multiple measures to enhance ease of doing business, strengthen regulatory frameworks, and improve governance. The Board approved proposals to amend the SEBI (Alternative Investment Funds) Regulations, 2012 to allow alternative investment funds (AIFs) to retain liquidation proceeds beyond the completion of their tenure.

SEBI permits tagging certain AIFs as 'inoperative funds' with reduced compliance requirements. Further, it reduced the minimum investment by individual investors in Social Impact Funds from Rs. 2 lakh to Rs. 1,000 to facilitate wider participation. The Board also allowed net settlement of funds for foreign portfolio investors (FPIs) in the cash market to reduce costs and improve operational efficiency. It introduced various ease-of-doing-business measures for Infrastructure Investment Trusts (InvITs) and Real Estate Investment Trusts (REITs), including relaxations in investment conditions.

The Board amended the 'fit and proper person' criteria under the SEBI (Intermediaries) Regulations, 2008, covering disqualification, disclosures, and the opportunity to be heard. Additionally, it approved recommendations of the High-Level Committee on the conflict of interest framework for SEBI Board Members and officials, including enhanced disclosure requirements and restrictions on certain transactions.

Click here to read/ download the original press release