

Proposal No	Comment	Rationale	Level of Agreement	Rationale for rejection
2	Identification of SWAGT-FIs – requirement for validation of SWAGAT-FI status for existing FPIs will increase burden on investors and lead to operational inconvenience. Request to relook at the proposal regarding providing proof.	FPIs will need to prove diversification, independence of fund managers, regulator confirmation, blind pool, absence of segregated portfolios, which are burdensome and will increase paperwork. Existing subcategory framework should be applied instead of the FPIs having to provide additional documents to meet the specified criteria.	Disagree	To reduce operational burden, the verification requirements shall be on similar lines to the existing exemption criteria under Additional Disclosure Framework, which has already been implemented by the industry.
4	No the periodicity of re-KYC should be maintained as at present. The periodicity of payment is also to be maintained as is currently practiced.	The need to do a re-KYC is to be maintained for FPIs similar to other types of investors. Any material change e.g. UBO, if not reported on time will be found while conducting the re-KYC. The payment of yearly fees should be maintained as at the current periodicity or manner of payment. The proposal to get payments at say a period of every 10 years would restrict the ability of SEBI to increase or decrease the yearly fees. In view of retaining flexibility of being able to manage the yearly fees far more easily it is suggested that the current system is to be maintained.	Disagree	Requirements regarding material change shall continue. Proposal for removal of additional re-KYC requirement was made on the basis of a risk vs convenience assessment. There is no yearly fee requirement even today. Only the block period for fee is being increased from 3 years to 10 years, to coincide with the re-KYC requirement.
6	Many commenters were of the opinion to not facilitate single demat account for different modes of foreign investment.	Foreign investors generally rely on custodian reports rather than depository statements for tracking and reconciling their holdings. While consolidated custodian reports can be used for an overall view, FPI and FVCI holdings must be distinctly identifiable as required by RBI NDI Rules. A single demat account combining both routes prevent issuers and regulators from distinguishing between FPI and FVCI investments, leading to monitoring and compliance challenges. Recording unlisted FVCI investments in an FPI-tagged account would also create regulatory and reporting issues. Maintaining separate demat accounts ensures accurate record-keeping, prevents co-mingling of securities, facilitates data retrieval, and preserves confidentiality—whereas a single account complicates segregation, slows data collection, and increases compliance risks.	Disagree	Single demat account is proposed on optional basis, so investors can choose as per their convenience. Requisite clarification on operational matters shall be provided under the respective notification or Standard Operating Procedure to be issued for implementation of SWAGAT-FI framework.