

ALTERNATIVE INVESTMENT FUND



SEBI MANDATES NISM CERTIFICATION FOR COMPLIANCE OFFICERS OF MANAGERS OF AIFs

Securities and Exchange Board of India (“SEBI”), vide its circular dated December 30, 2025, has mandated the requirement of National Institute of Securities Market (“NISM”) certification for the compliance officers of the manager of Alternative Investment Funds (“AIFs”). As per Regulation 20(17) of SEBI (Alternative Investment Funds) Regulations, 2012 (“AIF Regulations”), the manager shall appoint a compliance officer who shall be responsible for monitoring compliance with the provisions of the act, rules and regulations, notifications, circulars, guidelines, instructions or any other directives issued by SEBI. In terms of Regulation 20(18) of the AIF Regulations, the compliance officer shall satisfy the eligibility criteria as may be specified by SEBI. In furtherance to the aforementioned regulation, SEBI has now specified the NISM certification requirement for the compliance officers of the manager of the AIFs.

From January 1, 2027 (“Effective Date”) onwards, only those persons who have obtained the NISM Series-III-C: Securities Intermediaries Compliance (Fund) Certification Examination as mentioned in the communique No. NISM/Certification/Series-III-C: Securities Intermediaries Compliance (Fund) Certification Examination /2025/01/November 20, 2025 issued by the National Institute of Securities Market shall be appointed as or shall continue to act as compliance officer of managers of AIFs.

Therefore, the existing compliance officers who do not possess the aforementioned certification shall obtain the same before the Effective Date to continue in their role.

Further, the circular also stipulates that it shall be the responsibility of the trustee/sponsor/manager of the AIF to ensure that the ‘Compliance Test Report’, prepared by the manager, duly includes compliance with the provisions of this circular.

To read the circular [click here](#)

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