Supreme Court Refuses Full Public Disclosure of AIF and FPI Beneficiaries

The Supreme Court declined to order full public disclosure of ultimate beneficiaries of Alternative Investment Funds and Foreign Portfolio Investors without a legal framework.

A judicial stance on the transparency regulations governing Alternative Investment Funds and Foreign Portfolio Investors in India.

KEY EXAM POINTS

- The **Supreme Court** refused to mandate full public disclosure of ultimate beneficiaries behind AIFs and FPIs on **October 29, 2026**.
- The court stated that judicial orders mandating public disclosure cannot be issued without the support of an existing **legal framework** of Regulations.
- The Supreme Court urged **SEBI** and the Central Government to craft appropriate transparency rules for financial funds.
- The petition raised concerns over the rapid expansion and transparency of **Alternative Investment Funds** (AIFs) and Foreign Portfolio Investors (FPIs).
- The court questioned why a public interest petition under **Article 32** was filed when the matter could be raised directly in Parliament.

DID YOU KNOW..!?

Article 32 of the Constitution of India provides the right to move the Supreme Court for the enforcement of Fundamental Rights.

SEBI (Securities and Exchange Board of India) was established as a statutory body on April 12, 1992, under the **SEBI Act, 1992**.

Alternative Investment Funds (AIFs) in India are regulated primarily under the SEBI (Alternative Investment Funds) Regulations, 2012.

Dr. B.R. Ambedkar described Article 32 as the 'very soul and the very heart of the Constitution'.

Writ jurisdictions under **Article 226** empower High Courts to issue writs for enforcement of Fundamental Rights and other purposes.

Headquarters of the Securities and Exchange Board of India (SEBI) is located in **Mumbai**, Maharashtra.

REVISION FLASHCARD

Supreme Court held that public disclosure of AIF/FPI beneficiaries requires a statutory regulatory framework.

Syllabus Relevance: Important for understanding Supreme Court powers, Article 32, and regulatory bodies like SEBI in Indian Polity syllabus Unit 5.

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