Name of the person/entity proposing comments	Indian Association of Investment Professionals (CFA Society India) Key Contributors : Satpal Saini, R Mohana Prabhu, Hemant Dhoked, Arima
Category (Listed Entity / MII / Market Intermediary / Professional / Investor /	Association of Investment Professionals
Email id	advocacy@iaipirc.org
Contact no.	91 8080565484 Shreenivas Kunte, CFA, CIPM, PHD

Sr. No.	**Proposal**	**Confirmity to Proposal**	**Comments**	**Rationale**
1	Do you agree that a single Common Advertisement Code should replace all existing entity- specific and exchange -specific advertisement codes?	Partially Agree	While a common advertisement framework can promote consistency and ease of supervision, a single uniform advertisement code may not be suitable for all financial products and intermediaries given the significant differences in product complexity, target investor segments, and risk profiles. Over-standardisation may dilute disclosures for sophisticated products such as AIFs, PMS, and structured products, while imposing unnecessary compliance burdens on simpler retail products. Accordingly, advertisement requirements should be proportionate to product complexity and investor sophistication. SEBI may consider adopting a principle-based common framework built on core principles such as fairness, transparency, accuracy, and non-misleading communication, supplemented by tiered, product-specific, or entity-specific guidelines reflecting the nature of the product, investor base, and regulated entity, while maintaining a common supervisory mechanism for oversight and enforcement.	Financial products and services offered by regulated entities differ significantly in terms of complexity, risk profile, investment horizon, and target investor segment. A uniform advertisement code may not adequately address these differences and could result in either insufficient disclosures for complex products such as AIFs, PMS, and structured products or excessive compliance requirements for simpler retail products such as mutual funds and basic investment products. A proportionate and risk-based framework, built on common principles of fairness, transparency, accuracy, and non-misleading communication, would ensure that advertisement requirements remain relevant, effective, and aligned with investor protection objectives while avoiding unnecessary compliance burdens and preserving the quality of communication with investors.
2	Is the proposed shift from mandatory prior approval to post issuance reporting appropriate?	Strongly Agree	We strongly agree with the proposed shift to post-issuance reporting, considering the speed and scale of digital content dissemination in today's environment. However, the framework should be supported by robust technology-driven monitoring and surveillance mechanisms comprising clearly defined red-flag indicators, automated detection tools, and risk-based supervision to promptly identify misleading advertisements and instances of mis-selling. Given that even a short period may be sufficient for misleading content to reach a large audience and cause investor harm, SEBI should ensure swift regulatory intervention through stringent timelines for corrective action, including withdrawal, modification, or clarification of non-compliant advertisements. The focus should be on proactive identification and prevention of mis-selling through technology-enabled supervision and data analytics.	The rapid growth of digital communication channels and the increasing frequency of advertisement dissemination make mandatory prior approval operationally inefficient and inconsistent with the need for timely investor communication. However, the speed and reach of digital media also increase the risk that misleading advertisements or mis-selling practices may affect a large number of investors within a short period. Accordingly, a robust post-issuance surveillance framework supported by technology-enabled monitoring, automated red-flag detection, and risk-based supervision is essential to ensure early identification of non-compliant advertisements and timely regulatory intervention. Such an approach would strike an appropriate balance between operational efficiency, innovation in communication practices, and investor protection.
3	Should Celebrity endorsements at the entity / brand level be permitted with prior level?	Strongly Agree	We support permitting celebrity endorsements at the entity or brand level subject to prior approval from the relevant regulatory or supervisory authority. However, given the growing influence of social media platforms on investor behaviour, SEBI may consider introducing a separate and more stringent framework for influencers, YouTubers, and digital content creators, including explicit disclosure of paid partnerships, sponsorship arrangements, and financial interests. The criteria for identifying influencers may also extend beyond follower count to include engagement metrics such as views and reach. Considering the significant trust and credibility associated with celebrity and influencer endorsements, stronger accountability standards, enhanced oversight, and prior approval requirements may be warranted for such promotions. Further, where detailed disclosures are constrained by the format of communication, entities may be permitted to provide complete disclosures through hyperlinks or other digital mechanisms.	Celebrity and influencer endorsements have a significant impact on investor perception and decision-making by creating an implicit sense of trust and credibility around the promoted entity or product. With the rapid growth of social media platforms, influencers and digital content creators have emerged as powerful channels for financial promotion, often reaching audiences comparable to or larger than traditional celebrities. However, unlike conventional celebrities, influencer promotions may involve lower levels of accountability and transparency regarding commercial arrangements. Accordingly, a stronger regulatory framework comprising prior approval, explicit disclosure of paid partnerships and financial interests, and enhanced accountability standards would help mitigate the risks of misleading promotions and mis-selling while preserving investor protection. Further, permitting disclosures through hyperlinks or digital mechanisms would ensure that investors have access to complete information without compromising the effectiveness of communication in short-form digital formats.
4	Are the proposed exemptions for educational content and general branding appropriate and sufficiently clear?	Strongly Agree	We broadly support the proposed exemptions for genuine investor education content and general branding activities, recognising their role in promoting financial literacy and investor awareness. However, SEBI may consider prescribing clear guardrails and objective criteria to ensure that educational content does not become a proxy for product promotion, solicitation, or branding of specific financial products or services. A clear distinction or "bright-line" test between educational and promotional content would enhance regulatory certainty and prevent misuse of the exemption. Further, where educational content includes product references, promotional messaging, or call-to-action elements such as invitations to contact, invest, or seek advice, such communication should be treated as promotional in nature and accompanied by appropriate disclosures.	Investor education and financial literacy initiatives play an important role in improving investor awareness and promoting informed decision-making. However, in the absence of clear boundaries, educational content may be used as an indirect channel for product promotion, solicitation, or lead generation, particularly through digital and social media platforms. The increasing use of educational content by intermediaries and content creators can blur the distinction between investor education and marketing communication, potentially leading to mis-selling or investor confusion. Accordingly, clear guardrails, objective criteria, and disclosure requirements are necessary to preserve the integrity of educational content while ensuring that promotional activities are appropriately regulated. Such an approach would support investor education objectives without compromising investor protection and market transparency.
5	Are there any other relaxations or enhancements to the current frameworks that stakeholders would like SEBI to consider in the context of the CAC?	No Comment	All the aspects are broadly covered in the above proposals. At this point, we do not believe that any additional relaxations or enhancements to the current framework are necessary.	