



Shape the future
with confidence

EY Family Offices Advisory Services

Newsletter

February 2026

The better the question. The better the answer. The better the world works.

Opening Note

As India experiences significant wealth creation and enters a defining era of intergenerational transition, family offices have quickly emerged as essential structures for managing complex financial, governance and legacy needs. As families seek more control, privacy and operational efficiency, we bring our multidisciplinary knowledge to help them build resilient, forward-looking family office architectures.

EY Family Office Advisory Services is happy to launch its first quarterly newsletter, designed to provide you with curated insights, trends and guidance at the intersection of family, finance and future readiness.

Family offices are increasingly serving as strategic platforms for wealth preservation, governance, succession planning and philanthropy. As the landscape continues to mature, families are increasingly focusing on professionalizing their operating models, strengthening risk frameworks and adopting global best practices to support long-term continuity.

This newsletter brings together:

- Key trends shaping Indian family offices
- Regulatory and market perspectives relevant to family wealth structures
- EY Family Office Advisory capabilities



01 Family office landscape

Indian family offices have witnessed rapid expansion, growing from approximately 45 in 2018 to nearly 300 by 2024. This surge mirrors the rise in ultra-high-net-worth families, with more than 13,000 households now holding wealth exceeding US\$30 million⁷. A major driver of this growth is the wave of liquidity events among new-age entrepreneurs – stake sales, private equity-led exits and IPOs have unlocked substantial wealth, prompting founders to establish structured family offices.

The role of family offices has evolved beyond traditional wealth preservation and succession planning to encompass governance, strategic and geographic diversification and venture growth. Many offices are exploring cross-border investments through routes such as GIFT City, setting up family offices in jurisdictions like Dubai and Singapore, while also embracing professionalization through structured operating models and Investment Policy Statements.

Indian family offices are steadily moving away from conventional assets like stocks, bonds and cash towards growth assets and alternatives, including Alternative Investment Funds (AIFs) and Portfolio Management Services (PMS), private credit, private equity, venture capital and real assets such as Real Estate Investment Trust (REITs) and Infrastructure Investment Trust (InvITs). This transformation requires navigating the complexities of investing, technology adoption, compliance and governance, reflecting a growing need for specialized advisors and robust governance frameworks to manage complexity and globalization.

Family offices have rapidly become mainstream capital providers in private markets, driven by their growing wealth and ability to commit long-term, illiquid capital. The number of family offices investing in private markets has surged significantly, making them one of the fastest-rising investor groups in private deals.

Some of the marquee private market deals in which family offices participated in the quarter ended December 2025 include:

Name of the venture	About	Total investment raised	Stage	Valuation	Family offices	Other key investors
Raise Financial Services (Dhan) ¹	Stockbroking platform	US\$120m	Series B	US\$1.2b	DSP Family Office, JM Financial Family Office	Hornbill Capital, MUFG, Beenext, Ramesh Damani and Aashish Somaiyaa (White Oak Capital)
Finnable ²	Digital lending platform	US\$56.5m	Pre series C	US\$150-160m	MEMG Family office (Dr. Ranjan Pai)	Z47, TVS Capital
Dezerv ³	Wealth management platform	US\$40m	Series C	US\$300m	Premji Invest	Accel , Elevation Capital, Z47
Bombay Shaving Company ⁴	Personal care company	US\$16.3m	Pre IPO	~US\$104m	Patni Family Office	Sixth Sense Ventures (lead), Shantanu Deshpande, Rahul Dravid
Qucev ⁵	Electric commercial vehicle venture	US\$15m	Series B	US\$61m	S Gupta Family Investments, Lotus Family Trust	Singularity AMC, Volrado Venture Partners, Anchorage Capital, Param Capital
Two Brothers Organic Farms ⁶	Organic, clean-label, farm-to-fork products	US\$12.4m	Series B	US\$50-55m	Narotam Sekhsaria Family office	360 ONE Asset, Rainmatter, Narotam Sekhsaria Family Office, Ignite Growth LLP

1. Dhan parent co Raise Financial Services joins unicorn club as it raises \$120M from Hornbill, others | YourStory

2. Finnable Raises INR 250 Cr Funding Led by Z47 and TVS Capital | Entrepreneur

3. Dezerv raises ₹350 crore in Series C funding - Dezerv

4. Bombay Shaving Company raises ₹136 cr ahead of IPO, hits ₹550 cr run-rate | IPO - Business Standard

5. Exclusive: EV startup Qucev raises \$15 Mn in Series B

6. Two Brothers Organic Farms Series B Funding: Two Brothers Organic Farms raises ₹110 crore in series B led by 360 ONE Asset, ETRetail

7. The Indian family office playbook

02 Regulatory spotlight

Article 1

US introduces new excise tax “U.S. Remittance Transfer Excise Tax (RTET)” on remittance transfers

Written by

Surabhi Marwah,
Tax Partner,
EY India

Garima Bangar,
Senior Manager, Tax,
EY India

The One Big Beautiful Bill Act (OBBBA), enacted as Public Law 119-21 on 4 July 2025, introduced a significant change to the Internal Revenue Code (IRC) by appending new Section 4475. This provision establishes a new Remittance Transfer Excise Tax (RTET) set at a rate of 1%, which applies to specific cross-border fund transfers initiated after 31 December 2025.

This Section applies to all individual taxpayers, regardless of their citizenship or immigration status. This means that a US visa holder who is a resident for tax purposes is subject to the 1% excise tax in the same way a US citizen or a non-resident immigrant would be, provided the transfer meets the definition of a taxable remittance transfer.

The operational scope of this Section is limited by the source of funding. It functions as a "cash-only" tax, applying exclusively when the sender provides cash, a money order, a cashier's check, or a similar physical instrument (as determined by the Secretary) to the Remittance Transfer Provider (RTP). An RTP is any entity that provides remittance transfers to a consumer in the normal course of its business. Banks and other types of financial services companies may qualify as remittance transfer providers or RTPs.

Transactions funded through traditional bank accounts or debit/credit cards are exempted.

The primary compliance requirements rest heavily on RTPs, who are mandated to withhold the 1% tax at the point of transfer. Crucially, IRC Section 4475(b) establishes secondary liability for RTPs, meaning they must pay the tax themselves if they fail to successfully collect it from the sender.

Statutory exemptions

Section 4475(d) of IRC establishes two major exceptions that negate taxability, even if the transfer otherwise qualifies as a remittance transfer:



BSA-regulated account withdrawal

Any transfer where the funds are withdrawn directly from accounts held in or by financial institutions that are subject to Bank Secrecy Act (BSA) reporting requirements. For banks and credit unions, this means that if a member initiates a transfer using funds drawn from their existing, regulated account, the tax does not apply.



Debit or credit card funding

Transfers paid for using a US debit card or credit card are also explicitly exempted.

RTP compliance decision tree

Step	Check/ criteria	IRC Section	Result
1	Is the transaction a consumer-purpose, electronic transfer from the US to a foreign country?	4475(a) / EFTA 919(g)	Proceed to Step 2
2	Are the funds transferred withdrawn from a BSA-regulated account or funded via US debit/credit card?	4475(d)	Exempted. Tax does not apply.
3	Did the sender provide cash, money order, cashier's check, or similar physical instrument?	4475(c)	Taxable. The 1% RTET must be withheld.

Analysis

The strict definition of taxability – based on the "cash-only" trigger and the broad BSA account exemption – creates a structural incentive for senders to transition from physical cash payments to transfers initiated from formal, regulated accounts or funded by cards.

The current tax structure has a larger impact on unbanked, often low-income populations who may exclusively use cash-funded remittance services.

Section 4475 of the IRC imposes the operational responsibility for an excise tax directly upon RTPs facilitating transfers. For hybrid real-time payment providers (e.g., credit unions) that accept both cash and account-based funding, the operationalization of this tax is highly complex. It necessitates implementing sophisticated, real-time segregation and source of funds verification to accurately differentiate between an exempt account withdrawal and a taxable cash deposit. RTPs are required to withhold the tax at the point of transfer and remit the collected revenue to the IRS quarterly.

Misidentification creates a financial risk for the institution due to secondary liability for any uncollected tax.

While the implementation of the Remittance Transfer Excise Tax (RTET) under IRC Section 4475 is projected to generate approximately US\$10 billion over 10 years, it creates significant compliance obligations for remittance transfer providers (RTPs) and increases the costs for those transferring cash abroad.

Article 2

Protecting legacy in a data-driven world: What DPDP Act means for family offices



Written by

Lalit Kalra,
*Partner, Technology Consulting,
EY India*

Monika Singh,
*Manager, Technology Consulting,
EY India*

Family offices have always been built on one essential foundation: trust. Trust between generations, trust among promoters and trust in the advisors who guide them. It is this trust that safeguards the most sensitive aspects of a family's wealth, identity and long-term decision-making.

At the heart of this trust lies personal data. Details about promoters, family structures, succession plans, trust deeds, investment preferences and advisory insights form the core of how a family office functions. This information helps the office make informed decisions and enables seamless coordination across advisors and generations.

When personal data is handled thoughtfully, relationships grow stronger. When it is protected well, the very foundation of the family office becomes more resilient.

But as digital systems, external advisors and advanced analytics become part of everyday operations, the responsibility of managing this data only grows. This is where the Digital Personal Data Protection Act (DPDPA) becomes relevant.

What is the DPDPA about?

The Digital Personal Data Protection Act, 2023, sets out a modern, principle-based way to manage personal data in India. Its goal is simple: to enable responsible use of data while respecting the rights of individuals.

The Act is built on a few practical ideas:

- Personal data should be used only for clear, legitimate purposes.
- Individuals must retain meaningful rights over their personal data.
- Organizations deciding the means and purpose of processing are accountable for its protection.
- Transparency, reasonable security safeguards and ways to raise concerns are non-negotiable.

DPDPA does not enforce rigid templates or interfere with well-functioning systems. Instead, it encourages organizations to be thoughtful and accountable in how they manage data.

For family offices, this also means preparing for the future – where data volumes rise, advisor networks expand and the next generation get more involved.

What does this mean for family offices?

For most family offices, complying with DPDPA might feel more like enhancing what already exists rather than starting from ground zero. Family offices already decide how personal data is collected, processed, stored, shared or deleted. This naturally places them in a position of responsibility.

The Act offers family offices a chance to bring structure to practices that have long relied on personal oversight and informal trust. It allows for greater clarity without adding unnecessary complexity.

How can family offices approach alignment?

A meaningful alignment with the DPDPA begins with intent, and this intent is brought to life through a structured gap assessment. This means stepping back to review how personal data is currently collected, processed, shared and retained, and comparing these practices against the requirements of the Act. Through this exercise, family offices gain clearer insight into why personal data is held, how it supports decision-making and where it adds value.

The context of processing personal data matters and it will identify the level of sensitivity. Not all processes need the same level of security safeguards. The DPDPA allows family offices to strengthen protection where it truly matters while keeping day-to-day operations simple and practical.

Another key element is shared understanding. When internal teams, advisors and collaborators are aligned on expectations around data handling, confidentiality and governance become naturally embedded in culture, rather than forced through rules.

Viewed through this lens, the DPDPA is not just a compliance requirement. It is a way to formalize discretion, reinforce accountability and keep the family office's approach to data intentional, consistent and trusted as it grows.

For family offices focused on long-term sustainability, this alignment becomes essential – especially in succession planning, where trust between generations depends not only on financial stewardship but also on responsible management of information.

A quiet but important shift

In a world where information risks can sometimes grow faster than financial ones, the DPDPA offers family offices a steady and structured way to stay ahead – **quietly, confidently and responsibly.**



Article 3

Founder integrity diligence: A growing priority for Indian family offices



Written by

Vivek Aggarwal,
Partner, Forensic and
Integrity Services, EY India

Ankita Malik,
Director, Forensic and
Integrity Services, EY India

As India's startup ecosystem matures, family offices are increasingly allocating capital to private investments across strategic and high-growth sectors such as fintech, edtech, climate technology, healthcare and digital commerce. Unlike public market investments, these positions are typically minority stakes with limited visibility into day-to-day operations. This creates a gap between the investment thesis and operational reality, making thorough diligence – especially around founder integrity, background and behavior – essential.

People over pitch: The founder as the core risk variable

While pitch decks highlight markets, models and growth, the founder remains the most critical risk factor in early-stage companies. Ethics, maturity and resilience shape culture, governance, vendor relationships and regulatory navigation. In one consumer venture, strong unit economics masked recurring founder disputes that later led to delays and missed milestones. Business models can be replicated; behavioral patterns generally cannot. For family offices grounded in stewardship and long-term continuity, these people-related risks deserve deeper scrutiny.

Storytelling vs. substance

India's entrepreneurial environment rewards ambition and compelling narratives. However, competitive pressures can lead founders to overstate progress or selectively present challenges. In a B2B fintech case, "enterprise deployments" described to investors were, in reality, limited trials. While the enthusiasm was genuine, it materially influenced valuation assumptions. The goal of diligence is not to police optimism but to calibrate ambition against verifiable execution.

Track records as predictive indicators

A founder's prior experience – successful or otherwise – offers insight into how they handle stress, regulation and culture. Failures are not inherently negative; unexamined failures are. Useful questions include: What shaped past outcomes? How did the founder respond to setbacks? Who validates their claimed contributions? These answers rarely appear in pitch materials but emerge through discreet ecosystem checks.

Co-founder alignment

Early collaborations often rely on enthusiasm, but scaling requires clarity on roles, ambition and equity. Co-founder conflict remains a leading yet under-disclosed cause of early-stage failure. For passive investors, chemistry between founders is an important signal of culture and continuity.

Cap table considerations

Beyond founders and financials, the composition of the cap table can introduce reputational or regulatory risks. In one gaming startup, offshore investors triggered regulatory scrutiny unrelated to the company's operations, creating indirect compliance obligations for domestic investors. Cap table mapping allows family offices to assess counterparties as carefully as company fundamentals.

Toward a more complete diligence framework

A practical diligence approach may include:

- Founder integrity and behavioral checks: This includes credential and résumé verification, litigation and regulatory screening, independent ecosystem references and validation of collaborations, scale and exit claims.
- Co-founder dynamics: This covers understanding of role clarity and decision-rights alignment, shared vision and ambition and track record of working together.
- Business veracity: This should include verification of commercial claims, understanding regulatory dependencies, culture, hiring and governance norms.
- Co-investor and cap table mapping: This assesses reputational background, regulatory exposure and governance philosophy.

The aim is not to eliminate risk but to reduce avoidable surprises. As family offices play a growing role in India's innovation economy, their emphasis on continuity, governance and long-term reputation makes enhanced diligence indispensable. Ultimately, early-stage investing is less about ideas and more about people. Markets shift and models pivot, but values and judgment travel with the founder. Identifying these attributes early protects capital and contributes to a healthier startup ecosystem.

03 EY Family Office Advisory Services

At EY, our Family Office Advisory Services are designed to provide comprehensive support across the lifecycle of a family office – whether you are creating a new structure, transitioning from a family business environment, or elevating an existing setup.

Service pillars



Tax, regulatory and exchange control

- Establish and structure multi-generational family office frameworks, including overseas holding structures and GIFT City.
- Personal and corporate tax compliance, transaction tax planning and dispute resolution.
- Exchange control and regulatory compliance for cross-border investments.
- Succession planning, inheritance management and governance frameworks.



Strategy and transactions

- Investment banking advisory on buy-side and sell-side transactions and support for strategic investment decisions of family offices.

- Transaction due diligence across deals, joint ventures (JVs), initial public offerings (IPOs), mergers and acquisitions (M&As).
- Valuation services to enable accurate and fair assessment of potential targets and preparation of plans to identify synergies that drive efficiency and growth.
- Business modeling to support strategic decision-making, budgeting and forecasting.
- Transaction structuring, debt restructuring and investment strategy formulation.



Forensic integrity

- Conducting thorough pre-investment integrity assessments.
- Ongoing governance and oversight, including litigation and dispute assistance, incident-specific inquiries and post-investment portfolio surveillance.



Accounting and financial compliance

- Financial and accounting advisory to prepare future-ready financial statements.
- Real-time monitoring of investment portfolios using advanced KPI-driven dashboards.
- Secretarial compliance and regulatory consulting, including adherence to the Companies Act requirements.



CFO-as-a-Service

- Complete oversight of tax, accounting, company secretarial and compliance responsibilities.



Risk and governance

- Customizing governance frameworks to enhance transparency and accountability.

EY Advantage

01

Integrated, multi-disciplinary support across tax, strategy, transactions, governance and compliance.

02

Experience supporting family offices as they formalize structures and ownership.

03

Ability to support cross-border investments and multi-entity formats.

04

Technology-enabled portfolio monitoring and governance.



EY contacts

The Family Office Advisory team is spearheaded by the following leaders:



Surabhi Marwah,
Tax Partner, EY India



KT Chandy,
Tax Partner, EY India



Puneet Sachdev,
Tax Partner, EY India

supported by:

Ajay S Agashe,
Tax Partner, EY India

Swathanth Rajasekaran,
Tax Partner, EY India

Bharath P,
Tax Partner, EY India

Sohil Gala,
Tax Partner, EY India

Garima Bangar,
Senior Manager, Tax,
EY India

The future of family offices in India is rich with opportunity. As families expand globally, diversify investments and integrate next-generation leadership, the need for structured, resilient and future-ready family office models will only grow. EY remains committed to helping families strengthen their governance, protect their wealth and carry their legacies confidently into the next generation.

We look forward to accompanying you on this journey of stewardship, continuity and sustainable value creation.



Our Offices

Ahmedabad

22nd Floor, B Wing, Privilon
Ambli BRT Road, Behind Iskcon Temple
Off SG Highway, Ahmedabad - 380 059
Tel: + 91 79 6608 3800

Gandhinagar

8th Floor, Building No. 14A
Block 14, Zone 1
Brigade International Financial Centre
GIFT City SEZ
Gandhinagar - 382 355, Gujarat
Tel: + 91 79 6608 3800

Bengaluru

12th & 13th Floor
"UB City", Canberra Block
No.24 Vittal Mallya Road
Bengaluru - 560 001
Tel: + 91 80 6727 5000

Ground & 1st Floor
11, 'A' wing
Divyasree Chambers
Langford Town
Bengaluru - 560 025
Tel: + 91 80 6727 5000

3rd & 4th Floor
MARKSQUARE
#61, St. Mark's Road
Shantala Nagar
Bengaluru - 560 001
Tel: + 91 80 6727 5000

1st & 8th Floor, Tower A
Prestige Shantiniketan
Mahadevapura Post
Whitefield, Bengaluru - 560 048
Tel: + 91 80 6727 5000

Ecospace
1st Floor, Campus 1C
Ecospace Business Park
Outer Ring Road,
Bellandur - Sarjapura Area, Varthur Hobli,
Bengaluru Urban - 560103

Bhubaneswar

8th Floor, O-Hub, Tower A
Chandaka SEZ, Bhubaneswar
Odisha - 751024
Tel: + 91 674 274 4490

Chandigarh

Elante offices, Unit No. B-613 & 614
6th Floor, Plot No- 178-178A
Industrial & Business Park, Phase-I
Chandigarh - 160 002
Tel: + 91 172 6717800

Chennai

6th & 7th Floor, A Block,
Tidel Park, No.4, Rajiv Gandhi Salai
Taramani, Chennai - 600 113
Tel: + 91 44 6654 8100

Delhi NCR

Aikyam
Ground Floor
67, Institutional Area
Sector 44, Gurugram - 122 003
Haryana
Tel: + 91 124 443 4000

3rd & 6th Floor, Worldmark-1
IGI Airport Hospitality District
Aerocity, New Delhi - 110 037
Tel: + 91 11 4731 8000

4th & 5th Floor, Plot No 2B
Tower 2, Sector 126
Gautam Budh Nagar, U.P.
Noida - 201 304
Tel: + 91 120 671 7000

Hyderabad

THE SKYVIEW 10
18th Floor, "SOUTH LOBBY"
Survey No 83/1, Raidurgam
Hyderabad - 500 032
Tel: + 91 40 6736 2000

THE SKYVIEW 20
2nd Floor, 201 & 202
Right Wing, Survey No 83/1
Raidurgam, Hyderabad - 500 032
Tel: + 91 40 6736 2000

Jaipur

9th floor, Jewel of India
Horizon Tower, JLN Marg
Opp Jaipur Stock Exchange
Jaipur, Rajasthan - 302018

Kochi

9th Floor, ABAD Nucleus
NH-49, Maradu PO
Kochi - 682 304
Tel: + 91 484 433 4000

Kolkata

22 Camac Street
3rd Floor, Block 'C'
Kolkata - 700 016
Tel: + 91 33 6615 3400

6th floor, Sector V,
Building Omega, Bengal Intelligent
Park, Salt Lake Electronics Complex,
Bidhan Nagar
Kolkata - 700 091
Tel: + 91 33 6615 3400

Mumbai

14th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (W), Mumbai - 400 028
Tel: + 91 22 6192 0000

5th Floor, Block B-2
Nirlon Knowledge Park
Off. Western Express Highway
Goregaon (E)
Mumbai - 400 063
Tel: + 91 22 6192 0000

3rd Floor, Unit No.301
Building No.1, Mindspace-Gigaplex
IT Park, MIDC, Plot No. IT-5
Airoli Knowledge Park
Airoli West, Navi Mumbai - 400 708
Tel: + 91 22 6192 0003

18th Floor, Altimus
Pandurang Budhkar Marg
Worli, Mumbai - 400 018
Tel: + 91 22 6192 0503

Pune

C-401, 4th Floor
Panchshil Tech Park, Yerwada
(Near Don Bosco School)
Pune - 411 006
Tel: + 91 20 4912 6000

10th Floor, Smartworks
M-Agile, Pan Card Club Road
Baner, Pune - 411 045
Tel: + 91 20 4912 6800

Ernst & Young LLP

EY | Building a better working world

EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets.

Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow.

EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multi-disciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories.

All in to shape the future with confidence.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EYG member firms do not practice law where prohibited by local laws. For more information about our organization, please visit ey.com.

Ernst & Young LLP is one of the Indian client serving member firms of EYGM Limited. For more information about our organization, please visit www.ey.com/en_in.

Ernst & Young LLP is a Limited Liability Partnership, registered under the Limited Liability Partnership Act, 2008 in India, having its registered office at Ground Floor, Plot No. 67, Institutional Area, Sector - 44, Gurugram - 122 003, Haryana, India.

© 2026 Ernst & Young LLP. Published in India.
All Rights Reserved.

EYIN2602-026
ED None

This publication contains information in summary form and is therefore intended for general guidance only. It is not intended to be a substitute for detailed research or the exercise of professional judgment. Neither EYGM Limited nor any other member of the global Ernst & Young organization can accept any responsibility for loss occasioned to any person acting or refraining from action as a result of any material in this publication. On any specific matter, reference should be made to the appropriate advisor.

ey.com/en_in

