



Consultation Paper on

Draft Revamped Regulatory Framework for Global Access in the IFSC

A. Objective

1. The objective of this paper is to seek comments and suggestions from the public and stakeholders on the proposed revamped regulatory framework for Global Access in the IFSC.

B. Background

2. The International Financial Services Centres Authority (IFSCA) is established with the primary objective of developing and regulating the financial services market in the IFSCs in India. A key focus area is to position the IFSC as a prominent gateway for cross-border capital flows, seamlessly connecting the Indian financial ecosystem with global markets.
3. In an increasingly interconnected world, investors are actively seeking opportunities in global markets for reasons encompassing portfolio diversification, enhanced returns, hedging strategies against various risks, and capitalizing on international arbitrage opportunities.
4. The capital market ecosystem at IFSC, supported by best-in-class infrastructure and globally benchmarked regulatory frameworks, is strategically positioned to facilitate cross-border dealings in securities and other permitted financial products on global stock exchanges in a transparent, regulated, and efficient manner.
5. In line with this vision, IFSCA had earlier permitted broker dealers in the IFSC to access global markets *vide* circular titled "[*Global Access to Broker Dealers*](#)" dated November 25, 2021, supplemented by clarifications issued through the "[*Global Access-Clarification*](#)" circular dated July 06, 2024. Additionally, a subsidiary of a recognised stock exchange in the IFSC, has been permitted to provide access to global markets.
6. The [*IFSCA \(Capital Market Intermediaries\) Regulations, 2025*](#) ("CMI Regulations") have been notified and published in the Official Gazette of India on April 17, 2025 providing the regulatory framework for regulation, registration and supervision of capital market intermediaries operating in the IFSC. It was *inter alia* decided

that further deliberations would be required for policy changes w.r.t. global access by entities in the IFSC and the status quo shall maintain till such time. Accordingly, the CMI Regulations *inter-alia* provide that:

- Regulation 27 - “A CMI, including a broker dealer, desirous of dealing in securities in Foreign Jurisdictions shall comply with the norms and requirements specified by the Authority”.
 - Regulation 47 (1) - “On and from the commencement of these regulations, the International Financial Services Centres Authority (Capital Market Intermediaries) Regulations, 2021 shall stand repealed: Provided that the provisions of Chapter V of the International Financial Services Centres Authority (Capital Market Intermediaries) Regulations, 2021 shall continue to apply to a CMI including broker dealer dealing in securities in Foreign Jurisdictions, until the relevant norms and requirements under regulation 27 of these regulations are issued by the Authority.”
7. Further, Securities and Exchange Board of India (“SEBI”), *vide* circular dated May 2, 2025 on “[Measure for Ease of Doing Business–Facilitation to SEBI registered Stock Brokers to undertake securities market related activities in Gujarat International Finance Tech-city –International Financial Services Centre \(GIFT-IFSC\) under a Separate Business Unit \(SBU\)](#)” has permitted stock brokers registered with SEBI to undertake securities market related activities in GIFT-IFSC under a Separate Business Unit (“SBU”) of the stock broking entity itself.
8. In light of the evolving regulatory landscape and the experience gained thus far, IFSCA deems it opportune to issue a revamped regulatory framework specifying the requirements for broker dealers within the IFSC to undertake business activities on global markets (i.e., stock exchanges in foreign jurisdictions). This consultation paper is being issued to solicit feedback and suggestions from stakeholders on the proposed framework.

C. Proposed Framework

9. IFSCA proposes a revamped regulatory framework for Global Access in the IFSC, *inter alia* covering the following aspects:
- a) Registration of Global Access Providers
 - b) Modalities of Global Access/ Operational Framework
 - c) Permitted Products through Global Access
 - d) Responsibilities of Global Access Providers and Broker Dealers
 - e) Disclosures to Clients

- f) KYC, AML and CFT Norms
- g) Code of Conduct and Advertisement Code
- h) Periodic Reporting
- i) Fee Structure
- j) Other regulatory norms

D. Regulatory Objectives

10. The key regulatory objectives of the proposed revamped framework are as follows:

- a) To enhance opportunities for broker-dealers operating in the IFSC to access and participate in various global exchanges.
- b) To position the IFSC as a gateway for outbound investments by resident Indians in a regulated manner
- c) To promote ease of doing business by providing more operational flexibility and streamlining norms relating to cross-border trading between IFSC and global markets.
- d) To reinforce the regulatory framework by effectively managing and mitigating risks associated with global market access.
- e) To align the framework with internationally recognized best practices.

11. The proposed regulatory framework also offers a pathway for entities currently facilitating access to global markets from within India (in an unregulated environment) to transition their operations to the IFSC. By doing so, these services can be provided within a regulated ecosystem, thereby safeguarding the interests of the interests, including those of Indian retail investors investing under the Liberalised Remittance Scheme (LRS) route.

12. Further, the proposed regulatory framework also aims to establish IFSC as a regional financial hub by attracting investments from clients in other geographies such as Asia, the Middle East, and Africa for making their investments in global markets in a regulated, transparent and cost-efficient manner.

E. Public Comments

13. In view of the above, comments and suggestions from public are invited on the proposed regulatory framework for global access in the IFSC contained in **Annexure A**. The comments may be sent by email to consultation-cfd@ifsc.gov.in and Shri Akash Boddeda, Assistant Manager at akash.boddeda@ifsc.gov.in with a

copy to Shri Arjun Prasad, General Manager at arjun.pd@ifsc.gov.in with subject line “**Comments on draft circular on Revamped Regulatory Framework for Global Access in the IFSC**” latest by **May 19, 2025**.

14. The comments should be provided in the following format:

Name and Designation				
Contact No. and Email Address				
Name of Organisation				
S. No.	Clause No.	Text of the Clause	Comments/ Suggestions/ Suggested Modifications	Detailed Rationale

May 08, 2025
Gandhinagar

Annexure A

Draft Circular on “Revamped Regulatory Framework for Global Access in the IFSC”



CIRCULAR

eF.No. ...

May ..., 2025

To,

All Broker Dealers in the IFSC
All Recognised Stock Exchanges in the IFSC
All Global Access Providers in the IFSC

Dear Sir/ Madam,

Sub: Revamped Regulatory Framework for Global Access in the IFSC

A. Background

1. One of the key objectives of the IFSCA is to develop International Financial Services Centres (IFSCs) in India as gateways for cross-border capital flows, effectively connecting India with global financial markets. Investors today are increasingly seeking new investment avenues, including global markets, driven by motives such as portfolio diversification, pursuit of higher returns, hedging against commodity and currency risks, and exploring opportunities for arbitrage between international markets.
2. The capital market ecosystem within the IFSC is strategically positioned to serve as a gateway for facilitating dealings in securities and other permitted financial products on the stock exchanges in global markets in a transparent, regulated, and efficient manner.
3. Keeping this in mind, the IFSCA has permitted broker dealers present in the IFSC to access global markets vide circular titled “[*Global Access to Broker Dealers*](#)” dated November 25, 2021, read with clarifications issued vide circular titled “[*Global Access-Clarification*](#)”. Separately, a subsidiary of a recognised stock exchange namely India INX Global Access IFSC Limited was also permitted to provide access to global markets.
4. The [IFSCA \(Capital Market Intermediaries\) Regulations, 2025](#) (“CMI Regulations”) have been notified and published in the Official Gazette of India on

April 17, 2025 providing the regulatory framework for regulation, registration and supervision of capital market intermediaries operating in the IFSC. The CMI Regulations, *inter alia* provide that -

- a. *A CMI, including a broker dealer, desirous of dealing in securities in Foreign Jurisdictions shall comply with the norms and requirements specified by the Authority (regulation 27); and*
 - b. *...the provisions of Chapter V of the IFSCA (Capital Market Intermediaries) Regulations, 2021 shall continue to apply to a CMI including broker dealer dealing in securities in Foreign Jurisdictions, until the relevant norms and requirements under regulation 27 of these regulations are issued by the Authority (regulation 47 (1)).*
 - c. *...the Authority may specify norms for obtaining authorisation or registration as CMI (regulation 4(6)).*
5. IFSCA has been in consultation with various parties, including Stock Exchanges and other stakeholders on the revamp of the Global Access model. Recently, the Securities and Exchange Board of India ("SEBI"), *vide* circular dated May 2, 2025 on "[Measure for Ease of Doing Business-Facilitation to SEBI registered Stock Brokers to undertake securities market related activities in Gujarat International Finance Tech-city -International Financial Services Centre \(GIFT-IFSC\) under a Separate Business Unit \(SBU\)](#)" permitted stock brokers registered with SEBI to undertake securities market related activities in GIFT-IFSC under a Separate Business Unit ("SBU") of the stock broking entity, under the regulatory framework issued by IFSCA.
6. Pursuant to extensive consultation with various stakeholders, it has been decided that the entities shall comply with the revised norms, requirements and regulatory framework for global access specified in this circular.

B. Applicability

7. This circular shall apply to:
 - a. Global Access Providers;
 - b. Broker Dealers in the IFSC accessing global markets; and
 - c. Clients accessing global markets through the broker dealers / Global Access Providers in the IFSC.

C. Definitions

8. For the purpose of this circular, unless the context otherwise requires, the terms

defined herein shall bear the meanings as assigned to them below, and their cognate expressions shall be construed accordingly,

- a. *“Foreign Jurisdiction”* shall have the same meaning as assigned under regulation 3(1)(u) of the CMI Regulations;
- b. *“Global Access Provider”* means a subsidiary of a Recognised Stock Exchange set up in the IFSC for providing access to global markets:

Provided that a foreign broker dealer that has already set up a subsidiary in the IFSC as on the date of issue of this circular is permitted to act as a Global Access Provider in compliance with the requirements specified in this circular.

Guidance Notes:

- i. *A foreign broker ‘X’ based in the USA has already set up a subsidiary ‘X IFSC Ltd.’ for acting as a global access provider. ‘X IFSC Ltd.’ can continue to provide access through X or any of its group entity only on such stock exchanges where its group entities have membership.*
- ii. *Where a broker dealer ‘Y’ is set up in the IFSC and ‘Y’ or any of its group entity does not have a trading membership of a stock exchange in a Foreign Jurisdiction, such broker ‘Y’ can access global markets only through a Global Access Provider registered with the Authority.*
- c. *“Global markets”* means stock exchanges in Foreign Jurisdictions.
- d. *“Recognised Stock Exchange”* means a stock exchange recognised by the Authority.
- e. *“Referral Partner”* means an entity that refers clients to a Global Access Provider and receives fee, or similar compensation, by whatever name called for referring clients.

D. Global Access Providers

Obligation to seek registration

- 9. An entity desirous of undertaking activities as a Global Access Provider shall not commence operations in an IFSC unless it has obtained a certificate of registration from the Authority as a Global Access Provider:

However, an already existing Global Access Provider as on the date of issue of this circular need not seek fresh registration and shall be deemed to be registered as a *“Global Access Provider”* with the Authority subject to compliance with stipulations such as net worth etc. as specified in this circular.

10. An entity desirous of obtaining a certificate of registration as a Global Access Provider in IFSC shall submit an application form along with fee and following documents the Authority:

- a. [Common Application Form](#)
- b. Specific form for Global Access Provider.

Net worth

11. A Global Access Provider shall have a minimum net worth of USD 1 million.

Fit and proper requirements

12. A Global Access Provider shall ensure that the entity and its directors, key managerial personnel and controlling shareholders are '*fit and proper*' persons in accordance with the criteria specified under regulation 8 of the CMI Regulations.

Principal Officer, Compliance Officer and other human resources

13. A Global Access Provider shall have a Principal Officer, Compliance Officer and other human resources in accordance with the requirements specified under regulation 9 of the CMI Regulations.

Registration related requirements

14. The registration related provisions specified under regulations 10 to 14 of the CMI Regulations shall apply to a Global Access Provider.

E. Broker Dealers

Registration of Broker Dealers accessing only Global Markets

15. An entity desirous of undertaking only global access activities, and not being a trading member of a Recognised Stock Exchange, shall obtain registration as a "*broker dealer*" with the Authority:

The application seeking registration as broker dealer shall be submitted to the Authority through a Global Access Provider along with the recommendations of such Global Access Provider and the registration of a Broker Dealer shall be in accordance with all the other applicable provisions specified under Chapter II of the CMI Regulations.

Net Worth of Broker Dealers accessing Global Markets

16. A broker dealer accessing global markets shall have a minimum net worth of USD

200,000/- The net worth allocated towards global access by a broker dealer shall be segregated and shall be over and above the net worth requirements applicable for other permitted activities.

F. Clients

17. The following categories of clients are permitted to deal in global access under this circular:
 - a. Resident Indians to the extent permitted under the provisions of Foreign Exchange Management Act 1999 and Rules and Regulations made thereunder;
 - b. Non-resident entities in the IFSC; and
 - c. Non-resident entities in Foreign Jurisdictions
18. A Global Access Provider may onboard clients directly or through a referral partner for global access. The referral partner may be in the IFSC or a Foreign Jurisdiction.
19. A Global Access Provider may also provide the global access facility to a broker dealer registered with the Authority for providing access to its clients, either on a fully disclosed model or a nominee account model.

Such structures shall be in accordance with the applicable norms specified in the Foreign Jurisdiction and the broker dealer shall ensure adequate disclosures to its clients.

G. Permitted Products through Global Access

20. A Global Access Provider shall provide access to financial products and services listed on stock exchanges in Foreign Jurisdictions. However, such access shall be only in respect of such products or instruments that are covered under the definition of “financial products” or “financial services” applicable in the IFSC.

Guidance Note:

A Global Access Provider shall not provide access to crypto-assets or any other instruments that are not considered as “financial products” or “financial services” in the IFSC.

21. Where a Global Access Provider provides access to persons resident in India, the Global Access Provider and the broker dealer, as the case may be, shall ensure that there are adequate systems in place to ensure that access to global markets

is provided only to such permitted investors and products under the Foreign Exchange Management Act, 1999 and Rules and Regulations made thereunder.

Guidance Note:

The broker dealer or the Global Access Provider, as the case may be, shall ensure that a resident Indian individual shall make investments in accordance with the Liberalised Remittance Scheme permitted by Reserve Bank of India.

22. A Global Access Provider shall not permit trading on index derivatives or single stock derivatives of Indian securities traded in global markets.

Guidance Note:

A broker dealer may provide access to India related products available on the Recognised Stock Exchanges in the IFSCs.

23. A Global Access Provider shall not permit trading on any INR pair currency contracts on any global market.

H. Responsibilities of Global Access Providers

24. A Global Access Provider shall maintain adequate infrastructure, systems, human resources, and financial resources commensurate with the size, scale and complexity of its global access operations.
25. A Global Access Provider shall have agreement with international broker(s) for providing access to global markets, subject to the following conditions:
- a. The international broker is a trading member of a stock exchange in a Foreign Jurisdiction; and
 - b. The international broker provides access to global markets in compliance with the applicable and regulatory requirements of the Foreign Jurisdiction.
26. A Global Access Provider shall ensure that it has appropriate risk management and internal controls to ensure that the interests of its clients are adequately protected.
27. A Global Access Provider shall ensure that funds of all investors participating in the global access are routed through a bank account in the IFSC:

A Global Access Provider already providing global access as on the date of the circular shall ensure compliance with this clause by August 01, 2025.

28. A Global Access Provider dealing with clients shall have policies and procedures pertaining to handling of complaints in respect of its global access business in accordance with the requirements specified by the Authority vide circular titled *"Complaint Handling and Grievance Redressal by Regulated Entities in the IFSC"* dated December 02, 2024.
29. A Global Access Provider shall disclose to its clients that the following resources of the recognised stock exchanges in the IFSC shall not be available to the clients for global access:
- a) Rights of investors or investor protection;
 - b) Dispute resolution mechanism; and
 - c) Investor grievance redressal mechanism
30. A Global Access Provider shall immediately inform the Authority in case any action is taken by any financial sector regulator against the international broker providing access to global markets.
31. A Global Access Provider shall ensure that the agreement entered with the international brokers provides for the Global Access Provider to obtain data and information relating to trades executed through the global access.
32. A Global Access Provider shall have the arrangements in place to seek any information or report from its referral partners for the global access activities.
33. The compliances by broker dealers with respect to global access activities shall be monitored by the global access provider. Where a Global Access Provider has information about any non-compliance by a broker dealer of any requirement specified by the Authority under the CMI Regulations or this circular relating to global access, the Global Access Provider shall forward details of such non-compliances to the Authority.
34. A Global Access Provider shall comply with additional norms and requirements as may be specified by the Authority in relation to global access.

I. Responsibilities of Broker Dealers in Global Access

35. A Broker Dealer, either trading on its proprietary account or on behalf of its clients, shall access global markets only through a Global Access Provider registered with the Authority;

However, a broker dealer already trading in the global markets through its own cross-border arrangements as on the date of these regulations shall be required to comply with this clause on or before August 01, 2025.

36. A Broker Dealer accessing global markets shall ensure that the business activities relating to global access are ring-fenced with the activities on the Recognised Stock Exchanges in the IFSC.
37. A Broker Dealer providing global access to its clients shall maintain segregation of clients' funds from proprietary trading, if any.
38. A Broker Dealer providing global access to its clients shall comply with all the requirements as applicable to a Global Access Provider dealing with client specified under Clause I of this circular.

J. Resources

39. A broker dealer providing global access to its clients shall maintain adequate infrastructure, systems, human resources, and financial resources commensurate with the size, scale and complexity of its global access operations.

K. Disclosures to Clients

40. A Global Access Provider or a broker dealer, as the case may be, providing global access to clients shall ensure that true, correct, and adequate disclosures are made to the investors in writing, including the following disclosures:
 - a. Risk Factors relating to investments in global markets
 - b. Roles and responsibilities of entities involved in providing global access
 - c. Details of custody arrangements, if any
 - d. Trading method and applicable account structure
 - e. Applicable fee structure
 - f. Applicable investor protection scheme or insurance coverage
41. A Global Access Provider or a broker dealer, as the case may be, providing global access to clients shall ensure that they have systems in place to ensure that key risks / disclaimers relating to global access are displayed at every login by its clients.

L. KYC, AML and CFT Norms

42. A Global Access Provider shall comply with the provisions of the Prevention of Money Laundering Act, 2002, the Prevention of Money-laundering (Maintenance of Records) Rules, 2005 ("PML Rules"), the IFSCA (Anti Money Laundering, Counter Terrorist-Financing and Know Your Customer) Guidelines, 2022 (as amended) and such other circulars and guidelines.

Explanations:

- a) For the purpose of compliances under the PML Rules, a “*Global Access Provider*” dealing with clients shall ensure to comply with the KYC AML and CFT norms as applicable to a “broker dealer” in the IFSC.
 - b) The requirements relating to KYC, AML and CFT norms shall apply irrespective of whether the international broker providing access to global markets has its own process and procedures as per the requirements in a Foreign Jurisdiction.
43. Where a Global Access Provider does not directly onboard a client, but the client is onboarded by a broker dealer registered with the Authority, such broker dealer shall be responsible for compliances with the PML Rules and the KYC AML and CFT norms issued by the Authority from time to time.

M. Data Storage

44. A Global Access Provider and a Broker Dealer shall maintain all user, transaction and trade data within the IFSC. The data shall be made readily available as and when sought by the Authority.

N. General obligations and responsibilities

45. The general obligations and responsibilities specified for capital market intermediaries under Chapter III of the CMI Regulations shall apply to Global Access Providers and Broker Dealers engaged in global access.

O. Code of Conduct

46. A Global Access Provider and a broker dealer engaged in global access shall comply with the code of conduct specified under Part-A of Schedule II of the CMI Regulations.

P. Advertisement Code

47. A Global Access Provider and a broker dealer engaged in global access shall comply with the below mentioned advertisement code:
- a. Advertisements shall be accurate, true, fair, clear, complete, unambiguous and concise.
 - b. Advertisements shall not contain statements which are false, misleading, biased or deceptive, based on assumption/projections and shall not contain any testimonials or any ranking based on any criteria.

- c. Advertisements shall not be so designed as likely to be misunderstood or likely to disguise the significance of any statement. Advertisements shall not contain statements which directly or by implication or by omission may mislead the client.

Q. Periodic Reporting

- 48. A broker dealer accessing global markets shall submit data, information, and reports (including periodical reports) to its Global Access Provider and for this purpose, the Global Access Provider may also specify compliance and reporting requirements.
- 49. A Global Access Provider shall submit quarterly reports to the Authority.
- 50. A Global Access Provider and a broker dealer shall furnish such information, documents, or records as may be specified by the Authority from time to time.

R. Fee Structure

- 51. A Global Access Provider and a broker dealer shall pay regulatory fees relating to Global Access as may be specified in the First Schedule of this circular.

FIRST SCHEDULE: FEE STRUCTURE

Global Access Provider

1. Application Fee: USD 1,000/-
2. Registration Fee: USD 10,000/-
3. Annual Fee: USD 10,000/-

Broker Dealer

New Registrations

1. Application Fee and Registration Fee: Same as provided for broker dealers in circular issued by IFSCA on April 08, 2025

Turnover based Fee

1. Derivatives: 0.00010% of turnover
2. Products other than Derivatives: 0.005% of turnover

Explanation: Where a client is directly onboarded by a Global Access Provider, the turnover fee shall be paid by the Global Access Provider

The calculation of annual fees, mode of payment fees, late fees and other provisions relating to fees shall be in accordance with the circular dated April 08, 2025, read with clarificatory circular issued on April 23, 2025.