



CIRCULAR

F. No. 496/IFSCA/FC/SLF/2025-26/01

April 07, 2025

To,
All Finance Company / Finance Unit registered in the International Financial Services Centres (IFSCs)

Subject: Amendment to the 'Framework for Ship Leasing' and relevant circulars

1. Please refer to the circular no. F. No. 496/IFSCA/FC/SLF/2022-23/001 on "Framework for Ship Leasing" dated August 16, 2022 (hereinafter referred to as "Framework") and to the circular no. F. No 496/IFSCA/FC/SLF/2024-25/02 on "Additional requirements for carrying out the permissible activities by Finance Company as a Lessor under 'Framework for Ship Leasing'" dated May 8, 2024 (hereinafter referred to as "the Circular").
2. It has been decided to replace clause 3.L on Currency for Conduct of Business, of the Framework, with the following with immediate effect:
 - "(i) The lessor shall raise invoice for the permissible activities under the framework in any foreign currency specified in the first schedule to the IFSCA (Banking Regulations), 2020 and receive payment against such invoice in its foreign currency account held with an IFSC Banking Unit.*
 - "(ii) The lessor may open an SNRR account with an authorised dealer in India (outside IFSC) under the provisions of schedule 4 of the Foreign Exchange Management (Deposit) Regulations, 2016, for its business related transactions outside IFSC."*
3. Further, it has been decided to amend the Circular with immediate effect by:
 - i. replacing clause 2 of the Circular with the following:
"In furtherance to the above, it is hereby specified that an applicant under the SL



Framework or a lessor, who has obtained a Certificate of Registration (CoR) under regulation 3 of the FC Regulations, shall not undertake transactions which involves transfer, in any form, of the ownership and / or leasehold right of a ship or ocean vessel from a person resident in India (as defined in clause v of section 2 of the Foreign Exchange Management Act, 1999) to an entity set up in the International Financial Services Centre ('IFSC'), for the purpose of providing services solely to person resident in India in any single financial year”

ii. adding the following clause after the first proviso to clause 2 of the Circular:

“Provided further that the restriction under the para 2 above shall not apply where the ship or ocean vessel being transferred is a new ship or ocean vessel acquired from a shipyard in India.”

4. This circular is issued in exercise of powers conferred by section 12 and 13 of the IFSCA Act 2019, to develop and regulate the financial products, financial services and financial institutions in the IFSCs and the amendments to the Framework shall come into force with immediate effect.
5. The updated Framework incorporating the above-mentioned changes can be accessed at www.ifsc.gov.in.
6. A copy of this circular is available on the website of the IFSCA at <https://ifsc.gov.in/Legal/Index>.

Yours faithfully,

Supriyo Bhattacharjee
(Chief General Manager)
(Head Department of Banking)