



CIRCULAR

F. No. 329/IFSCA/Bullion MIIs/2021

September 17, 2021

To,

**Bullion Exchange in the International Financial Services Centre (IFSC)
Bullion Clearing Corporation in the International Financial Services Centre (IFSC)
Bullion intermediaries in the International Financial Services Centre (IFSC)**

Dear Sir/Madam,

Sub: Bullion Trading Member and Clearing Members in GIFT-IFSC

On-Boarding of existing registered members in GIFT-IFSC

1. IFSCA has received representation from market participants requesting for all registered trading members and clearing members of the stock exchanges and clearing corporations respectively to be grandfathered as members of the Bullion Exchange and Bullion Clearing Corporation. Accordingly, it has been decided to permit all members of the stock exchanges and clearing corporations in GIFT-IFSC to be enabled as Bullion Trading/Clearing Members subject to the fulfilment of requisite net worth criteria as specified by the Authority.

New entities desirous of operating as Bullion Trading/Clearing Members

2. New entities who intend to become Bullion Trading/Clearing Members shall follow the membership criteria and registration process for membership as determined by the Bullion Exchange /Bullion Clearing Corporation, subject to eligibility criteria as specified in IFSCA circular No. 415/IFSCA/Consolidated Operating Guidelines/2021-22 dated August 25, 2021.

Net-Worth criteria

3. The net worth requirement for initial 6 months from the date of operationalization of Bullion Exchange shall be as under:



S. No.	Category	Net Worth	
		Entities incorporated in India (including IFSC)	Foreign Entities
1	Trading member	As specified by the Bullion Exchange	As specified by the Bullion Exchange, subject to a minimum of USD 135,000
2	Clearing Member	As specified by the Bullion Clearing Corporation	As specified by the Bullion Clearing Corporation, subject to minimum of USD 1,350,000
3	Trading and Clearing member	As specified by the Bullion Clearing Corporation	As specified by the Bullion Clearing Corporation, subject to minimum of USD 1,350,000
4	Self-Clearing Member	As specified by the Bullion Clearing Corporation	As specified by the Bullion Clearing Corporation, subject to minimum of USD 675,000

Base Minimum Capital

4. The Base Minimum Capital for initial 6 months from the date of operationalization of Bullion Exchange shall be as under:

S. No.	Category	Base Minimum Capital	
		Entities incorporated in India (including IFSC)	Foreign Entities
1	Trading member	As specified by the Bullion Exchange	As specified by the Bullion Exchange, subject to a minimum of USD 75,000
2	Clearing Member	As specified by the Bullion Clearing Corporation	As specified by the Bullion Clearing Corporation, subject to minimum of USD 75,000
3	Trading and Clearing member	As specified by the Bullion Clearing Corporation	As specified by the Bullion Clearing Corporation, subject to minimum of USD 75,000
4	Self-Clearing Member	As specified by recognized Bullion Clearing Corporation	As specified by the Bullion Clearing Corporation, subject to minimum of USD 75,000

Additional Requirements

5. Any entity desirous of operating as Bullion Trading/Clearing Member shall be a body corporate, incorporated in India or in a foreign jurisdiction.



6. Any entity desirous of functioning as a trading member / clearing member under the branch structure in GIFT-IFSC shall adequately ring fence the operational, technology and financial aspects of its branch in IFSC from its overseas operations.

This circular is issued in exercise of powers conferred by section 12 of the International Financial Services Centres Authority Act, 2019 to develop and regulate the financial products, financial services and financial institutions in the International Financial Services Centres.

A copy of this circular is available on the website of the International Financial Services Centres Authority at www.ifsc.gov.in.

Yours faithfully,

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