



PRESS RELEASE

Invitation for public comments on proposed International Financial Services Centres Authority (Capital Market Intermediaries) Regulations, 2021

International Financial Services Centres Authority (IFSCA) has been established as a unified regulator to develop and regulate financial products, financial services and financial institutions in the International Financial Services Centres (IFSCs) in India.

The intermediaries play an important role by providing the intermediation facilities between their clients and the various regulated financial products and financial services in the IFSC. The intermediaries are also essential for building the ecosystem of capital markets in the IFSC.

IFSCA proposes to enact a regulatory framework for the intermediaries in the capital markets operating in IFSC, focusing on ease of doing business and consistent with the fundamental principles laid down by International Organization of Securities Commissions.

The proposed IFSCA (Capital Market Intermediaries) Regulations, 2021 (Intermediaries Regulations) *inter alia* provide for regulatory requirements in respect of registration, obligations and responsibilities, inspection and enforcement of various types of capital market intermediaries such as broker dealers, clearing members, depository participants, investment bankers, portfolio managers, investment advisers, custodians, credit rating agencies, debenture trustees and account aggregators.

Further, the proposed Intermediaries Regulations envisage registered capital market intermediaries to undertake cross-border business in capital markets in India and foreign jurisdictions, subject to certain conditions such as ring fencing of operations, appropriate risk management and internal controls, maintenance of records etc.

The consultation paper is available on the website of IFSCA at the weblink - <https://ifsc.gov.in/PublicConsultation>.

Comments and suggestions from public are invited on the proposed Intermediaries Regulations by August 18, 2021.

Gandhinagar
July 28, 2021