PRESS RELEASE

IFSCA directs Regulated Entities to maintain valid and subsisting Letter of Approval (LoA) under the SEZ Act and other applicable Regulatory Instrument(s) at all times

The International Financial Services Centres Authority (IFSCA) has issued a Circular directing its Regulated Entities to ensure continuous compliance with the requirement of holding a valid and subsisting Letter of Approval (LoA) under the Special Economic Zones Act, 2005 and the applicable Regulatory Instrument(s) *viz.*, registration, license, recognition, authorisation, permission, approval or any equivalent document issued by it.

2. The Circular reiterates that a valid LoA is a prerequisite for obtaining any Regulatory Instrument from IFSCA and for undertaking permissible activities in the International Financial Services Centre, and also highlights that LoAs are subject to prescribed validity periods and must be renewed in accordance with the provisions of the Special Economic Zones Rules, 2006, including submission of renewal applications at least two months prior to expiry.

3. The Circular directs all Regulated Entities to ensure that they always hold valid and subsisting Letter of Approval and applicable Regulatory Instrument(s), and refrain from carrying out any business activities without holding valid and subsisting LoA and applicable Regulatory Instrument(s). Any violation of these directions may constitute a breach of the relevant provisions of the International Financial Services Centres Authority Act, 2019, the Special Economic Zones Act, 2005, and the rules and regulations made thereunder, inviting appropriate penal/enforcement action.

4. The Circular is available on the website of IFSCA at https://ifsca.gov.in/Legal/Index/wF6kttc1JR8=.

Gandhinagar

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