Comments received on proposed IFSCA (Electronic Trading Platforms) Regulations, 2026

S.No	Para	Comments / Suggestions / Suggested Modifications	Rationale
1	Page 2, para 5	We note that the requirement mandates the ETP Operator to maintain its electronic systems physically within IFSC. We respectfully request reconsideration of this requirement given the costs associated with relocating existing trading systems are substantial and may render operations economically unviable. Additionally, we note that most offshore jurisdictions do not impose similar localization requirements.	While we fully appreciate the regulatory objective of ensuring effective supervisory access and operational resilience, a strict requirement for the physical localisation of trading systems and data within the IFSC may present operational, resilience, and market-quality challenges for global ETP operators that rely on centralised, cross-jurisdictional infrastructures. In this regard, a principles-based approach that emphasises data accessibility, auditability, and robust regulatory oversight rather than physical location alone may more effectively support the IFSC's objective of attracting global liquidity and established ETP operators and encourage participants such as us to establish an ETP presence in the IFSC.
2	Page 2, para 5	We note that the ETP Operator is required to have its electronic system physically located in IFSC. We humbly request you to reconsider this requirement given the costs associated with transferring the trading systems is very high and may lead it not being economically feasible.	While we appreciate the regulatory objective of supervisory access and resilience, a strict requirement for physical localisation of trading systems and data in IFSC may pose operational, resilience and market-quality challenges for global ETPs that operate centralised, cross-jurisdictional infrastructures. A principle-based approach focusing on data access, auditability and regulatory control, rather than physical location, may better support IFSC's objective of attracting global liquidity and established ETP operators an encourage players like us to establish an ETP set up in IFSC.
3	Page 2, para 7(c)	It is suggested that broad principles for membership eligibility criteria be	While flexibility is important, completely decentralised membership criteria may result in inconsistent standards

		supplemented with minimum baseline requirements prescribed by the Authority	across ETPs, potentially allowing weaker participants to enter certain platforms. A baseline regulatory standard will ensure minimum financial and operational robustness of all trading members.
4	Page 4- 1(1)	**Suggested Modification:** (1) These regulations may be called the International Financial Services Centres Authority (Electronic Trading Platforms) Regulations, 202X.	As these Regulations may envisage authorisation of more than one ETPs, the term 'Platforms' (plural) may be considered.
5	Page 4, para 2	**Comment:** A definition for 'Algorithmic Trading' or 'Algo Trading' may be provided. Further, framework governing Algo Trading may be incorporated as part of Para 14 – Risk Management.	Algorithmic trading is widely prevalent in the market in some instruments, and hence may be provided for in these Regulations
6	Page 4, para 2(1)	**Suggestion:** A suitable definition of Market Abuse and a framework for dealing with the same may be provided in these Regulations.	As part of Risk Management obligations, an ETP Operator is obligated to identify, deter and prevent Market Abuse and report the same to the Authority. A framework on the meaning and scope of Market Abuse and the corresponding actions on the part of ETP Operator may be provided to bring certainty and uniformity in practice across all ETP Operators and the market alike.
7	Page 4, 2(1)(a)	**Suggestion:** The term 'authorisation' may be considered in place of the term 'recognition'	The term 'authorisation' is used in Chapter II - authorisation, and the same may be used for consistency.
8	Page 4, para 2(1)(c)	Definition of 'Eligible Instruments'- We request clarification that the definition of "Eligible Instruments" is intended to cover only instruments in the nature of OTC	The 'Eligible Instruments' includes securities, money market instruments, foreign exchange instruments, derivatives, or other instruments of like nature.

		derivatives. As a corollary, we understand that it would not extend to exchange-traded derivatives such as foreign exchange and interest rate futures listed on non-Indian exchanges nor to spot transactions.	
9	Page 4, para 2(1)(c)	Definition of ‘Eligible Instruments’- We humbly recommend clearly stipulating whether INR or INR linked products are within the scope of these Directions or not. While given IFSCA deals with freely convertible currency this may seem like stating the obvious. The absence of clarity on INR linked products that are settled in foreign currency may deter some market participants.	The term ‘Eligible Instruments’ refers to securities, money market instruments etc. It will be prudent to clarify whether the securities will also cover INR linked products that are settled in foreign currency. For example, Indian Government bonds settled in foreign currency or Indian INR USD NDFs settled in USD or INR linked overnight index swap settled in foreign currency.
10	Page 4, para 2(1) (c)	Definition of ‘Eligible Instruments’- We humbly recommend that the Directions clearly specify whether INR-denominated or INR-linked products fall within their scope. While we acknowledge that the IFSCA framework is generally oriented towards freely convertible currencies, the absence of explicit clarity particularly with respect to INR-linked products that are settled in foreign currency may create uncertainty and could deter certain market participants from participating.	The ‘Eligible Instruments’ includes securities, money market instruments etc. It will be prudent to clarify whether the reference to securities is intended to include INR-linked products that are settled in foreign currency. By way of illustration, this may include instruments such as Indian INR–USD NDFs settled in USD, or INR-linked overnight index swaps that are settled in a foreign currency.

11	Page 4, para 2(1)(d)	**Suggested Modification:** "Eligible jurisdictions" shall mean the jurisdictions referred to in Schedule I of these regulations.	Minor drafting update.
12	2(1)(d)	Para 2(1)(d) read with proviso to Para 3(2). Reference '**Eligible Jurisdiction'.**	We request the reference to Eligible Jurisdiction may be considered/viewed in line with the principle of reciprocity.
13	2(1)(e)	**Comment:** The reference to ETP enabling the 'clearing and settlement' may be dropped. Further, the definition may be kept simple. **Suggested modification:** "Electronic Trading Platform (ETP)" shall mean an electronic system, located in IFSC, other than a recognised stock exchange, through which transactions in Eligible Instruments are contracted. ~~through which offers for exchange, sale or purchase of one or more eligible instrument/s is regularly made by trading members and which, on such offer being accepted, may enable the clearing and settlement of such eligible instruments between such trading members through such electronic system or otherwise;~~	a) The definition may be kept broad to cover derivatives, money market, securities and foreign exchange instruments (such as repo, triparty repo, options, etc.), as specified by the Authority. The reference term 'contract' is adequately covered under the definition of Eligible Instruments. Hence, including all reference may lead to amendments in future, if the nature of an instrument changes. For ex., borrowing and lending of instruments is presently not covered. b) Clearing and Settlement may be enabled through the arrangement approved by the Authority under Para 15. The trades executed on an ETP would flow to the entity permitted in such arrangement. c) Reference of Clearing and Settlement may be dropped as the same implies various facets (multilateral/bilateral) and are also adequately addressed in Para 15. To clarify that an ETP is not a stock exchange, as also discussed in Sr. 22 below.
14	2(1)(i)	**Suggested modification:** "Key managerial personnel" shall have the meaning assigned to it in sub-section 51 of	definition provided under the Companies Act, 2013 already includes the latter reference under Section 2(51)(v) as 'such other officer, not more than one level below the directors

		section 2 of the Companies Act, 2013 (as amended) ~~and any other person whom the Payment Service Provider may declare as a key managerial personnel~~;	who is in whole-time employment, designated as key managerial personnel by the Board', and the same may be applied for the company acting as an ETP Operator. Further, the reference 'Payment Service Provider' may be revisited in the context of these regulations, as the same may not be applicable.
15	2(1)(j)	**Comment:** This reference which is now part of the definitions, may be provided as clarification in Para 13.	As the term is a clarification/explanation and used only in Regulation 13, the same may be provided thereunder.
16	2(1)(j)	It is suggested that the term "material change in operating rules" be further clarified by the Authority through indicative parameters, thresholds, or an illustrative list of changes that would qualify as "material" for the purpose of requiring prior approval.	The current definition of "material change" is principle-based and open-ended, which may lead to varied interpretation across ETP Operators. In absence of clear guidance, operators may either under-report significant changes or over-report minor modifications, leading to regulatory inefficiencies and compliance uncertainty. Providing illustrative guidance, such as changes impacting trading logic, risk management framework, membership criteria, or system architecture, will ensure consistency in interpretation, improve compliance, and facilitate smoother regulatory oversight.
17	2(1)(l)	Terms 'Member', 'Trading Member' and 'Person' are used inter-changeably. The term 'Trading Member' may be replaced with 'participants' throughout. **Suggested Definition:** 'Participant' shall mean a person transacting in the Eligible Instruments through an ETP.	The term 'Participant' may enable flexibility as to the participation criteria to be prescribed by IFSCA, or by the ETP Operator with approval of IFSCA. The same would cover a broader participation structure, including the trading member, constituents, etc.
18	2(1)(l)	Definition of 'trading members'	Clarifying the scope of "trading member" is important to ensure regulatory certainty on who may directly access and

		We request you to humbly clarify whether "trading member" includes only institutional participants or also proprietary trading firms, funds, family offices, and treasury centres; and whether "member" includes clients accessing as a constituent. Request you to also clarify whether the trading members can include Indian residents (even if ETP is in IFSC)?	trade on an ETP. In the absence of clarity, it is unclear whether participation is restricted to regulated institutional entities or also extends to proprietary trading firms, funds, family offices and treasury centres, and whether end-clients may access the ETP through a member or as members themselves. Such clarification would help ETP operators design appropriate membership criteria, access models and compliance frameworks in a manner consistent with IFSCA's regulatory intent. As regards Indian residents, many a class of such residents are permitted under FEMA provisions to transact outside India in some of the eligible instruments.
19	2(1)(l)	Definition of 'trading members' We humbly request clarification on whether the term "trading member" is intended to cover only institutional participants, or whether it also includes proprietary trading firms, funds, family offices, and treasury centres. We further seek clarification on whether the term "member" extends to clients accessing the ETP as constituents. We also request clarification on whether trading members may include Indian residents, notwithstanding that the ETP is established in the IFSC.	Explicitly permitting GIFT City entities to participate on global ETPs that do not have a physical presence in IFSC is important to preserve their ability to access deep, global liquidity pools and competitive price discovery, particularly for products that are predominantly traded offshore. Absent such clarity, the provision could be read restrictively, potentially constraining treasury centres, banks and funds in IFSC from efficiently managing risk or executing trades on established international venues. A clear stipulation would therefore support market development, risk management efficiency and IFSC's positioning as a globally integrated financial centre, without diluting regulatory oversight within IFSC.
20	3	We respectfully suggest that the following proviso be added to Regulation 3 (1) to bring clarity and alignment with the IFSCA's broader regulatory approach:	The proposed requirement of local presence may not be practical or commercially viable for all platform operators and could inadvertently restrict access to globally

		"*provided further that* an operator located outside IFSC and providing services to an entity in an IFSC shall not be required to obtain authorisation as an ETP Operator under these regulations, unless such operator establishes an office or unit in an IFSC for offering such services."	established liquidity pools. The suggested clarification ensures that the authorisation requirement applies primarily to entities establishing a physical presence within GIFT IFSC, while allowing IFSC entities to access offshore ETPs. This approach is consistent with the IFSCA's earlier position as set out in its circular dated February 2, 2021, which permitted transactions on ETPs not incorporated locally. Adopting such a framework would support ease of doing business, preserve the IFSC's open and globally integrated operating model, and avoid unintended extraterritorial implications. Mandatory registration or local incorporation requirements for offshore ETP operators may otherwise deter global participation and impact market efficiency
21	3(2)	**Suggested Modification:** Provided that, an entity authorised to act as an ETP Operator (by whatever name called) in an eligible jurisdiction may seek authorisation as an ETP Operator ~~either as a Company with its registered office in IFSC or~~ as a branch of the entity.	Para 3(2) states that an entity seeking authorisation shall be required to be a Company within IFSC. Hence, the 'proviso' may only cover the instance of enabling the 'branch' of an entity to seek authorisation and the reference stating that a company in IFSC may seek authorisation as an ETP may not be required. Further, an entity authorised to act as an ETP operator in other jurisdictions may not seek authorisation, as the same would be done by the subsidiary which would be incorporated in IFSC. As such, the said subsidiary would seek authorisation and not the entity authorised as an ETP operator in another jurisdiction as stated in the first proviso. As the language is already covered in the principle clause i.e. Para 3(2), the portion "" in the first proviso may not be

			appropriate contextually and is not the comparable structure to that of a branch. The same is already addressed in Para 3(2) as: "(2) An entity seeking authorisation as an ETP Operator shall be required to be incorporated as a Company with its registered office in IFSC" In case of a Parent Entity incorporating a subsidiary in IFSC, such subsidiary would be seeking the authorisation. Language may be revisited for clarity.
22	4(1)(a)	**Suggested Modification:** a) track record, management expertise and financial soundness of the applicant or its promoter(s);	In case of newly set up entity, the entity itself may not have required track record. Hence, the track record of its promoter may be considered.
23	4(1)(b) and 4(1)(c)	Existing :- The Regulation Prescribes employing sufficient numder of employees with adequate professional experience and Fit and Proper Criteria for Key Managerial Personnels Suggestion :- With Respect to employee (1) The Regulation should prescribe Broad Criteria such as -> Some minimum educational qualifications -> Professional expereince -> Certifications -> specific skill set For the uniformity and standardization of industry norms	To have Standarized and Uniform Industry Practices in the GIFT City Ecosystem

		(2) The Regulation should also prescribe the Broad Criteria towards Fit and Proper criteria for the Key Managerial Personnel also which should be uniform across the Gift Eco System.	
24	4(1) (c)	**Comment:** Clarity may be provided whether the term 'persons exercising control over the entity' refers to the shareholders?	For clarity on whether the term 'persons exercising control over the entity' would include shareholders within the 'Relevant Persons'.
25	6(1)	**suggested modification:** (1) If the Authority is of the opinion that the authorisation cannot be granted to an application submitted under sub-regulation 3 of regulation 3, it shall communicate the deficiencies to the Applicant giving it thirty (30) days' or such further time as may be allowed by the Authority ~~time~~ to rectify them.	An enabling provision may be provided for the Authority to provide any additional rectification time beyond the 30 days period, considering the nature of deficiency and time required for rectification of the same on a case-to-case basis.
26	6(4)	**Suggested Modification:** (4) The applicant whose application is refused under sub-regulation (2) or withdrawn under sub-regulation (3) may submit a fresh application for authorisation after a period of six months from the date of communication of refusal of the application by the Authority under sub-section (2) or on account of withdrawal under sub-regulation (3), as the case may be.	The provision only refers to the fresh application being permitted within 6 months from the date of refusal but does not include the provision to enable a fresh application, on account of a withdrawal of application.
27	9(1)	**Suggestion:** The prescribed minimum net worth may be reviewed and enhanced to a substantially material amount.	The entities seeking authorisation has to adopt a serious and committed approach, towards fulfilling its role and responsibilities as an ETP Operator under these Regulations. More importantly when jurisdictions other than India and IFSC are being permitted.

28	9(3)	It is suggested that a clear framework or objective criteria be provided for prescribing higher net worth requirements by the Authority.	Absence of defined triggers for enhanced capital requirements may create uncertainty for operators and impact business planning. A transparent framework (e.g., based on volume, product complexity, cross-border exposure) would improve regulatory clarity.
29	9(4)	**Suggestion:** A timeline may be prescribed for annual submission of Net Worth certificate.	To provide clarity on the timeline for submission of Net worth Certificate and ensuring compliance by the ETP Operators within a specified time.
30	9(4)	Existing :- An ETP shall submit an audited Net Worth certificate on a Yearly basis to the authority Suggestion :- The regulation may prescribe the interim checks and mandatory prescriptions where in due to the adverse event which has bearing upon the Net Worth of ETPs should be reported to the authority mandatorily.	Better Risk Mitigation
31	10	It is suggested that the regulation explicitly require ETP Operators to establish and maintain a comprehensive conflict of interest management framework, including identification, mitigation, disclosure, and monitoring of conflicts, particularly in situations where the ETP Operator or its affiliates may directly or indirectly participate as Trading Members on the platform.	Given the possibility of ETP Operators or their group entities acting as participants on the platform, there exists a risk of preferential treatment, information asymmetry, or biased execution practices. In the absence of a formal conflict management framework, such situations may undermine market integrity and participant confidence. Global regulatory frameworks governing ATS/MTFs typically mandate robust conflict of interest policies to ensure fairness, transparency, and neutrality of the trading venue.
32	10(i)	It may be beneficial to **consider the use of LEI within surveillance systems to help**	Entity-level identification through LEI could assist market operators and regulators in monitoring trading patterns and understanding market exposures more effectively. The LEI

		aggregate trading activity at the entity level.	can also support aggregation of exposures and trading activity across market infrastructures, thereby assisting regulators and market operators in monitoring risks at the entity level.
33	10(i)(a) to 10(i) (d)	Existing :- The regulation Prescribes the general obligation of an ETP Operator to lay down transparent rules and maintain a necessary infrastructure it also prescribes to maintain objective criteria for the efficient execution of orders Suggestion :- Broad Standard Modalities should be provided towards standardization of the rules and regulations of the ETP ecosystem else there may be a scenario where there will be conflicting rules and regulations amongst ETP's and other participating entities	To ensure and encourage the Standard rules and regulations amongst ETP Participants
34	10(1) (e)	Suggestion :- The regulation should prescribe some standard modalities and minimum eligibility criteria such as 1) The constitution of a participating entity i.e. Company, Private Company , Limited Liability Company etc.. 2) Uniformity in rules & criteria's while determining the eligible instruments that can be traded on the ETP (Comment for 10 E)	To ensure Market Discipline and to Establish best market pratices

35	10(1)(h)	**Suggested modification:** h) make available to its members a screen-based trading system for execution/ submission of trades on ~~to~~ the ETP;	To clarify that the trades may either be executed on ETP through placing the orders, or trades negotiated bilaterally and submitted on ETP, as the case may be.
36	10(1)(i)	**Comment:** There is no provision for escalation and actions to be taken in connection with a surveillance alert. **Suggestion:** A framework may be provided to specify the procedures to be followed upon identification of a surveillance instance, including escalation, investigation, reporting to the regulator, etc.	The existing provision mandates real-time surveillance, primarily focusing on detection of unusual price, volume or position movements. Strengthening the provisions to include defined procedures for handling identified surveillance cases will ensure that surveillance outcomes are acted upon in a structured manner and appropriate escalation, investigation and regulatory reporting mechanisms are in place
37	10(1)(l)	**Suggested Modification**: have in place adequate grievance redressal mechanism and arbitration mechanism to resolve disputes arising out of trades undertaken on the ETP; Provided however that, any dispute arising from or in relation to the trade accepted for settlement shall be dealt in accordance with the dispute resolution framework provided for under the clearing and settlement service provider/ payment system.	The trades accepted for settlement will have implications of finality and as such shall be dealt in accordance with the framework of the clearing and settlement entity's dispute resolution framework. As there is an overlap in most cases, it is desirable to make a clear distinction of the same.
38	11	Participation on ETP We request clarity with regards to Participation on ETP stipulating that a GIFT City entity can undertake transactions on global ETPs as well who do not have a presence in GIFT.	Explicit clarification permitting GIFT City based entities to participate on global ETPs that do not maintain a physical presence in the IFSC would be important to preserve their access to deep and liquid global markets, as well as to competitive price discovery—particularly for products that are predominantly traded offshore. In the absence of such clarity, the provision may be interpreted narrowly, potentially

			constraining treasury centres, banks, and funds located in the IFSC from efficiently managing risk or executing transactions on established international venues. A clear stipulation in this regard would support market development, enhance risk management efficiency and reinforce IFSC's positioning as a globally integrated financial centre, without diluting the regulatory oversight within IFSC.
39	11(2)	The Authority **may consider enabling ETP operators to leverage LEI reference data during onboarding and due diligence of trading members.**	LEI reference data includes verified entity information such as legal name, address, and jurisdiction. The data are publicly available, standardized and machine-readable enabling automated verification of legal entities and facilitating integration across onboarding, existing KYC and due diligence processes, and regulatory systems .
40	11(2)(a)	**Suggestion:** Reference to 'sufficient good repute' may be dropped.	It may not be feasible to determine with certainty if the participant is of 'sufficient good repute', as the same is subjective. Hence, the same may be dropped.
41	11(2)(b)	**Comment:** The reference to 'Eligible Instruments' may be revisited.	The 'competence and experience' of the participants with respect to Eligible Instruments may not be possible in the following cases: a) An entity, previously undertaking transactions in the financial market other than Eligible Instruments, now wishes to transact in the Eligible Instruments. Ex.: Entity A was trading only in Capital Markets. Presently, Entity A wants to trade in Triparty Repo. b) Introduction of a new instrument as an Eligible Instrument, for which entities in general may not have any prior experience. Ex.: Introduction of specific repo/ options product that was not traded earlier.

42	11(2)(c)	Minimum eligibility criteria for Trading Members, such as net worth, financial soundness, technical capability, and compliance history may be prescribed at a regulatory level rather than left entirely to individual ETP Operators. Moreover, it is suggested that minimum KYC/AML standards for onboarding of Trading Members be prescribed or aligned with internationally accepted frameworks such as FATF guidelines, including requirements relating to beneficial ownership identification, risk categorisation, and ongoing due diligence.	Trading Members bear bilateral settlement risk. If eligibility is completely operator-dependent, entities with weak financial or operational strength may enter some ETPs, increasing probability of settlement failure. A minimum regulatory threshold will promote safety and consistency across all ETPs.
43	11(3)	The Authority **may consider encouraging the use of the Legal Entity Identifier (LEI)** as a unique identifier for trading members participating on the ETP, while continuing to allow domestic identifiers such as PAN for domestic regulatory purposes where required.	LEI is a globally recognised identifier (ISO 17442) used widely across financial markets. Encouraging its use may support consistent identification of legal entities and facilitate interoperability with global market participants.
44	11(3)	It may be helpful to **clarify that international institutional participants accessing ETPs may use LEI as their primary identifier.**	Given the cross-border nature of IFSC markets, the use of globally recognised identifiers such as LEI may simplify participation for foreign institutions and support harmonised identification practices.
45	13	We humbly recommend instructing ETPs to make the rules, regulations to be uploaded on the website.	We understand that the regulatory intent is to ensure that the rules, regulations, and operating manuals of the ETP are readily accessible to existing and prospective members. In this regard, it may be considered appropriate to stipulate that the ETP operator is required to publish and maintain

			these documents on its official website, thereby ensuring transparency and ease of access.
46	13(1)	**Suggestion:** It is desirable for the Operating Rules to comprehensively enable and empower the ETP Operators and the participants on the following lines (indicative only): (c) well documented rules and regulations including but not limited to, on-boarding, suspension and cessation of membership, roles and responsibilities of the members and the operator, liability framework for its users in case of breach of rules and regulations, restrictions or other requirements that may apply for using the ETP, processing and execution of orders, risk management and control.	To enable the ETP Operator to include provisions pertaining to membership, liability framework, restrictions, requirements etc. as part of the Operating Rules. To bring uniformity in the broad framework of operating rules of ETP Operators.
47	14	Suggestion :- Dispute Resolution Mechanism is missing in the Regulation	To Ensure the seamless and fraction free conducive Infrastructure
48	14(1) to 14(6)	It is suggested that the Authority introduce a standardized minimum risk management framework for ETPs, including guidelines on pre-trade risk controls, circuit breakers, error trade policies, and market abuse surveillance.	The regulation currently places full discretion with each ETP Operator, which may lead to inconsistent risk controls and regulatory arbitrage. Uniform baseline controls are important because ETPs handle large institutional and OTC-like products without CCP protection. Standardisation will prevent weaker platforms from compromising market integrity.
49	15	**Suggested Modification:** (1) An ETP Operator enabling the clearing and settlement of transactions in eligible	The enabling arrangement for Clearing and Settlement entered by the ETP Operator with any entity, shall be approved by the Authority.

		instruments between two or more trading members through such electronic system shall ensure that there are satisfactory arrangements in place for securing the timely discharge of the rights and liabilities of the parties to transactions conducted on or through its electronic system and **~~must~~** shall inform its trading members of details relating to such arrangements and changes thereto. (2) The enabling arrangement shall be entered into with an entity as may be approved by the Authority	
50	15(1)	It is suggested that the regulations prescribe a comprehensive and clearly defined framework for bilateral settlement risk, covering: (a) treatment of unsettled trades and partial settlements; (b) a structured default-management and loss-allocation waterfall; and (c) explicit delineation of liability between the ETP Operator and Trading Members in cases of trade failure, system disruption, erroneous trades, or counterparty default.	Since ETPs operate without a central counterparty, bilateral settlement exposes participants to direct credit and operational risk. The current regulations do not define how disputes, failed settlements, or default-related losses are to be handled. The absence of a clear fallback process, default waterfall, and liability allocation may lead to ambiguity, legal disputes, and reduced participant confidence. A transparent, rule-based framework-aligned with global ATS/MTF practices, will enhance predictability, ensure orderly handling of defaults, and provide institutional comfort by clearly allocating responsibilities between the Operator and Trading Members.
51	15(1)	The Authority **may explore the possibility of using LEI for identifying counterparties in clearing and settlement processes where applicable.**	Using a globally recognised entity identifier may support transparency and improve traceability of transactions within the trading ecosystem.
52	15(1)	Existing :-	(1) ETP's should function as a Market Place / Market infrastructure Entity only and should not functions as a

		The Regulation allows ETPS to undertake clearing and settlement of transaction as well along with the functionality as a Market Place/ Market Infrastructure Entity Suggestions:- The role of the ETPs should be exclusive to the functionality of acting as a Market Place / Market Infrastructure Entity only While Clearing and Settlement should be the prerogative of other Recognised Market Operators on an arm's length basis akin to the pratice prevailing in many established markets.	Clearing / Settlement Intermediary due to Conflict of Interest. (2) Similar to the control mechanism put in place in other Financial Centres such as Singapore & USA.
53	16(1)	**Comments:** 1) An option to have the data centre outside of IFSC but within Indian boundaries, with approval of the Authority, may kindly be considered. An ETP Operator having the Disaster Recovery Site outside of IFSC may kindly be considered.	1) Data localisation within the Indian jurisdiction would continue to enable effective supervisory control, including inspections and audits of IT facilities and deployments. Currently, datacenter infrastructure within GIFT-IFSC is limited and many IT services and solutions are cloud-hosted environments. Hence, the same may be allowed to be located anywhere in India (including non-IFSC area). To clarify that the Disaster Recovery Site may be outside of IFSC area, as the same is required to be present in a different seismic zone and geographical location.
54	17(2)	A provision may be added requiring the ETP Operator to submit the report of IT/IS audit by a specific due date.	In order to facilitate submission of report of IT/IS audit to the Authority in timely manner.
55	19(1)	ETP operators **may consider maintaining LEI-linked information as part of the entity-level data retained for trading members.**	Maintaining such information may support improved data standardisation and facilitate regulatory reporting where required.

56	20(1)	Where applicable, **returns and reports submitted to the Authority could include LEI identifiers for institutional trading members.**	Inclusion of LEI in regulatory reporting may enhance the quality and comparability of entity-level market data.
57	20(1)	**Comment:** The time period for furnishing the returns, statements and particulars may be prescribed in the Regulations	To clarify and avoid uncertainty of time limit to furnish returns, statements and particulars by the ETP Operator(s).
58	20(3)	**Comment:** The term 'returns' may kindly be reviewed as per the requirement, and may be explicitly mentioned if those are required. **Suggested modification:** (3) An ETP shall furnish to the Authority its annual financial statements ~~and returns thereto~~ every year.	To provide clarity on the specific 'returns' expected to be furnished.
59	23(1)	**Comment:** In the heading, the reference may be corrected to Regulation 4(1)(c).	The term 'securities' mentioned under Section 45U of the RBI Act, 1934 does not cover all instruments governed under Section 45W, under which these Regulations will be issued
60	24	**Suggested Modification**: The Authority may appoint an auditor to audit ~~inspect or investigate, into~~ the books of account, records, documents,	Inspection and Investigation is the domain and power of the Authority. The Auditor appointed by the Authority may not have the power equal to Authority's powers. Delegation may be suitably examined.

		infrastructures, systems and procedures or affairs of an ETP, as directed by the Authority.	The Auditor may ‘audit’ the ETP Operator, in the form, manner and scope specified by the Authority.
61	New regulation to be inserted after 27	**Suggested modification [New Clause]:** 28. Regulations not to apply to stock exchanges (1) The ETP(s) authorised under these Regulations are not stock exchange under the Securities Contracts (Regulation) Act, 1956 and any rules, regulations, directions, etc. issued thereunder by the Authority for stock exchanges in IFSC shall not be applicable to ETPs authorised under these Regulations. (2) Nothing contained in these Regulations shall apply to the stock exchanges authorised under the Securities Contracts (Regulation) Act, 1956.	(1) As these Regulations governs the ETP in relation to the instruments covered under the Chapter III-D of the RBI Act, 1934, this clarification may be required to demarcate the scope of these Regulations from the scope of the Regulations issued under the SCRA, 1956 (ex. the IFSCA (Market Infrastructure Institution) Regulations, 2021). (2) Clarificatory provision needed to avoid any ambiguity on application of existing provisions of any other law such as SCRA, 1956 or the regulations made thereunder, to ETPs regulated under these Regulations.
62	Pg. 16 – Schedule II , 4b(i)	Reference to offences against ‘Securities Laws’ is provided, the same may be reviewed and the reference ‘financial market laws’ may be considered.	Any offence in connection with the financial market laws would cover the reference to RBI Act, including Section 45W of the same
63	Page 16, schedule II	**Comment:** In the heading, the reference may be corrected to Regulation 4(1)(c).	The intended reference appears to be Regulation 4(1)(c).
64	Page 16, schedule II-4(b)(ii)	Reference to ‘Financial Regulatory Authority’ is provided in some instances, however, in other instances reference to ‘regulatory authority’ is provided.	To ensure uniformity of references.

65	Pg. 17 – Annex to Schedule II Para 1 to 12	**Comment/Suggestion:** The reference 'functionaries' may be clarified, and the reference 'Relevant Persons' may be considered in place of the same.	As 'Relevant person' is defined, using the same term clarify the requirements and might include the functionaries associated with the entity.
66	Pg. 17 – Annex to Schedule II Para 1	**Comment/Suggestion:** The requirement for obtaining confirmation from relevant persons should be applicable only for their tenure in the entity with whom they were associated. Thus, the phrase 'at any time prior to this application' may be replaced with 'during their tenure with such entities'.	Explanation in brackets defines term 'associated with' to include past directorships as well. There may be instances where the Directors may have ceased to be directors of other entity before this application, thus confirmation can be given by them only about entities where they are currently directors, and so far as the past directorships in other entities are concerned, confirmation may be provided only for their relevant tenure.
67	Pg. 17 – Annex to Schedule II Para 2	**Comment:** It may be clarified whether Relevant Person can be treated as fit & proper even if a disclosure is made by them in this para, and there is no direct involvement of the concerned Relevant Person where such person is only a Non-Executive Director in the said entity which has defaulted.	Any Relevant Person may not be said to be 'not fit & proper' only on the ground that he is or was a Non-Executive Director of such defaulting entity unless he was directly responsible for such default.
68	Pg. 17 – Annex to Schedule II Para 4	**Suggestion:** The term 'substantial interest' may be defined.	This will help to obtain accurate disclosure from the relevant persons about entities where they have substantial interest.
69	Pg. 17 – Annex to Schedule II Para 5	It may be clarified whether 'Relevant Person' can be treated as fit & proper even if a disclosure is made by them in this para and there is no conclusive order against him from the regulatory / judicial authority and Relevant Person is or was a mere Non-	Any Relevant Person should not be said to be 'not fit & proper' only on the ground that he is or was a Non-Executive Director of any entity and is involved in any investigation being such Director.

		Executive Director and is involved in any investigation being such Director.	
70	Pg. 17 – Annex to Schedule II Para 6	Confirmation about entities where relevant person 'were' associated may be kept limited to the association of such person 'during their tenure in those entities'	Confirmation can be given by Relevant Persons only about entities where they are currently hold office and for past directorships in other entities for their relevant tenure.

IFSCA Response: The inputs / comments received from the public consultation were suitably considered. The said inputs / comments along with draft notification of IFSCA (Electronic Trading Platforms) Regulations, 2026, were placed before the Authority in the meeting held on July 24, 2026.