



INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY (IFSCA)

ORDER

Order under Section 12 and 13(4) of the International Financial Services Centres Authority Act, 2019 read with Section 12(3), Section 11B(1) and 11B(2) of the Securities and Exchange Board of India Act, 1992 read with Regulation 68(1) of the International Financial Services Centres Authority (Capital Market Intermediaries) Regulations, 2021 read with Regulation 41(1) and 47(3) of the International Financial Services Centres Authority (Capital Market Intermediaries) Regulations, 2025.

In respect of:

**Majortrend Capital IFSC Private Limited
INZ000097832**

A. BACKGROUND

1. Majortrend Capital IFSC Private Limited (hereinafter refer to as "Noticee") is registered as a stockbroker with registration number INZ000097832.
2. The Noticee is alleged to have not maintained minimum net worth requirements for its activities in the IFSC, vacated its GIFT City office and not submitted quarterly reports to IFSCA.
3. The IFSCA had issued a letter dated September 05, 2024 to the National Stock Exchange International Exchange (NSE-IX), advising it to process the surrender of registration applied by the Noticee. However, the Noticee had requested for time from NSE-IX to review the decision with respect to its membership. Pursuant to the same, NSE-IX had issued letter dated October 31, 2024,



INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY

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advising the Noticee to commence its business on or before March 31, 2025 in order to continue the Membership, failing which the NSE-IX will be constrained to initiate appropriate actions.

4. The Noticee has reported in its quarterly reports submitted for the quarters Q4 of F.Y. 2024-25, Q1 of F.Y. 2025-26, and Q2 of F.Y. 2025-26 that its net worth is zero and that it had already vacated its office.
5. The International Financial Services Centres Authority (IFSCA) has issued Circular F. No. 1/IFSCA/CMI Supervision/2023-24 dated February 08, 2024 (hereinafter referred to as Quarterly Report Circular) requiring all Capital Market Intermediaries (CMIs) in IFSC to submit quarterly reports in the formats prescribed by the Authority within 15 days of the end of the quarter. The Noticee being a registered CMI was under an obligation to submit the quarterly reports within the time stipulated above.
6. Whereas the Noticee has not submitted the quarterly reports for Q4 2023-24 and Q2 2024-25 to the IFSCA as on date of issuance of the Show Cause Notice dated January 23, 2026.
7. In view of the aforesaid, it is alleged that the Noticee has violated Regulation 6 of the CMI Regulations, 2021 read with corresponding provisions of Regulation 7 and Regulation 47(3) of the CMI Regulations, 2025 as it did not comply with the net worth requirement. Further, the Noticee is alleged to have not complied with Regulation 8(1)(b) of the CMI Regulations, 2021 read with corresponding provision of Regulation 11(b) and Regulation 47(3) of the CMI Regulations, 2025 as it does not have an office in IFSC. Furthermore, the Noticee is also alleged to have violated Circular F. No. 1/IFSCA/CMI Supervision/2023-24 read with Regulation 15(2) of the International Financial Services Centres Authority (Capital Market Intermediaries) Regulations, 2021 (CMI Regulations, 2021) read with corresponding provisions of Regulations 17(3) and 47(3) of the International Financial Services Centres Authority (Capital Market Intermediaries) Regulations, 2025 (CMI Regulations, 2025).



B. SHOW CAUSE NOTICE, REPLIES AND OPPORTUNITY OF PERSONAL HEARING

8. On the basis of the aforesaid observations, a Show Cause Notice (hereinafter referred to “SCN”) dated January 23, 2026, and subsequently a corrigendum to the SCN dated February 18, 2026, was issued to the Noticee to show cause as to why action under Section 12 and 13(4) of the International Financial Services Centres Authority Act, 2019 read with Section 12(3), Section 11B(1) and 11B(2) (read with section 15A and 15HB) of the Securities and Exchange Board of India Act, 1992 read with Regulation 68(1) the CMI Regulations, 2021 read with Regulation 41(1) and 47(3) of the CMI Regulations, 2025 should not be taken against it. The documents relied upon in the said SCN were also supplied along with the said SCN. The Corrigendum to SCN and SCN has been collectively referred as SCN.
9. The Noticee filed its reply on January 30, 2026, and an additional reply on February 20, 2026, vide email. An opportunity of personal hearing was provided to the Noticee before the Quasi-Judicial Authority for Enforcement (hereinafter referred to QJAE) on February 20, 2026, wherein Mr. Kushal Madhusudan Dalal, Director of the Noticee and Mr. Ankit Virendra Sudha Shah (Authorised representative of the Noticee), appeared through video conferencing. In the aforesaid hearing, the authorized representatives of the Noticee made submissions *inter alia* in line with their replies dated January 30, 2026, and February 20, 2026. They stated that they had not undertaken any activities in the IFSC. They also stated their intention to comply with the non-compliance observed in the SCN with respect to the non-submission of quarterly reports. The Noticee also filed an additional response vide email dated March 17, 2026, to bring on record further developments in the matter since the date of hearing.

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C. CONSIDERATION AND FINDINGS

10. The QJAE has perused the SCN and submissions of the Noticee to the allegations mentioned in the SCN and the corrigendum issued to it. In the SCN dated January 23, 2026, and the corrigendum to it issued dated February 18, 2026, the allegations pertained to non-maintenance of Net worth, lack of infrastructure and non-submission of quarterly reports as envisaged in the Quarterly Report Circular. It was also mentioned in the SCN that the Noticee is also liable to pay late submission fees for delayed submission of report in terms of Circular F.No.865/IFSCA/Banking/Fee Revision/2022-23 dated May 17, 2023 read with Circular IFSCA-DRFA/1/2025 dated April 8, 2025 (hereinafter referred to as Late Fee Circular).

Reply of the Noticee to the Allegations

11. In respect of the allegations mentioned in the SCN, the Noticee has *inter alia* submitted as under:
- (i) The Noticee has never commenced business operations at any point since registration. The company has not onboarded clients, executed trades, handled funds or securities or generated any revenue at any time.
 - (ii) The Noticee has stated that no investor, client, counterparty or market participant has been exposed to it.
 - (iii) The Noticee has said that the absence of infrastructure arose from non-commencement of business, and not from disregard of regulatory intent.
 - (iv) The Noticee has stated that it has been pursuing regulatory exit since 2018 and intends to complete the surrender process.
 - (v) The Noticee also has acknowledged that it had not submitted the quarterly reports for the two quarters Q4 2023-24 and Q2 2024-25 as on date of the issuance of the SCN. However, it submitted that they had filed the aforesaid quarterly returns vide email dated January 30, 2026, in reply to the SCN dated January 23, 2026, issued by IFSCA.
 - (vi) The Noticee also submitted its intent to make the payment of late submission fees.



Observation(s) of QJAE

12. The Noticee has claimed that it has never commenced business operations at any point since registration, and has not onboarded clients, executed trades, handled funds or securities or generated any revenue at any time. Additionally, the Noticee has already vacated its IFSC office. All these factors give a clear inference that the Noticee has decided to exit the IFSC.
13. While all the aforesaid has been considered, the QJAE notes the following:
- (i) The Noticee has violated Regulation 6 of the CMI Regulations, 2021 read with corresponding provisions of Regulation 7 and Regulation 47(3) of the CMI Regulations, 2025 as it did not comply with the net worth requirement.
- (ii) Further, the Noticee has not complied with Regulation 8(1)(b) of the CMI Regulations, 2021 read with corresponding provision of Regulation 11(b) and Regulation 47(3) of the CMI Regulations, 2025 as it does not have an office in IFSC.
- (iii) Furthermore, since the Noticee has already submitted the reports for the two quarters Q4 2023-24 and Q2 2024-25, the Noticee has now complied with Circular F. No. 1/IFSCA/CMI Supervision/2023-24 read with Regulation 15(2) of the International Financial Services Centres Authority (Capital Market Intermediaries) Regulations, 2021 (CMI Regulations, 2021) read with corresponding provisions of Regulations 17(3) and 47(3) of the International Financial Services Centres Authority (Capital Market Intermediaries) Regulations, 2025 (CMI Regulations, 2025).
- (iv) Furthermore, in the SCN the Noticee is also alleged to have violated Circular F.No.865/IFSCA/Banking/Fee Revision/2022-23 dated May 17, 2023, read with Circular IFSCA-DRFA/1/2025 dated April 8, 2025, as it did not pay late fees towards delayed submission of quarterly reports. However, the Noticee has paid the applicable late fee towards the delayed filing of the quarterly reports for Q4 2023-24 and Q2 2024-25, as informed by them vide email dated May 08, 2026.

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D. ANALYSIS OF FINDINGS AND PROPORTIONATE ACTION

14. The Noticee has not been maintaining net worth as required under the applicable regulations. In absence of the same, the Noticee cannot be allowed to commence/conduct business. The Noticee is also required to maintain adequate infrastructure.
15. The Noticee was under an obligation to submit the quarterly reports for the quarters Q4 2023-24 and Q2 2024-25 within the stipulated time. The Noticee has submitted the said reports after the issuance of the SCN i.e., beyond the time specified. Hence, the Noticee was liable to pay the late fee for the delayed submission of the quarterly reports.
16. The Noticee has paid the late fee for the delay in filing of the quarterly reports for Q4 2023-24 and Q2 2024-25 to the IFSCA, thereby fulfilling its obligations.

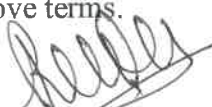
E. ORDER

17. In view of the aforesaid findings and having regard to the facts and circumstances of the case, the QJAE, in exercise of the powers conferred under Section 12 and 13(4) of the IFSCA Act, 2019 read with Section 11B(1) of the SEBI Act, 1992 read with Regulation 68(1) the CMI Regulations, 2021 read with Regulation 47(3) of the CMI Regulations, 2025, issues following direction:
- i. the Noticee shall not commence/conduct any business until it complies with all the regulatory requirements specified under IFSCA (CMI) Regulations, 2025, including under Regulation 7 and Regulation 11(b) of the said regulations.

18. The Show Cause Notice dated January 23, 2026, and the corrigendum to it, issued dated February 18, 2026, are disposed of in above terms.



Order in the matter of Majortrend Capital IFSC Private Limited



19. This order shall come into force with immediate effect.

20. If the Noticee is aggrieved by this order, an appeal may be preferred before the Securities Appellate Tribunal having jurisdiction in the matter under Section 15T of the SEBI Act 1992 read with Section 13(4) of the IFSCA Act 2019.



Gyan Chand Jain

Member

QJAE



Pradeep Deo

Member

QJAE



K Mahipal Reddy

Member

QJAE

Place: Gandhinagar, Gujarat

Date: May 20, 2026

