



CIRCULAR

SEBI/HO/MRD2/DCAP/CIR/P/2020/149

August 07, 2020

All recognized Clearing Corporations in International Financial Services Centres (IFSC)

Dear Sir / Madam,

**Subject: Securities and Exchange Board of India (International Financial Services Centres) Guidelines, 2015 - Amendment**

Kindly refer to [SEBI \(IFSC\) Guidelines, 2015](#) which were notified by SEBI on March 27, 2015 and [SEBI Circular SEBI/HO/CIR/P/2017/85 dated July 27, 2017](#).

2. In order to further streamline the operations at IFSC, based on consultations held with the stakeholders, it has been decided to amend clause 4 (2) of SEBI (IFSC) Guidelines, 2015 to read as follows:

***“4. 2A) Eligibility and shareholding limit for clearing corporations desirous of operating in IFSC***

*Any Indian recognized stock exchange or clearing corporation, or, any recognized stock exchange or clearing corporation of a foreign jurisdiction shall form a subsidiary to provide the services of clearing corporation in IFSC wherein at least fifty one per cent. of paid up equity share capital is held by such stock exchange or clearing corporation.*

**2B)** *The remaining share capital may be acquired or held by any other person (whether Indian or of foreign jurisdiction) and such person shall not at any time, directly or indirectly, either individually or together with persons acting in concert, acquire or hold more than five per cent of the paid up equity share capital in a recognised clearing corporation in IFSC, subject to applicable law:*

*Provided further that*

- i) any other stock exchange,*
- ii) a clearing corporation,*
- iii) a depository,*
- iv) a banking company,*
- v) an insurance company,*



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*whether Indian or of foreign jurisdiction for (i) to (v)  
vi) a public financial institution of Indian jurisdiction,  
vii) a foreign commodity derivatives exchange; and  
viii) a bilateral or multilateral financial institution approved by the Central Government,  
may acquire or hold, either directly or indirectly, either individually or together with persons acting in concert, upto fifteen per cent. of the paid up equity share capital of such clearing corporation:*

**2C)** *For the purpose of clause 2A) and 2B) above, that the provisions of Regulation 19, 19A and 20 of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 should be, mutatis mutandis, complied with”.*

3. This circular is issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market. This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in).

Yours faithfully,

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