



CIRCULAR

286/IFSCA/ CMD-DMIIT/PM/2021/002

December 16, 2021

To,

**All Stock Exchanges in the International Financial Services Centre (IFSC)
All Clearing Corporations in the International Financial Services Centre (IFSC)**

Dear Sir/Madam,

Subject: Regarding settlement of trades executed on stock exchanges in IFSC

1. Regulation 32(1) of the IFSCA (Market Infrastructure Institutions) Regulations, 2021 state that the trading hours for all product categories shall be as decided by the recognised stock exchanges, based on cost-benefit analysis, but shall not exceed 23 hours and 30 minutes in a day and settlement shall be done at least twice a day.
2. With a view to keeping pace with the changing market dynamics in IFSC and to align the clearing and settlement process with international best practices, it has been decided that the settlement for all the trades being executed on the stock exchanges in IFSC shall be done at least once a day. The clearing corporations shall ensure that the risk management framework is in line with the CPMI IOSCO Principles for Financial Market Infrastructures (PFMIs) at all times.
3. The Clearing Corporations shall ensure that during the trading day/session, the Mark-to-Market losses on open futures contracts are collateralized at regular intervals based on risk assessment.

This circular is issued in exercise of powers conferred by section 12 of the International Financial Services Centres Authority Act, 2019 to develop and regulate the financial products, financial services and financial institutions in the International Financial Services Centres.

A copy of this circular is available on the website of the International Financial Services Centres Authority at www.ifsc.gov.in

Yours faithfully,

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