



Revised Consultation Paper on Draft Revamped Regulatory Framework for Global Access in the IFSC

A. Objective

1. The objective of this paper is to seek comments and suggestions from the public and stakeholders on the proposed revamped regulatory framework for Global Access in the IFSC.

B. Background

2. The International Financial Services Centres Authority (IFSCA) has issued a consultation paper titled – “*Consultation Paper on draft Revamped Regulatory Framework for Global Access in the IFSC*” (“Consultation Paper”) dt. May 08, 2025, seeking comments from the public.
3. The Consultation Paper was aimed at enhancing the regulatory framework and strategically position GIFT IFSC to facilitate cross-border dealings in securities and other permitted financial products on global stock exchanges in a transparent, regulated and efficient manner by broker dealers and other intermediaries operating within the IFSC.
4. Additionally, the Consultation Paper also aimed at offering a pathway for entities currently facilitating access to global markets from within India (in an unregulated environment) to transition their operations to the IFSC. By doing so, these services can be provided within a regulated ecosystem, thereby safeguarding the interests of all stakeholders, including those of Indian retail investors investing under the Liberalised Remittance Scheme (LRS) route.
5. Post the issuance of the Consultation Paper, IFSCA has also organised various stakeholder consultation meetings to gather the market feedback on the Consultation Paper. IFSCA is also in receipt of several comments from stakeholders including Broker-Dealers, Stock Exchanges, Subsidiary of Stock Exchanges and other relevant stakeholders.
6. Pursuant to the receipt of feedback, suggestions and comments from the relevant stakeholders and after detailed deliberations with market participants, exchanges, and relevant domestic and international entities, it has been decided that

substantial changes may be needed to the regulatory framework for Global Access in the Consultation Paper.

7. In view of the above, the proposed regulatory framework for Global Access has been revised and placed at Annexure A for seeking comments of public and stakeholders.

C. Key Changes introduced

8. The revised framework, reflecting market feedback and policy deliberations, introduce the following key changes:

a) Global Access Providers

- The definition of a Global Access Provider (“GAP”) has been broadened to include - Broker dealers registered with the Authority that have arrangements with foreign brokers for providing access to global markets.
- A clear distinction has been introduced between:
 - **GAPs:** Entities directly interfacing with foreign brokers to offer global market access.
 - **Introducing Brokers:** Broker dealers in the IFSC acting as intermediaries that refer clients to GAPs.
 - **Introducers:** Any entity (not necessarily a broker dealer) that refers clients to a GAP in return for a fee, compensation, or remuneration.

b) Net Worth Requirement:

- A differentiated net worth regime has been introduced to facilitate broader participation and ease of entry:

Category	Amount (in USD)
Global Access Provider (GAP)	
1. Subsidiary of a recognised stock exchange	500,000
2. A GAP carrying out clientele trading	500,000
3. A GAP carrying out only proprietary trading	200,000
Other Broker Dealers	
1. Introducing Broker	100,000
2. Broker Dealer carrying out only proprietary trading through a GAP	100,000

- The minimum net worth requirement for a subsidiary of recognised stock exchange and a GAP carrying out clientele trading has been reduced from USD 1 million to USD 500,000.
- Tiered Structure of Different net worth requirements has been introduced
- Lower Entry Barrier of USD 100,000 for Introducing Brokers to enhance ease of doing business.

c) Regulatory Oversight

- ***Proprietary Trading Oversight:***

A new reporting requirement has been introduced whereby Global Access Providers engaged in proprietary trading shall submit relevant data and records to the stock exchange or its subsidiary, as specified by the Authority.

- ***Enhanced Client Protection Framework:***

The framework has been strengthened through:

- Mandatory segregation of client funds from proprietary accounts
- Comprehensive client disclosures, including risks, fees, tax implications, and jurisdiction-specific rules
- Clear responsibility for compliance with KYC, AML, and CFT norms

- ***Inspection by Independent Professionals:***

The following provision has been added to enable oversight of entities involved in global access:

"The Authority may, through an independent member of the Institute of Chartered Accountants of India or a member of the Institute of Company Secretaries of India or a member of the Institute of Cost Accountants of India, undertake an inspection of the activities carried out by a Global Access Provider and an Introducing Broker in the IFSC."

d) Fee Structure

- The turnover-based regulatory fee for derivatives trading has been reduced from 0.00010% to 0.000075%, easing the cost burden for intermediaries.
- The fee structure has also been clarified:
 - i. In the case of clientele trading, the Global Access Provider is responsible for paying the turnover-based fee.

- ii. In the case of proprietary trading by broker dealers, the fee is to be paid by the broker dealer but collected and remitted by the Global Access Provider.

D. Public Comments

9. In view of the above, comments and suggestions from public are invited on the proposed regulatory framework for global access in the IFSC contained in **Annexure A**. The comments may be sent by email to consultation-cfd@ifsc.gov.in and Shri Akash Boddeda, Assistant Manager at akash.boddeda@ifsc.gov.in with a copy to Shri Amit Prajapati, Deputy General Manager at prajapati.amit@ifsc.gov.in and Shri Arjun Prasad, General Manager at arjun.pd@ifsc.gov.in with subject line “**Comments on revised draft circular on Revamped Regulatory Framework for Global Access in the IFSC**” latest by **June 09, 2025**.
10. The comments should be provided in the following format:

Name and Designation				
Contact No. and Email Address				
Name of Organisation				
S. No.	Clause No.	Text of the Clause	Comments/ Suggestions/ Suggested Modifications	Detailed Rationale

May 30, 2025
Gandhinagar

Annexure A

Draft Circular on “Revamped Regulatory Framework for Global Access in the IFSC”



CIRCULAR

eF.No. ...

June ..., 2025

To,

All Broker Dealers in the IFSC
All Recognised Stock Exchanges in the IFSC
All Global Access Providers in the IFSC

Dear Sir/ Madam,

Sub: Revamped Regulatory Framework for Global Access in the IFSC

A. Background

1. One of the key objectives of the IFSCA is to develop International Financial Services Centres (IFSCs) in India as gateways for cross-border capital flows, effectively connecting India with global financial markets. Investors today are increasingly seeking new investment avenues, including global markets, driven by motives such as portfolio diversification, pursuit of higher returns, hedging against commodity and currency risks, and exploring opportunities for arbitrage between international markets.
2. The capital market ecosystem within the IFSC is strategically positioned to serve as a gateway for facilitating dealings in securities and other permitted financial products on the stock exchanges in global markets in a transparent, regulated, and efficient manner.
3. Pursuant to this objective, the IFSCA has permitted broker dealers present in the IFSC to access global markets vide circular titled “[Global Access to Broker Dealers](#)” dated November 25, 2021, read with clarifications issued vide circular titled “[Global Access-Clarification](#)”. Separately, a subsidiary of a recognised stock exchange namely India INX Global Access IFSC Limited was also permitted to provide access to global markets.
4. The IFSCA (Capital Market Intermediaries) Regulations, 2025 (“CMI Regulations”) have been notified and published in the Official Gazette of India on April 16, 2025 providing the regulatory framework for regulation, registration

and supervision of capital market intermediaries operating in the IFSC. The CMI Regulations, *inter alia* provide that -

- a. *A CMI, including a broker dealer, desirous of dealing in securities in Foreign Jurisdictions shall comply with the norms and requirements specified by the Authority (regulation 27); and*
 - b. *...the provisions of Chapter V of the IFSCA (Capital Market Intermediaries) Regulations, 2021 shall continue to apply to a CMI including broker dealer dealing in securities in Foreign Jurisdictions, until the relevant norms and requirements under regulation 27 of these regulations are issued by the Authority (regulation 47 (1)).*
 - c. *...the Authority may specify norms for obtaining authorisation or registration as CMI (regulation 4(6)).*
5. IFSCA has been in consultation with various parties, including Stock Exchanges and other stakeholders on the revamp of the Global Access model. Recently, the Securities and Exchange Board of India ("SEBI"), *vide* circular dated May 2, 2025 on "[Measure for Ease of Doing Business–Facilitation to SEBI registered Stock Brokers to undertake securities market related activities in Gujarat International Finance Tech-city –International Financial Services Centre \(GIFT-IFSC\) under a Separate Business Unit \(SBU\)](#)" permitted stock brokers registered with SEBI to undertake securities market related activities in GIFT-IFSC under a Separate Business Unit ("SBU") of the stock broking entity, under the regulatory framework issued by IFSCA.
6. Pursuant to extensive consultation with various stakeholders, it has been decided that the entities shall comply with the revised norms, requirements and regulatory framework for global access specified in this circular.

B. Applicability

7. This circular shall apply to:
- a. Global Access Providers;
 - b. Broker Dealers in the IFSC accessing global markets; and
 - c. Clients accessing global markets through the broker dealers / Global Access Providers in the IFSC.

C. Definitions

8. For the purpose of this circular, unless the context otherwise requires, the terms defined herein shall bear the meanings as assigned to them below, and their cognate expressions shall be construed accordingly,

- a. *"Foreign Jurisdiction"* shall have the same meaning as assigned under regulation 3(1)(u) of the CMI Regulations;
- b. *"Global Access Provider"* means,
- a subsidiary of a Recognised Stock Exchange set up in the IFSC for providing access to global markets; or
 - a broker dealer registered with the Authority providing access to global markets through arrangement with foreign brokers;
- But does not include a broker dealer which is only an Introducer and does not have any direct relationship with a foreign broker.
- c. *"Global markets"* means stock exchanges in Foreign Jurisdictions.
- d. *"Recognised Stock Exchange"* means a stock exchange recognised by the Authority.
- e. *"Introducer"* means an entity who, for fees or compensation or remuneration, refers clients to a Global Access Provider for providing access to global markets.
- f. *"Introducing Broker"* means a broker dealer registered with the Authority and acts as an Introducer for providing access to global markets.
- Explanation:* For avoidance of doubt, it is clarified that a broker dealer who is not having any direct relationship with a foreign broker will be an Introducing Broker and any broker dealer having a direct relationship with a foreign broker will be a Global Access Provider.
- g. *"Net worth"* shall have the same meaning as applicable to a broker dealer under regulation 3 (1) (cc) of the CMI Regulations.

D. Global Access Providers

Obligation to seek authorisation

9. An entity desirous of undertaking activities as a Global Access Provider shall not commence operations in the IFSC unless it has obtained authorisation from the Authority.
10. An entity already carrying out activity as a Global Access Provider as on the date of issue of this circular shall seek authorisation in compliance with the requirements specified in this circular within 90 days of the date of issue of this circular.

11. An entity desirous of obtaining an authorisation as a Global Access Provider shall submit an application form, along with applicable fee, in the form and manner as may be specified by the Authority.

Net worth

12. The entities shall maintain the following minimum net worth at all times:

Category	Amount (in USD)
Global Access Provider (GAP)	
1. Subsidiary of a recognised stock exchange	500,000
2. A GAP carrying out clientele trading	500,000
3. A GAP carrying out only proprietary trading	200,000
Other Broker Dealers	
1. Introducing Broker	100,000
2. Broker Dealer carrying out only proprietary trading through a GAP	100,000

13. The net worth allocated specified above shall be segregated and in addition to the net worth requirements applicable for other permitted activities.

Fit and proper requirements

14. A Global Access Provider shall ensure that the entity and its directors, key managerial personnel and controlling shareholders are '*fit and proper*' persons in accordance with the criteria specified under regulation 8 of the CMI Regulations.

E. Clients

15. The following categories of clients are permitted to deal in global access under this circular:
- A person resident in India to the extent permitted under the provisions of Foreign Exchange Management Act 1999 and Rules and Regulations made thereunder;
 - A person resident outside India as provided under the provisions of Foreign Exchange Management Act 1999 and Rules and Regulations made thereunder.

16. A Global Access Provider may onboard clients directly or through an introducer in India, the IFSC or a Foreign Jurisdiction. In such cases where a Global Access Provider solicits clients through an Introducer,
- a. The Global Access Provider shall enter into a written agreement with the Introducer for referring or introducing clients by such entity to the Global Access Provider. The agreement shall contain all material details about the referral /introducing arrangement for soliciting clients.
 - b. Where such arrangement is with an Introducing Broker in the IFSC, the Global Access Provider and/or the Introducing Broker shall be responsible for all obligations and responsibilities as laid down for dealing with clients in compliance with the requirements specified in this circular.
 - c. Where an Introducer is outside the IFSC, while the referral or introducing arrangements shall be for soliciting clients, the Global Access Provider shall directly onboard clients and shall be responsible for all obligations and responsibilities as laid down in this circular.

F. Permitted Products through Global Access

17. A Global Access Provider shall provide access to financial products listed on stock exchanges in Foreign Jurisdictions. However, such access shall be only in respect of such products or instruments that are covered under the definition of “financial products” applicable in the IFSC.

Guidance Note:

A Global Access Provider shall not provide access to crypto-assets or any other instruments that are not considered as “financial products” in the IFSC.

18. Where a Global Access Provider provides access to persons resident in India, it shall ensure that there are adequate systems in place to ensure that access to global markets is provided only to such permitted investors and products under the Foreign Exchange Management Act, 1999 and Rules and Regulations made thereunder.

Guidance Note:

The Global Access Provider shall ensure that a resident Indian individual shall make investments in accordance with the Liberalised Remittance Scheme permitted by Reserve Bank of India.

19. A Global Access Provider shall not permit trading on index derivatives or single stock derivatives of Indian securities traded in global markets.

Guidance Note:

A broker Dealer may not provide access to India related products available on the Recognised Stock Exchanges in the IFSCs in capacity of Global Access Provider, but the same may be provided as a member of recognised stock Exchanges in the IFSC.

20. A Global Access Provider shall not permit trading on any INR pair currency contracts on any global market.

G. Responsibilities of Global Access Providers

21. A Global Access Provider shall maintain adequate infrastructure, systems, human resources, and financial resources commensurate with the size, scale and complexity of its global access operations.
22. A Global Access Provider shall have agreement/(s) with foreign broker(s) for providing access to global markets, subject to the following conditions:
- a) The foreign broker is a trading member of a stock exchange in that Foreign Jurisdiction; and
 - b) The foreign broker provides access to global markets in compliance with the applicable regulatory requirements of the Foreign Jurisdiction.
23. A Global Access Provider shall ensure that it has appropriate risk management and internal controls to ensure that the interests of its clients are adequately protected.
24. A Global Access Provider shall ensure that funds of all investors participating in the global access are routed through a bank account in the IFSC. A Global Access Provider already providing global access as on the date of the circular shall ensure compliance with this clause by September 01, 2025.
25. A Global Access Provider dealing with clients shall have policies and procedures pertaining to handling of complaints in respect of its global access business in accordance with the requirements specified by the Authority vide circular titled *"Complaint Handling and Grievance Redressal by Regulated Entities in the IFSC"* dated December 02, 2024.
26. A Global Access Provider shall disclose to its clients that the following resources of the recognised stock exchanges in the IFSC shall not be available to the clients for global access:
- a) Rights of investors or investor protection;
 - b) Dispute resolution mechanism; and
 - c) Investor grievance redressal mechanism

27. A Global Access Provider shall ensure that adequate system and procedure are in place to monitor the trading activities to ensure compliance with the requirement of the circular.
28. A Global Access Provider shall immediately inform the Authority in case any action is taken by any financial sector regulator against the foreign broker.
29. A Global Access Provider shall enter into an agreement with the foreign broker which shall empower it to obtain data and information relating to trades executed through such foreign broker.
30. A Global Access Provider shall have the arrangements in place to seek any information or report from its Introducers or Introducing Brokers for the global access activities.
31. A Global Access Provider shall comply with additional norms and requirements as may be specified by the Authority in relation to global access.

H. Segregation of Clients' Funds

32. A Global Access Provider or the Introducing Broker, as the case may be, shall maintain segregation of clients' funds from proprietary trading, if any.

I. Disclosures to Clients

33. A Global Access Provider or Introducing Broker, as the case may be, providing global access to clients shall ensure that true, correct, and adequate disclosures are made to the investors in writing, including the following disclosures:
 - a. Risk Factors relating to investments in global markets
 - b. Roles and responsibilities of entities involved in providing global access
 - c. Details of custody arrangements, if any
 - d. Trading method and applicable account structure
 - e. Applicable fee structure
 - f. Applicable investor protection scheme or insurance coverage
 - g. Applicable tax structure
 - h. Other Regulatory requirement with respect to trading in such foreign Jurisdiction

34. A Global Access Provider or introducer, as the case may be, providing global access to clients shall ensure that they have systems in place to ensure that key risks / disclaimers relating to global access are displayed at every login by its clients.

J. KYC, AML and CFT Norms

35. A Global Access Provider and the Introducing Broker onboarding the client shall be responsible for compliance with the provisions of the Prevention of Money Laundering Act, 2002, the Prevention of Money-laundering (Maintenance of Records) Rules, 2005 ("PML Rules"), the IFSCA (Anti Money Laundering, Counter Terrorist-Financing and Know Your Customer) Guidelines, 2022 (as amended) and such other circulars and guidelines.

Explanations:

- a) For the purpose of compliances under the PML Rules, a "*Global Access Provider*" dealing with clients shall ensure to comply with the KYC AML and CFT norms as applicable to a "broker dealer" in the IFSC.
 - b) The Global Access Provider or the Introducing Broker, as the case may be, onboarding the client shall comply with the requirements relating to KYC, AML and CFT norms specified by IFSCA irrespective of whether the foreign broker providing access to global markets has its own process and procedures as per the requirements in the Foreign Jurisdiction.
36. Where a Global Access Provider does not directly onboard a client, but the client is onboarded by an Introducing Broker in the IFSC, such introducing broker dealer shall be responsible for compliances with the PML Rules and the KYC AML and CFT norms issued by the Authority from time to time.

K. Data Storage

37. A Global Access Provider and an Introducing Broker shall maintain all user, transaction, and trade data within the IFSC. The data shall be made readily available as and when sought by the Authority.

L. General obligations and responsibilities

38. The general obligations and responsibilities specified for capital market intermediaries under Chapter III of the CMI Regulations shall apply to Global Access Providers and broker dealers engaged in global access.

M. Code of Conduct

39. A Global Access Provider and a broker dealer engaged in global access shall comply with the code of conduct specified under Part-A of Schedule II of the CMI Regulations.

N. Advertisement Code

40. A Global Access Provider and an introducing broker dealer engaged in global access shall comply with the below mentioned advertisement code:
- a) Advertisements shall be accurate, true, fair, clear, complete, unambiguous and concise.
 - b) Advertisements shall not contain statements which are false, exaggerated, misleading, biased or deceptive, based on assumption/projections.

O. Periodic Reporting

41. A broker dealer accessing global markets shall submit data, information, and reports (including periodical reports) to its Global Access Provider and for this purpose, the Global Access Provider may also specify compliance and reporting requirements.
42. A Global Access Provider shall submit quarterly reports to the Authority.
43. The Authority may through an independent member of the Institute of Chartered Accountants of India or a member of the Institute of Company Secretaries of India or a member of the Institute of Cost Accountants of India, undertake an inspection of the activities carried out by a Global Access Provider and an Introducing Broker in the IFSC.
44. A Global Access Provider and a broker dealer shall furnish such information, documents, or records as may be specified by the Authority from time to time.
45. A Global Access Provider engaged in a proprietary trading shall submit such documents, information and records to the stock exchange or its subsidiary as may be specified by the Authority.

P. Fee Structure

46. A Global Access Provider and a broker dealer shall pay regulatory fees relating to Global Access as may be specified in the **First Schedule** of this circular.

FIRST SCHEDULE:

FEE STRUCTURE

Global Access Provider

1. Application Fee: USD 1,000/-
2. Registration Fee: USD 10,000/-

Recurring fees

1. Derivatives: 0.000075% of turnover
2. Products other than Derivatives: 0.005% of turnover

Explanation 1: It is clarified that in case of options contracts; premium turnover shall be considered for calculation of turnover.

Explanation 2: In case of a clientele trading, the turnover based fee shall be paid by the Global Access Provider.

Explanation 3: In case of a broker dealer trading on proprietary basis, turnover based fee shall be paid by the broker dealer. The Global Access Provider shall collect the fee from the broker dealer and shall remit the same to the Authority.

The recurring fee shall be paid on a Quarterly basis within 30 days from the end of the quarter.

The mode of payment of fees, late fees and other provisions relating to fees shall be in accordance with the circular dated April 08, 2025 read with clarificatory circular issued on April 23, 2025.