



CIRCULAR

IFSCA-FCR0ITFS/3/2024-Banking/2025/001

April 11, 2025

To,

All ITFS Operators in IFSC/participants of ITFS Platform

Subject: Amendment to the circular titled “Guidelines on setting up and operation of International Trade Finance Service Platform” dated December 23, 2024.

Reference may be drawn to Guidelines on setting up and operation of International Trade Finance Service Platform dated December 23, 2024 (“Guidelines”).

2. Based on the representation from ITFS operators and other market participants, It has been decided to make the following amendments in clause 12(2) of the Guidelines effective from the date of this circular:

a. following explanation is inserted in item (i) of clause 12(2)

“Explanation : For the purpose of this sub-section, AUM refers to the total market value of all financial assets owned by the financier or managed by it on behalf of its clients.”

b. Item (iii) of clause 12(2) is substituted by the following:

“(iii) The financier should have proven capability (either on its own or through outsourcing arrangements) for credit/ debt recovery;”

c. Item (iv) of clause 12(2) is substituted by the following:

“(iv) The financier shall be an incorporated entity carrying out the business of factoring;”

d. Further, the following item is added in clause 12(2):

“(v) The financier including any shareholders holding more than 10% of its share capital shall be from a jurisdiction which has not been identified in the public statement of Financial Action Task Force (FATF) as “High Risk Jurisdiction – subject to call for action.”

3. This circular is issued in exercise of the powers sub-regulation (1) of regulation 10 of International Financial Services Centres Authority (Finance Company) Regulations, 2021 and Clause 21(1) of Circular dated December 23, 2024.

Yours faithfully

Sd/-

(Supriyo Bhattacharjee)

Chief General Manager

Head -Department of Banking