



CIRCULAR

F. No. IFSCA-PLNP/4/2021-Capital Markets

December 03, 2021

To,

**All investment bankers in the International Financial Services Centre (IFSC)
All banking units in the IFSC**

Dear Sir/Madam,

Sub: Investment banking in the IFSC

1. The International Financial Services Centres Authority (Capital Market Intermediaries) Regulations, 2021 (CMI Regulations) provide the regulatory framework for various categories of intermediaries operating in the capital markets in the IFSC, including investment banking activities in the IFSC.
2. The investment bankers play an important role in facilitating issuance and listing of securities on the recognised stock exchanges in the IFSC and overall development of the ecosystem for primary market issuances in the IFSC. The IFSCA (Issuance and Listing of Securities) Regulations, 2021 have already been notified providing the necessary regulatory framework in this regard.

A. Banking Units authorised to operate as investment bankers

3. Regulation 3(4) of the CMI Regulations provides that IFSCA may specify norms for authorisation of capital market intermediaries in the IFSC. Considering that the investment banking activities in the capital markets are being carried out by banks or their associates in various jurisdictions globally, and with the purpose of facilitating ease of doing business, it has been decided that a banking unit licensed by the IFSCA shall be permitted to undertake investment banking activities in the IFSC, in accordance with the below framework:
 - a) The banking unit shall intimate to the Authority before commencing operations relating to investment banking, along with fees, in the format provided in **Annexure - I**.
 - b) The banking unit operating as an investment banker shall comply with all the provisions applicable to an investment banker in the IFSC, including obligations and responsibilities prescribed in the CMI Regulations, the requirements prescribed in this circular and such requirements as may be specified by the Authority from time to time.



- c) The banking unit shall maintain arm's length relationship between its investment banking activity and other activities.

B. Fee Structure for investment bankers

4. All the investment bankers in the IFSC shall pay the following fees:
- a) Application fee: USD 1,000 (USD One thousand only)
 - b) Registration/ authorisation fee: USD 10,000 (USD Ten thousand only)
 - c) Fee every three years post registration/ authorisation (4th year onwards): USD 10,000 (USD Ten thousand only).

However, the banking unit operating as an investment banker shall pay authorisation fee indicated at (b) and (c) above only.

5. Manner of payment of fee

(1) The fee amount mentioned hereinabove, shall be remitted online, to the following bank account of IFSCA:

Account Name:	International Financial Services Centres Authority
Account Number:	970105000174
Type of Account:	USD Current Account
Bank Name:	ICICI Bank Limited
SWIFT Code:	ICICINBBIBU
NOSTRO Details:	BOFAUS3N, Bank of America, New York Branch, A/c no: 6550491848

(2) However, entities coming from India (outside IFSC) will have the option to pay the application fee and registration fee in INR into the account of IFSCA mentioned below:

Account Name:	IFSCA FUND 2
Account Number:	39907189884
Type of Account:	INR Current Account
Bank Name	State Bank of India
IFSC Code:	SBIN0060228
SWIFT Code:	SBININBB255



For the entities remitting the fee in INR, the latest RBI reference rate available at <https://www.fbil.org.in/#/home> (which would normally be 7 days before the current date) will be considered.

C. Reporting Requirements

6. All the investment bankers in the IFSC shall submit a report to IFSCA on a half-yearly basis, within 45 days, in the format provided in **Annexure II**.

This circular is issued in exercise of powers conferred under section 12 of the IFSCA Act, 2019 and regulation 72 of the CMI Regulations.

A copy of this circular is available on the website of IFSCA at www.ifsca.gov.in.

Yours faithfully,

Arjun Prasad
Deputy General Manager
arjun.pd@ifsca.gov.in



Annexure - I

S. No.	Particulars	Details
1. Details of the Banking Unit		
1.1	Name	
1.2	IFSCA License No. (Provide a copy of the certificate issued by IFSCA)	
1.3	Conditions, if any (Provide a copy of the IFSCA letter)	
2. Investment Banking business proposed to be undertaken		
2.1	Profile (in brief) (Information shall include details of existing activities in the IFSC)	
2.2	Details of investment banking activities proposed to be undertaken in the IFSC	
3. Past Experience (if any)		
3.1	Provide details of any past experience by the applicant or any of its group/ associate company relating to investment banking in any jurisdiction	



4. Fees

Details regarding payment of fees to IFSCA

5. Declaration

We hereby agree and declare that the information supplied in the application, including the attachment sheets, is complete and true to our knowledge.

We further agree that, we shall notify the International Financial Services Centres Authority (IFSCA) immediately of any material change in the information provided in this form.

We further agree that we shall comply with, and be bound by the International Financial Services Centres Authority Act, 2019, and the regulations, circulars, guidelines and instructions thereunder as issued by IFSCA from time to time.

We further agree that as a condition of authorisation as an investment banker, we shall abide by such instructions or directives as may be issued by IFSCA from time to time.

For and on behalf of (Please insert name of the applicant)

Authorised signatory

(Name)(Signature)

Date:

Place:



ANNEXURE – II

FORMAT FOR HALF YEARLY REPORT TO BE SUBMITTED BY INVESTMENT BANKERS

1. Name:
2. Registration No. / License No. *(in case of banking unit operating as an investment banker)*
3. Name of the Compliance Officer
4. Addition / deletion / change in address etc. of office from last submitted report
5. Change in control, if any, since the last report. If yes, provide details.
6. Change, if any, in directorship details since the last report

Name	Induction/ retirement/ resignation	Reasons	Effective Qualification Date	Brief Experience (in case of induction)	Shares in the company

7. Change in the key management personnel since last report

Name	Date of Appointment/ Resignation / Termination	Qualification	Experience



8. Change including addition to/in associate concerns

Name	Nature of change	Activities handled	Nature of interest with investment banker

9. New activities undertaken/discontinuation of any existing activities

Activity	When commenced/ discontinued	Object of the new activities/ reasons for discontinuation

10. Details of all pending litigations involving the investment banker

11. Issue management activities (attach separate sheet if required):

Sr. No.	Type of issue	Name of issuer	Instrument	Offer size	Issue Price	Issue opening date	Issue closing date	No. of times oversubscribed
	1	2	3	4	5	6	7	8

Functional Responsibility	Stock Exchanges where instruments were to be listed	Date of listing	Reasons for delay in listing (if any)	Opening Price	Current market price	Remarks
9	10	11	12	13	14	15

12. Regulatory action, if any, by IFSCA or any other financial services regulator

13. Underwriting activities

13.1 Total number of issues underwritten during the period

13.2 Total amount underwritten during the period

13.3 Outstanding underwriting commitment at the close of the period



13.4 Details of disputed/devolved case

Sr. No.	Name of the issuer	Instrument	Amount underwritten	Amount devolved	Devolvement met yes/no	If not met, the reasons thereof & how dispute was settled

14. Redressal of Investor Grievances

System of redressal of investor grievances (a brief write up)

(i) Number of investor grievances received during the period

(ii) Nature of grievances

(iii) Number of grievances resolved

(iv) Number of grievances pending

(v) The date of oldest grievance

15. Financial Information

Please enclose a copy of the latest audited financial results along with schedules.

16. Changes, if any, in significant shareholding (more than 5%)

Name	Date	Investment / disinvestment	Number of Shares	% of total paid-up capital

17. List of major shareholders holding more than 5%

Name	PAN (if available)	Number of Shares	% of total paid-up capital



18. Any capital issue (rights or public) during the period. If yes, details thereof inclusive of status of complaints from investors and their redressal.

19. Indictment or involvement in any economic offence by the investment banker or its directors or KMPs or principal officer, if any, during the period.

PLACE:

DATE:

AUTHORISED SIGNATORY