



CIRCULAR

SEBI/HO/IFSC/CIR/P/2020/117

July 9, 2020

1. All Recognised Stock Exchanges, Depositories and Clearing Corporations (including those in International Financial Services Centres)
2. All Registered Intermediaries (including those in International Financial Services Centres)

Dear Sir / Madam,

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

Kindly refer to SEBI (IFSC) Guidelines, 2015 which were notified by SEBI on March 27, 2015 and SEBI Circular dated July 27, 2017.

2. In order to further streamline the operations at IFSC, based on the internal discussions and consultations held with the stakeholders, it has been decided to amend clause 4 (1) of SEBI (IFSC) Guidelines, 2015 to read as follows:

“4. 1) Eligibility and shareholding limit for stock exchange desirous of operating in IFSC

Any Indian recognized stock exchange or any stock exchange of a foreign jurisdiction may form a subsidiary to provide the services of stock exchange in IFSC wherein at least fifty one per cent. of paid up equity share capital is held by such stock exchange and remaining share capital may be offered to 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 stock exchange in IFSC, subject to applicable law.

Provided that,—

- (a) a stock exchange,*
- (b) a depository,*
- (c) a banking company,*



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(d) an insurance company,

(e) a commodity derivatives exchange

[whether Indian or of foreign jurisdiction for (a) to (e)]

(g) a public financial institution of Indian jurisdiction, and

(h) 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 a recognised stock exchange with prior approval of the Board.

Provided further that the provisions of Regulation 19 and 20 of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 should be 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.

Yours faithfully,

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Market Regulation Department
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