



**INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY
(FINANCIAL SUPPORT SERVICES REGULATORY DIVISION)**

2nd and 3rd Floor, Pragya Tower-1,
GIFT City, Gandhinagar

eF.No. IFSCA-TAS/3/2025-FSSRD

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Consultation paper on the draft International Financial Services Centres Authority (IFSC Financial Advisers) Regulations, 2026.

I. Objective

1. The objective of this consultation paper is to invite comments and suggestions from market participants, stakeholders and the public on the proposed International Financial Services Centres Authority (IFSC Financial Advisers) Regulations, 2026 (“Draft Regulations”).
2. The Draft Regulations are aimed at providing a regulatory environment for Financial Institutions(FI) in IFSC with a view to put in place a structured and institution anchored regulatory framework for engagement of IFSC Financial Advisers by such Institutions for the purpose of rendering or soliciting any of the financial services under section 3(1)(e)(xii) of IFSCA Act, 2019. The framework also aims to strengthen investor protection right from the advisory stage and also align IFSC’s regulatory architecture with globally accepted financial advisory standards, which will facilitate enhanced participation of retail and Non-Resident Indian (NRI) investors with GIFT-IFSC ecosystem.

II. Background

1. The International Financial Services Centres Authority (IFSCA) was established under the International Financial Services Centres Authority Act, 2019 with the mandate to develop and regulate financial products, financial services and financial institutions in IFSCs in India, and to promote IFSCs as globally competitive financial centres.
2. As the IFSC ecosystem continues to evolve, financial intermediation is increasingly transitioning from transaction led and institution centric models towards advisory led and relationship driven engagement. This shift is particularly visible among NRIs, globally mobile professionals, retail investors and mass affluent segments seeking access to cross-border financial products and multi asset investment solutions.
3. Financial advisers play a central role in financial intermediation globally by facilitating client acquisition, risk assessment, financial planning and informed decision making. The Indian financial advisory market is projected to reach approximately ₹52,230 crore (USD 6.9 billion) by 2027. India currently has over 100,000 registered financial advisers and more than 2.4 million insurance agents, underscoring the scale and significance of financial advisory services in the financial ecosystem.
4. While GIFT IFSC has witnessed strong participation from institutional and wholesale players, retail and NRI engagement represents a significant growth opportunity. The absence of a dedicated regulatory framework recognizing and governing IFSC Financial advisory professionals has been identified as a structural gap in the current ecosystem.

III. Need for Introducing a Dedicated Advisory Framework

1. Contemporary financial markets are increasingly influenced by advisory interactions that precede execution of transactions. Advisory, facilitation and relationship management constitute critical stages of the client lifecycle, shaping investment decisions and risk allocation.
2. In the IFSC context, such functions may be performed by independent professionals or overseas relationship managers who influence investment decisions but may not fall squarely within existing regulatory categories.

3. In the absence of explicit regulatory recognition, advisory and facilitation activities at the pre-execution stage may operate in grey areas, with uneven conduct standards and limited supervisory visibility. Existing investor protection mechanisms are largely triggered at the stage of product distribution or transaction execution, rather than at the advisory stage where investment decisions are formulated.
4. A structured advisory framework would enable comprehensive regulatory oversight across the client journey from initial engagement, risk profiling and suitability assessment to onboarding and eventual execution through regulated intermediaries, thereby strengthening investor protection and market integrity.
5. Further, an opportunity is also presented by the Indian diaspora. The global Indian diaspora comprises approximately 35.4 million overseas Indians. Overseas Indians remitted approximately USD 135.46 billion to India in 2024 25, and investments by diaspora investors into GIFT IFSC based funds have crossed ₹60,998 crore (approximately USD 7 billion). These figures highlight the scale of cross-border financial engagement and the potential for structured financial advisers' participation in IFSC Ecosystem.
6. Retail and NRI investors typically require enhanced levels of engagement, education and personalized advisory support. Access to regulated IFSC advisers capable of delivering transparent, fiduciary oriented and multi product advice can significantly enhance investor confidence and participation.
7. The proposed regulatory framework is, therefore, intended to enable scalable retail and diaspora outreach by regulated IFSC institutions through structured advisory networks, while preserving institutional accountability, clear activity boundaries and robust supervisory safeguards.

IV. Seeking Public Comments

1. In view of the above, comments from Market Participants, Stakeholders, and General public are invited on the proposed draft International Financial Services Centres Authority (IFSC Financial Advisors) Regulations, 2026 as placed at Annexure-1.
2. Comments / suggestions are to be forwarded via email to ancillary@ifsc.gov.in with a copy to Shri

Kalpesh Kumar Mehta, AGM, IFSCA at kalpesh.mehta@ifsc.gov.in and Shri Harish Jhajharia, AM, IFSCA at harish.jhajharia@ifsc.gov.in with subject line Comments on draft IFSCA (IFSC Financial Advisors) Regulations, 2026 latest by March 16, 2026. The comments may kindly be submitted in the following format (MS Word or MS Excel format only):

Name and Details of the Person / Entity					
Organisation name (If applicable),					
Contact details- Phone and Email address					
S. No.	Regulation No.	Sub-Regulation	Comments/ Suggestions/ Feedback	Detailed Rationale	Industry best practices comparable with the parallel Jurisdictions across the globe.

DRAFT International Financial Services Centres Authority (IFSC Financial Advisers) Regulations, 2026

F. No. IFSCA/GN/_____. *In exercise of the powers conferred by sub-section (1) of Section 28, read with sub-section (1) of Section 12 of the International Financial Services Centres Authority Act, 2019 (50 of 2019), the International Financial Services Centres Authority hereby makes the following regulations, namely: -*

**CHAPTER-I
PRELIMINARY**

1. Short title and commencement

(1) These regulations shall be called the International Financial Services Centres Authority (IFSC Financial Advisers) Regulations, 2026.

(2) These regulations shall come into force from the date of their publication in the Official Gazette.

2. Objective

These Regulations aim to provide a regulatory framework for Financial Institutions (FIs) operating in the IFSC for engagement of Financial Advisers for the purpose of rendering or soliciting financial services while strengthening consumer protection and facilitating enhanced participation of retail consumers within the IFSC ecosystem.

3. Definitions

(1) In these regulations, unless the context otherwise requires, the terms defined herein shall bear the meanings as assigned to them below and their cognate expressions and variations shall be construed accordingly: -

- (i). **“Act”** means the International Financial Services Centres Authority Act, 2019 (50 of 2019);
- (ii). **“Authority”** means the International Financial Services Centres Authority established under sub-section (1) of section 4 of the Act;
- (iii). **“Client”** means any individual person, who receives, or seeks to receive, or is offered, any financial advisory service from an IFSC Financial Adviser engaged by Financial Institution;
- (iv). **“Financial Advisory Services”** means the provision of advisory and client solicitation services by an IFSC Financial Adviser engaged by a Financial Institution, acting solely on behalf of and under the mandate of such Financial Institution. Such services shall include:
 - (a) Rendering advice to prospective or existing clients in relation to financial products or financial services offered by the Financial Institution; and/ or
 - (b) Soliciting, introducing, or sourcing clients for Financial Institution in connection with-
 - (i) Buying, selling, or subscribing to a financial product;
 - (ii) Availing any of the services specified in sub-clauses (i) to (xi) of clause (e) of sub-section (1) of section 3 of the Act; or
 - (iii) Exercising any right associated with a financial product or any of the services in section 3 of sub-section (1) of clause (e) of sub-clause (i) to (xi) of the Act;
- (v). **“Financial Institution” (FI)** means any Financial Institution as defined under Section 3(1)(c) of the Act and deemed eligible by the Authority under these Regulations to render financial services under Section 3(1)(e)(xiii) of the Act.
- (vi). **“Governing Norms”** mean the governing norms for FI shall be made in accordance with Schedule-II of these regulations;
- (vii). **“IFSC Financial Adviser” (IFA)** means an individual or an Institution, who is appointed or empaneled or engaged by such FI, for providing financial advisory services to clients;

- (viii). **“IFA Registry”** means a list of IFSC Financial Advisers registered by financial institutions at a Portal maintained by the Market Infrastructure Institutions (MII), which are registered under IFSCA (KYC Registration Agency) Regulations, 2025 (KRA).
- (ix). **“Inspecting Authority”** means one or more persons appointed by the Authority to undertake inspection of the books, accounts, records and documents of a Financial Institution (FI) under these regulations;
- (x). **“International Financial Services Centre” (IFSC)** shall have the same meaning as assigned to it under clause (g) of sub-section (1) of Section 3 of the Act;
- (xi). **“Principal Regulation”** means the regulations under which the Financial Institution got registration or license as defined under Section 3(1)(c) of the Act, to undertake financial services activities from IFSC.

2). Words and expressions used and not defined in these regulations but defined in the Act or Acts mentioned in the First Schedule to the Act, or the Companies Act, 2013 (18 of 2013), or the Limited Liability Partnership Act, 2008 (6 of 2009), or any rules or regulations made thereunder shall have the same meanings respectively assigned to them in those Acts, Principal Regulations, rules, regulations or any statutory modification or re-enactment thereto, as the case may be.

CHAPTER-II

FINANCIAL INSTITUTION

4. Eligibility Criteria for Financial Institution to engage IFSC Financial Adviser

An entity shall be deemed eligible to engage IFSC Financial Adviser under these regulations if it satisfies the following criteria:-

- (1) That it is registered or licensed or authorised by the Authority as a Financial Institution under the respective principal regulations as defined under section 3(1)(c) of the Act.

(2) Without limiting the generality of the foregoing, the following financial institutions operating in IFSC shall be deemed eligible Financial Institution to engage / empanel/ appoint IFSC Financial Adviser to provide financial advisory services for the purpose of rendering one or more financial services as specified under section 3(1)(e)(xiii) of the Act subject to fulfilment of terms and conditions stipulated under these regulations:

- (a) IFSC Banking Units (IBUs)
- (b) IFSC Insurance Office, and IFSC Insurance Intermediary Office
- (c) Capital Market Infrastructure Institutions, Capital market intermediaries, including brokers, dealers, investment advisers, portfolio managers and fund managers operating in IFSC;
- (d) Other regulated entities operating in IFSC and engaged in rendering financial services or financial product, as may be specified by the Authority from time to time.

(3) The Financial Institutions covered under sub-regulation (2) above shall not require separate authorization under these regulations.

Provided that Financial Institutions operating in IFSC to provide support services for delivery of financial services, but not directly rendering any of the financial services, shall not be eligible to engage IFSC Financial Adviser under these regulations.

(4) Fit and Proper Requirements

(a) Financial Institution shall abide by the Fit and proper requirements and Code of Conduct matters applicable under the respective principal regulations, under which it was granted license or registration by the Authority.

(b) In addition to above, an FI shall conduct an annual fit and proper review and, at all times ensure and demonstrate to the satisfaction of the Authority that it and every IFA appointed with it continues to satisfy the fit and proper requirements specified under these regulations.

(5) Every Financial Institutions shall abide by the obligations as specified at **Schedule-I** and governing norms as specified at Schedule-II of these regulations.

CHAPTER-III
IFSC FINANCIAL ADVISERS

5. IFSC Financial Adviser

(1) For the purposes of these regulations, an IFSC Financial Adviser, in respect of a financial service or financial product, shall be an individual or an institution who / whose :-

- (a) satisfies such eligibility and other requirements as specified under these regulations and as may be specified by the FI from time to time.
- (b) is appointed or empaneled or engaged by an eligible Financial Institution (FI) under these regulations and continues to remain so during the period of authorization.
- (c) may be appointed or empaneled with one or more FIs subject to fulfilment of requirements in terms of competency, certifications, educational qualification, and experience as prescribed by all such FIs.
- (d) comply with and continues to meet the continuing professional development (CPD), code of conduct, supervisory guidelines and other conditions as may be specified by the FI in accordance with these regulations.
- (e) name is entered and maintained in the IFA Registry pursuant to appointment or empanelment with the concerned FI.
- (f) empanelment or engagement or appointment as an IFA has not been suspended, cancelled, or revoked, and who has not been prohibited, whether temporarily or permanently, by the FI or any other financial sector regulator, from providing such Financial Advisory services.
- (g) associated FIs holds a valid and subsisting certificate of Registration or License granted by the Authority under the respective principal regulations issued by the Authority under which the FI is permitted to render services related to financial products and financial services stipulated under the Act ; and continues to comply with the provisions of those regulations.

(2) An individual or an institution shall be registered as an IFA only in respect of such category or categories of services or products for which it is appointed or empaneled with the FIs and recorded in the IFA Registry in such manner as may be specified by the Authority.

(3) The appointment or engagement of an individual or an institution as an IFA shall be subject

to ongoing compliance with these regulations, other circulars, guidelines and directions issued by the FI or Authority from time to time.

6. Eligibility criteria for IFSC Financial Advisers

(1) An individual shall be eligible to be appointed or empaneled with FIs as an IFA if he or she:

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- (a) is not less than twenty-one years of age, is of sound mind, and is a resident of a jurisdiction that is compliant with the standards of the Financial Action Task Force (FATF). IFAs may be located in any jurisdiction and may advise clients globally, provided they maintain formal affiliation with a FI registered in IFSC, enabling seamless cross-border financial advisory services.
- (b) possesses a minimum educational qualification equivalent to a bachelor's degree in relevant streams, such as finance, economics, business administration, engineering, law or such other related disciplines as may be specified by the FI from time to time.
- (c) has successfully completed the requisite sectoral certifications or examinations relevant to the category of financial advisory services or any other equivalent qualification as may be recognized or specified by the FI or any other authority of jurisdiction of residence where financial advisory services are provided, as applicable, from time to time.
- (d) satisfies the fit and proper requirements as specified in these regulations.
- (e) is either authorized, licensed or registered with the appropriate regulator in a foreign jurisdiction for providing financial advisory services or not prohibited, restricted or otherwise barred, in the jurisdiction of residence or any other jurisdictions, from providing such financial advisory services.

(2) An institution shall also be eligible to be appointed or engaged as IFSC Financial Adviser, provided that such institution is authorized, licensed or registered with the appropriate financial sector regulator in a foreign jurisdiction for providing financial advisory services to Clients in that jurisdiction.

(3) The eligibility of an individual or an institution under sub-regulation (1) and (2) shall be assessed and verified by the FI concerned at the time of engagement or appointment of IFA and also on a periodic basis thereafter.

(4) The Authority may, by circular or guideline, specify additional eligibility requirements or relax any requirement, in the interest of development of the IFSC ecosystem.

(5) The IFA shall not have any association, arrangement, or relationship with a FI, whether direct or indirect, which are conflicting in nature with the roles and responsibilities of IFA.

7. Engagement and registration of IFSC Financial Advisers at IFA Registry.

(1) The FI with whom the IFA is appointed or empaneled shall be responsible for:-

- (a) verifying and documenting the eligibility, educational qualifications, professional certifications and fit and proper status of the applicant individual or institution in accordance with these regulations.
- (b) assessing and assigning sectoral or activity-specific endorsements, wherever applicable, corresponding to the category or categories of services or products proposed to be rendered by the FI.
- (c) submitting and uploading the registration particulars of the IFA, including such information and declarations as may be specified, at the IFA Registry.
- (d) communicating the Unique Registration Number (URN) that are generated and allocated to the IFA upon successful registration by FI through IFA Registry as may be prescribed from time to time.

(2) The registration of IFA shall be valid only so long as :

- (a) The IFA continues to be empaneled with the concerned FIs; and
- (b) The FIs continues to hold a valid and subsisting certificate of registration granted by the Authority under principal regulations.

(3) Any change in the registration particulars, sectoral endorsement, or status of an IFA shall be promptly reported by the relevant FI and updated in the IFA Registry in such manner and within such timelines as may be specified by the Authority.

8. Application for registration of IFSC Financial Advisers

(1) An individual or institution intending to act as an IFA shall make an application to a FI, in such form and manner and along with such information, declarations and supporting documents as may be specified by the FI in accordance with these regulations.

(2) FI, upon examination of an application submitted by an IFA, is satisfied that the applicant meets the eligibility criteria as specified in regulation 6 and is in compliance with the provisions

of these regulations, the FI shall upload the particulars of the IFA at the Registry portal of MII KRA and get generated URN. The IFA shall commence its advisory services from the date of receipt of portal generated Unique Registration Number (URN) or Accreditation Card or any other system generated ID.

Explanation:

Market Infrastructure Institutions registered under IFSCA(KRA) Regulations, 2025 as a KRA Agency are eligible to develop, manage and maintain IFA Registry under these regulations;

Such MII KRAs shall also maintain a list of IFSC Financial Advisers, whose appointment is cancelled/suspended by a Financial Institution on grounds of violation of code of conduct and / or fraud;

(3) After successful registration at IFA Registry, every IFA shall abide by the Code of Conduct as stipulated at Schedule-IV of these regulations.

9. Permissible services

(1) An IFA may provide financial advisory services to clients on behalf of its affiliated FI, which is aimed at enabling FI to directly render any of the below-mentioned services to clients:-

- a) Buying, selling, or subscribing to, a financial product;
- b) Availing any of the services in sub-clauses (i) to (xi) of 3(1)(e) of the Act;
- c) Exercising any right associated with a financial product or any of the services in clauses (i) to (xi) of 3(1)(e) of the Act.

(2) The IFAs may provide advisory services across multiple financial product categories (capital markets, insurance, banking, alternative products) of one or more FIs through a unified registration with sectoral endorsements.

(3) An indicative list of allowed retail offerings at IFSC are mentioned at schedule-V of these regulations.

10. Prohibited services

- (1) An IFA shall not, whether directly or indirectly,
 - (a) accept or handle Client funds, premiums, securities or investment instruments in his or her own name or through any account, wallet or like in his or her own name or by way of any arrangement not expressly permitted under applicable laws and regulations.
 - (b) act as a principal, counterparty or beneficiary in any transaction relating to financial products in respect of which services are provided.
 - (c) misrepresent or falsely claim any affiliation, authorisation, approval or independence, including by creating a misleading impression regarding the nature of the relationship with FI.
 - (d) engage in any activity or practice that is not in the best interest of the client or inconsistent with the provisions of these regulations, code of conduct, or any applicable sectoral codes, circulars, guidelines or directions issued by the FI or Authority from time to time.

11. Continuing Professional Development (CPD)

- (1) In case of an Individual, every IFA shall undertake and complete a minimum of 15 hours of Continuing Professional Development in each financial year, which shall include training on regulatory updates, professional ethics, and financial service / product specific knowledge, in such manner as may be specified by the FI from time to time.
- (2) Continuing Professional Development completed by an IFA in an offshore Jurisdiction shall be deemed to be equivalent for the purposes of these regulations, subject to the completion of such induction or training on the local AML-CFT-KYC requirements and other requirements as may be specified by the FI.

12. Records and Registry of IFA

- (1) The MII KRA shall keep in such form, unless specified by FI or Authority, as it may deem fit, the records of the following information of each registered IFA :

- (a) his or her name;
 - (b) the name of his or her current FI and every past FI (if any);
 - (c) the current and past category of Financial Advisory services provided by him or her, and the date of commencement and cessation (if any) of such service;
 - (d) Registered office space/permanent address of the recognized IFA, citizenship, contact details of the IFA;
 - (e) disciplinary proceedings or other action taken by the Authority or any other Sectoral Regulators against him or her; and
 - (f) such other information as may be prescribed by the FI or Authority from time to time.
- (2) The information mentioned in subsection (1) shall only be kept for such period of time as the Authority considers appropriate.
- (3) The MII KRA may reproduce the records mentioned in subsection (1) or any part of them in the Registry of IFAs which may be published in such manner as prescribed by Authority.

CHAPTER-IV

MISCELLANEOUS

13. Reporting requirements

- (1) The FI shall furnish information relating to its operations to the Authority, in such manner, interval and form, as may be specified by the Authority, as part of the reporting requirements of the financial service it renders under the Principal Regulations.
- (2) The FI shall report to the Authority the details of all IFA applications that were rejected or withdrawn during the financial year, along with the reasons for such rejection or withdrawal, in the manner specified by the Authority.

14. Power to remove difficulties

In order to remove any difficulty in the interpretation or application of the provisions of these regulations, the Authority may issue directions through guidance notes or circulars.

15. Power to specify norms, procedures and issue clarifications

For the purposes of implementation of these regulations and matters incidental thereto, the Authority may specify norms, procedures, processes, additional requirements, etc. by way of circulars or guidelines or directions.

16. Power to call for information

The Authority may call for any information, documents or records from the FI and it shall be the duty of the FI to submit the same within the specified time.

17. Power to Inspect

The Authority may *suo motu* or upon receipt of information or complaint, at any time appoint one or more persons as Inspecting Authority to, *inter-alia*, undertake the inspection of books of accounts, records, documents, infrastructure, procedures and systems of a FI as stipulated in the Principal Regulations.

18. Action in case of default

(1) The Authority may initiate any action, as it may deem fit, in case a FI contravenes any of the provisions of these regulations, circulars, guidelines or directions issued thereunder.

(2) No action as referred under sub-regulation (1) shall be taken without giving the FI, a reasonable opportunity to be heard by way of written submissions.

19. Overriding effect.

(1) If any conflict, overlap, ambiguity, or question of interpretation arises in the implementation of these Regulations in relation to the governance of a Financial Institution, the provisions of the Principal Regulations, along with the terms and conditions of the registration or license granted thereunder, shall prevail to the extent of such conflict or inconsistency.

CHAPTER -V
SUPERVISION

20. Supervisory Responsibilities

(1) Every FI shall establish, maintain and implement an IFA Supervision Policy, duly approved by its Board of Directors or any competent decision-making body of FI, for the purpose of effective oversight, monitoring and supervision of the activities of IFA appointed by such FI.

(2) The IFA Supervision Policy shall, inter alia, provide for:

- (a) ongoing monitoring of compliance by IFAs with these regulations and compliance with fit and proper as may be prescribed by FI, from time to time.
- (b) mechanisms for identification, escalation and resolution of misconduct or regulatory breaches by IFA.
- (c) periodic review of the Financial Advisory services, conflict management and disclosure practices; and
- (d) reporting and record-keeping requirements relating to IFA activities.

(3) The Authority may, at any time, inspect, call for information, records or explanations, or direct special or periodic audits of a FI, including with respect to the activities, supervision and compliance of IFA empaneled with such FI.

21. Suspension and cancellation of empanelment or engagement or appointment of IFA

(1) A FI may, in accordance with its governing norms and supervision policy, suspend or terminate the appointment of IFA on grounds including:-

- (a) misconduct or unethical conduct;
- (b) incompetence or failure to meet prescribed standards; or
- (c) contravention of the provisions of the Act, these regulations, circulars, guidelines or directions issued thereunder:

Provided that such suspension or termination shall be promptly reported to the Authority, in such manner and within such time as may be specified.

- (2) The FI may revoke or cancel the URN in the IFA Registry, where:
- (a) the registration or affiliation or appointment or empanelment of the IFA has been cancelled or terminated by the concerned FI; or
 - (b) the IFA is found to be not fit and proper, or has been restrained, prohibited or debarred by the Authority or any financial sector regulator, whether in India or any foreign jurisdiction, from providing Financial Advisory services.
- (3) Upon cancellation or revocation of registration under sub-regulation (2), the IFA shall cease to provide Financial Advisory services with immediate effect
- (4) The Authority may specify, by circular or guideline, the procedure, consequences and reporting requirements relating to suspension, cancellation or revocation of IFA appointment.

SCHEDULE-I
OBLIGATIONS OF FINANCIAL INSTITUTIONS

1. Obligation of Financial Institution (FI)

The every eligible Financial institution shall

- (1) comply with the provisions of Principal regulations and guidelines, directions or circulars issued thereon by the Authority from time to time;
- (2) appoint or engage or empanel an IFA only in respect of such categories of financial services or financial products for which the FI holds a valid registration, or license issued by the Authority under the principal regulations.
- (3) be responsible for protection of interest of the Clients, awareness of the products/ services, induction training, education and skill upgradation of its IFAs, and shall ensure observance of the Code of Conduct by its IFAs under these regulations.

- (4) in case of the Financial Advisory services relating to specialized product(s), the specific skillset as may be additionally required for IFA from time to time.
- (5) may also specify additional code of conduct for its IFA, over and above what has been specified by the Authority under these regulations and it also shall be responsible for the implementation of the same by its IFAs.
- (6) conduct inspection and audit of its IFAs, on a periodic basis, through independent auditors as may be prescribed by the Authority from time to time.
- (7) submit an annual report relating to its activities as an FI to the Authority within a period of 90 days from the end of every financial year.
- (8) treat all its IFAs, and the applications for appointment or empanelment as an IFA in a fair and transparent manner.
- (9) conduct screening and certification tests for its IFAs as it may deemed fit.
- (10) make endeavors for introduction of best business practices amongst its IFAs.
- (11) act in utmost good faith and shall avoid conflict of interest in the conduct of its functions.
- (12) may discharge such other functions and obligations as may be specified by the Authority, from time to time.
- (13) ensure that, in acting through its IFAs, it does not engage in any conduct in relation to a service or product that is misleading, deceptive, or likely to mislead or deceive.
- (14) not advertise about financial products or services in a manner that is misleading, deceptive, or likely to cause confusion among consumers.
- (15) provide the Authority, whenever needed with an up-to-date list of the names and details of the IFAs empaneled or engaged or appointed or suspended or terminated by the FI.
- (16) upon satisfying the fulfillment of eligibility criteria by applicant Financial Adviser, shall make necessary entry at the online portal 'IFA Registry' maintained Market Infrastructure Institutions registered under IFSCA (KYC Registration Agency) Regulations, 2025. Upon successful registration, Unique Registration Number may be shared by Financial Institution with IFSC Financial Adviser.

(17) For this purpose, the Financial Institution shall engage such MII KRAs in such a manner as it may deem necessary.

SCHEDULE-II

GOVERNING NORMS OF FINANCIAL INSTITUTIONS

1. Governing norms of Financial Institution

- (1) An FI shall put in place a Policy, which is approved by its Board or any competent decision-making body, consistent with the provisions of the Act and these regulations, including the following governing norms for engagement of IFSC Financial Advisers:
 - (a) eligibility criteria for appointment or engagement or empanelment of IFAs by the FI;
 - (b) mechanism for resolving disputes between FI and IFAs appointed by the FI and / or between the FI and its Clients;
 - (c) procedure for proceeding against the IFA committing breach of the governing norms including provisions for suspension or cancellation of the appointment or empanelment of IFA by the FI;
 - (d) internal control standards including procedure for inspection, auditing, reviewing, monitoring and surveillance of its IFAs by the FI;
 - (e) code of conduct specifying standards to be followed by its IFAs while conducting their business, including suitability.
 - (f) obligation of the IFA to supply such information or explanation and to produce such documents relating to the business as the FI or the Authority may require from time to time;
 - (g) details of disciplinary action against its IFA by FI;
 - (h) contents and format of the annual report; and manner of maintaining accounts or records of the FI;
 - (i) reporting requirements to the Authority on quarterly basis about various aspects of its

functioning including policy initiatives, progress in registration, number of IFA admitted and disciplinary action taken against IFA, if any.

- (j) FIs shall have a sound risk management system tailored to the type of business they engage in and independent internal audit to review the governance of IFAs affiliated to them. FIs shall have detailed protocols for identifying and mitigating conflicts of interest between the FI, IFAs and its clients.
- (2) Where the Authority considers it expedient to do so, it may, by order in writing, direct a FI to make any governing norms or to amend or revoke any of them within such period as it may specify.
- (3) If any FI fails or neglects to comply with such order within the specified period, the Authority may make, amend or revoke the governing norms either in the form specified in the order or with such modifications as the Authority may consider fit in the interest of the IFSC ecosystem.

SCHEDULE-III

DISCLOSURE REQUIREMENTS FOR IFSC FINANCIAL ADVISERS

1. Disclosure requirements for IFA at time of making application:

- (a) Name, address (permanent and current), contact details.
- (b) Category of Financial Advisory services and products, for which financial advisory services are proposed to be provided.
- (c) Name of FI's with which IFA is registered previously, if any.
- (d) material interests, relationships, or associations, if any, with FI.
- (e) dispute resolution arrangements between FI and IFA.
- (f) Any other information which the applicant would like to disclose.
- (g) Educational qualification, date of birth proof, date of incorporation, certificate of

authorization from home regulator, if any, citizenship proof, certifications, professional or business experience relevant to performance of such Financial Advisory service.

- (h) disciplinary proceedings, if any, imposed in the past or pending at present if any, by any regulatory authority.
- (i) Any other information may be required by the FI or the Authority.

2. General disclosure requirements for IFA while providing financial advisory services

- (1) An IFA must disclose, to every Client and prospective Client, all material information relating to any financial services or financial products that the IFA recommends to such Client, including: -
 - (a) the terms and conditions of the financial services or financial products;
 - (b) the benefits to be, or likely to be, derived from the financial services or financial products, and the risks that may arise from such products and services;
 - (c) the premium, costs, expenses, fees or other charges associated with such services or products;
 - (d) any holding or position it has in the financial products or financial services/ that are the subject of its advice;
 - (e) any actual or potential conflict of interest arising from its association or connection with any issuer of services or products;
 - (f) all material information relating to the key features of the financial services or financial products, including their performance track record; and
 - (g) all relevant warnings and disclaimers contained in documents and advertising materials relating to the investment products recommended to the Client.
 - (h) such other information as the FI or Authority may prescribe from time to time.
- (2) An IFA, when providing financial advisory service, must exercise due care, diligence and

skills concerning appropriateness of advice that a financial adviser would exercise in the same circumstances.

- (3) An FI to ensure compliance with IFSCA Circular on “Complaint Handling and Grievance Redressal by Regulated Entities in the IFSC”.
- (4) No individual or an institution shall commence or hold himself or herself out as an IFA unless his or her name is entered into the IFA Registry by FI and maintained by the MII KRA.

SCHEDULE-IV

CODE OF CONDUCT FOR IFSC FINANCIAL ADVISER

1. Code of Conduct for IFA to be ensured by the Financial Institution

Every IFA shall abide by the Code of Conduct specified below :

- (1) shall comply with all applicable policies, terms, and conditions as specified by the FI.
- (2) shall provide complete and accurate disclosure to prospective Clients regarding its business operations, disciplinary record, terms and conditions of services, affiliations with other intermediaries, and any other material information required to enable Clients to make an informed decision on availing its financial advisory services.
- (3) shall act in a fiduciary capacity at all times and shall disclose any conflicts of interest as and when such conflicts arise.
- (4) shall not accept any remuneration, compensation, or benefit in any form from any person other than the FI in relation to the products or services for which financial advisory services are provided on behalf of FI.
- (5) shall ensure an arms-length separation between its financial advisory services and any other activities carried out by it.
- (6) shall not, on its own account and with knowledge, sell securities or investment products

to, or purchase securities or investment products from, its Clients.

- (7) shall ensure that, for the purpose of risk profiling:-
- (a) It obtains all information from the Client that is necessary to provide appropriate Financial Advisory services;
 - (b) It has a documented process to assess the level of risk the Client is willing and able to undertake;
 - (c) the assessed risk profile is communicated to the Client upon completion of the assessment; and
 - (d) Client information and risk assessment are reviewed and updated at regular intervals.
- (8) shall ensure that services provided is suitable to the Client's risk profile and aligned with the Client's objectives and financial circumstances.
- (9) shall ensure that all client funds and assets, if any, must be maintained with Financial Institution on whose behalf the IFA is rendering financial advisory services.
- (10) shall ensure compliance with the Continuing Professional Development requirements as specified under regulation 11 of these regulations.
- (11) shall treat its clients fairly having regard to their interests and needs and providing them with information before, during and after the point of sale that is accurate, clear, and not misleading.
- (12) shall strive to minimize the risk of sales which are not appropriate to customers' interests and needs and shall ensure that any advice given is of a high quality.
- (13) shall deal with customers' grievances and disputes in a fair and timely manner while protecting the privacy of information obtained from customers.
- (14) shall provide complete and accurate disclosure to prospective Clients regarding its business operations, disciplinary record, terms and conditions of services, affiliations with other intermediaries, and any other material information required to enable Clients to make an informed decision on availing its financial advisory services.

SCHEDULE-V

INDICATIVE LIST OF ALLOWED RETAIL PRODUCTS AT IFSC

1. An indicative list of allowed retail offerings at IFSC are mentioned below:

(1) Banking retail products:

- (i) Foreign Currency Savings Account,
- (ii) Foreign Currency Fixed Deposits,
- (iii) Loan Against Deposits, and
- (iv) cross-border remittance services etc.,

(2) Capital Markets retail investment offering in IFSC:

- (i) Direct trading in foreign listed equities,
- (ii) Access to International ETFs,
- (iii) Foreign currency bonds,
- (iv) Medium Term Notes,
- (v) Green Bonds and ESG Bonds,
- (vi) Depository Receipts,
- (vii) Structured Notes,
- (viii) Market Linked Debentures,
- (ix) Foreign Currency Futures & Options,
- (x) Interest Rate and Global Index Derivatives,
- (xi) IFSC Mutual Funds,
- (xii) Portfolio Management Services(through licensed intermediaries),
- (xiii) REITs and InvITs,
- (xiv) Private Equity and Venture Capital Funds,
- (xv) Hedge Funds,
- (xvi) Retails feeder AIF Structures,
- (xvii) Fund of Funds,
- (xviii) Offshore investment products and other capital market instruments under IFSCA regulations.

(3) Insurance retail products:

- (i) Foreign currency denominated Life Insurance,
- (ii) Foreign currency denominated Health Insurance,
- (iii) Foreign currency denominated Travel insurance,
- (iv) Foreign currency denominated General Insurance/ Non-Life Insurance subject to local jurisdictions,
- (v) Insurance linked pension schemes
- (vi) Annuity plans, etc.,

(4) Asset and Wealth Management Services and Foreign exchange & risk management products etc.,

2. Retail offerings in IFSC are limited to financial products and services expressly permitted under the IFSCA regulatory framework and are subject to eligibility conditions, foreign exchange regulations, investment limits (including Liberalized Remittance Scheme limits, wherever applicable), and product-specific prudential and conduct requirements
