



MASTER CIRCULAR

e.File No. IFSCA-PLNP/80/2024-Capital Markets

August 05, 2025

To,

All Research Entities in the International Financial Services Centres (IFSC)

Madam/Sir,

Sub: Master Circular for Research Entities in the IFSC

1. The IFSCA has notified International Financial Services Centres Authority (Capital Market Intermediaries) Regulations, 2025 (“CMI Regulations”) with the objective of providing the regulatory framework for registration, regulation and supervision of capital market intermediaries, operating in the international financial services centres in India.
2. The Authority hereby issues this Master Circular to specify the requirements or directions on various provisions pertaining Research Entities under the CMI Regulations.
3. This Master Circular is being issued in exercise of powers conferred by Sections 12 and 13 of the International Financial Services Centres Authority Act, 2019 read with regulation 45 of the CMI Regulations and shall come into force from the date of its issuance.

A copy of this circular is available on the website of the International Financial Services Centres Authority at www.ifsc.gov.in.

Yours faithfully,

Arjun Prasad
General Manager
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Master Circular for Research Entities

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CHAPTER - I: REGISTRATION PROCESS

1. Application through SWIT System

- 1.1. The Hon'ble Finance Minister, in the Union Budget for FY 2023-24 announced - *"Implementation of a single window IT-enabled system for application processing of entities desirous of setting up operations in GIFT IFSC to improve the Ease of Doing Business (EoDB)."*
- 1.2. Towards this end, IFSCA has operationalised a Single Window IT System (SWIT System/ SWITS), which, inter-alia, contains a Common Application Form (CAF), created by merging several existing forms including business-specific Annexure Forms. The SWITS aims to harmonise and simplify the process of submission of application under the Acts specified under the First Schedule of the IFSCA Act, 2019, including any regulations or framework issued thereunder, in addition to the Special Economic Zones (SEZ) Act, 2005. The Application Form (Form-FA) for seeking Letter of Approval (LoA) from the Administrator (IFSCA) under the SEZ Act, 2005 is also the part of the SWITS and is integrated with the SEZ Online System.
- 1.3. Apart from this, the SWITS also integrates within itself a No objection Certificate (NoC) processing module that will ease the process of obtaining NOCs, wherever necessary, from the appropriate regulators viz. RBI, SEBI and IRDAI. In addition, SWITS also provides the facility for an entity to apply for Goods and Services Tax Number (GSTN), thereby simplifying the tax registration for businesses. Further, SWITS also enables the online payment of fees in USD for entities desirous of setting up operations in IFSC.
- 1.4. The link for accessing the SWITS platform is <https://swit.ifsc.gov.in>.
- 1.5. An entity desirous of seeking registration as a Research Entity with the Authority shall submit/file its applications exclusively through SWITS¹ for seeking-
 - 1.5.1. Registration as a Research Entity under the provisions of the IFSCA (Capital Market Intermediaries) Regulations, 2025
 - 1.5.2. Approvals from SEZ Authorities and registration from GSTN; and
 - 1.5.3. NoC/requisite approval from appropriate regulators.
- 1.6. For more details, please refer to the circular titled "[Single Window IT System inter-alia for registration and approval from IFSCA, SEZ authorities, GSTN, RBI, SEBI and IRDAI](#)" issued by IFSCA on September 30, 2024 in this regard.

¹ Regulation 5 of IFSCA (Capital Market Intermediaries) Regulations, 2025.

2. Payment of Fees

- 2.1. An applicant seeking registration as Research Entity under the CMI Regulations shall pay the application fee, as specified in Schedule-I of the circular titled "[*Fee structure for the entities undertaking or intending to undertake permissible activities in IFSC or seeking guidance under the Informal Guidance Scheme*](#)" ("IFSCA Fee Circular") dated April 08, 2025, read with circular titled "[*Clarifications on the Fee structure for the entities undertaking or intending to undertake permissible activities in IFSC or seeking guidance under the Informal Guidance Scheme*](#)" dated April 23, 2025, at the time of making an application to the Authority. If an application is not accompanied by the mandated application fee, such an application shall not be considered by the Authority.
- 2.2. On intimation of the decision by the Authority to grant in-principle approval, the applicant shall, within 15 days of such an intimation, pay the applicable registration fees as specified in Schedule-I of the IFSCA Fee Circular.
- 2.3. In those cases where the applicant fails to pay the requisite registration fees within the specified time, it shall be presumed that the applicant does not wish to continue the process. In such a case, the Authority may at its discretion reject the application. An application once rejected, shall be treated as non-est. The rejection of the application, however, shall not render the entity ineligible for making a fresh application.
- 2.4. In case the Authority decides not to grant a registration to an applicant to whom a provisional / in-principle approval has been granted, the fees paid by the applicant towards obtaining licence, registration, recognition or authorization fee shall not be refunded.
- 2.5. The fees as specified in the Schedule-I of the IFSCA Fee Circular shall be paid to the following account of the Authority in USD:

Account Name: **International Financial Services Centres Authority**

Account Number: **970105000174**

Type of Account: **USD Current Account**

Bank Name: **ICICI Bank Limited**

SWIFT Code: **ICICINAAXXX**

NOSTRO Details: **CHASUS33XXX**

JP MORGAN CHASE BANK NA, NEWYORK, USA

Account no: 833999532

- 2.6. An applicant **from India (other than an entity already set up in IFSC)** desirous of getting registration from the Authority shall have the option to pay **only the application fee and registration fee**, as specified in the Schedule-I of the IFSCA Fee Circular, in **INR** into the following account of the Authority:

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

- 2.7. For the entities remitting the fees in INR, the RBI reference rate for USD-INR, for the date on which the remittance is being made, shall be applicable. The RBI reference rate is available at the URL:

<https://www.rbi.org.in/scripts/ReferenceRateArchive.aspx>

- 2.8. The applicable fee shall be paid in full, as indicated in the IFSCA Fee Circular, net of any deductions or charges. All applicable charges towards remittance of the amount shall be borne by the applicant / Research Entity.
- 2.9. After the payment of the applicable fees, the applicant / Research Entity shall submit the documentary evidence of such a payment to the Authority, along with the details of such a payment in the form and manner specified at Schedule-II of the IFSCA Fee Circular.
- 2.10. All dues or fees payable to the Authority shall be paid by the applicant / Research Entity either from the bank account of the entity or that of its KMPs. In case the payment has been made from the account of the KMPs, the same shall be informed to the Authority during submission of the documentary evidence. However, in case of an initial payment of application and registration fee, such an amount can be paid either by the parent or the promoter of the applicant.
- 2.11. A Research Entity shall pay annual fee and other applicable fees in accordance with the IFSCA Fee Circular.

CHAPTER - II: VALIDITY OF REGISTRATION

3. Certificate of registration

- 3.1. The certificate of registration granted to a research entity shall be perpetual unless it is suspended or cancelled by the Authority.²
- 3.2. A Research Entity shall, at all times, ensure that they hold valid and subsisting³:
 - 3.2.1. Certificate of Registration issued by the Authority under the CMI Regulations; and
 - 3.2.2. Letter of Approval (LoA) under the Special Economic Zones Act, 2005.
- 3.3. It may also be noted that the expiry of the Letter of Approval (having validity of 1 year, if business not commenced; or 5 years, after commencement of business) or failure to renew it in a timely manner, may lead to appropriate enforcement action, including cancellation of the registration granted under the CMI Regulations.
- 3.4. The Research Entity shall ensure compliance with the Circular titled "[*Direction for all Regulated Entities*](#)" dated April 03, 2025 issued by the Authority.

² Regulation 13 of IFSCA (Capital Market Intermediaries) Regulations, 2025

³ Reference: IFSCA Circular No. IFSCA-LPRA/9/2024-Legal and Regulatory Affairs dated April 03, 2025

CHAPTER - III: PERMISSIBLE ACTIVITIES

4. Permissible Activities

- 4.1. A Research Entity registered with the Authority (“the Research Entity”) under the CMI Regulations may, for consideration, provide or publish “research report⁴” with respect to securities as permitted under the CMI Regulations.

Provided that where a Research Entity engages in issuance of research report or research analysis in respect of any securities listed or proposed to be listed on a stock exchange in India⁵, such services may be provided only to a non-resident⁶ client and in compliance with the requirements specified by SEBI under regulation 4 of the SEBI (Research Analysts) Regulations, 2014 and circulars/ guidelines issued thereunder.

- 4.2. The Research Entity shall obtain registration, authorisation or license, as applicable, from the Authority under appropriate Regulations for undertaking any other activity in the IFSC.

⁴ As defined in the IFSCA (Capital Market Intermediaries) Regulations, 2025

⁵ Domestic India

⁶ As defined under the Foreign Exchange Management Act, 1999 and Rules and regulations made there under

CHAPTER - IV: GOVERNANCE⁷

5. Principal Officer

- 5.1. The Research Entity shall have a Principal Officer based out of the IFSC in compliance with the qualification and educational requirements as specified in the CMI Regulations.
- 5.2. The Principal Officer shall be responsible for overall activities of a Research Entity in the IFSC.
- 5.3. Where a Research Entity is having multiple registrations under the CMI Regulations, a separate principal officer shall be appointed/ designated for its research related activities.

6. Compliance Officer

- 6.1. The Research Entity shall have a Compliance Officer based out of the IFSC in compliance with the qualification and educational requirements as specified in the CMI Regulations.
- 6.2. Where a Research Entity is having multiple registrations under the CMI Regulations, the entity the entity may have the same person as compliance officer for ensuring compliances with all the applicable regulatory and legal requirements for its activities as capital market intermediary in the IFSC.

⁷ Regulation 9 of the IFSCA (Capital Markets) Regulations. 2025

CHAPTER - V: CODE OF CONDUCT

7. Code of Conduct

- 7.1. A Research Entity shall establish a Code of Conduct based on Schedule II of the CMI Regulations.

CHAPTER - VI: KYC AML & CFT GUIDELINES

8. KYC AML & CFT Guidelines

- 8.1. The Research Entity shall comply with the IFSCA (Anti Money Laundering, Counter Terrorist-Financing and Know Your Customer) Guidelines, 2022 (as amended) and circular and directions issued thereunder by the Authority from time to time.
- 8.2. The Research Entity shall ensure that the registration on FIU-IND FINGate 2.0 portal (FIU-IND Portal) is completed prior to commencement of business and in case of an urgency to commence business, the registration shall be completed within 30 days from the date of commencement of business.
- 8.3. The Research Entity shall also ensure that any addition or modification to their Line of Business is updated on the FIU-IND portal within a period of thirty days from the date of commencement of such an additional Line of Business.
- 8.4. The Research Entity shall comply with the circular titled "[Registration on FIU-IND FINGate 2.0 portal for compliance with International Financial Services Centres Authority \(Anti Money Laundering, Counter-Terrorist Financing and Know Your Customer\) Guidelines, 2022](#)" issued by the Authority on February 25, 2025 and such other guidelines issued by the Authority from time to time.

CHAPTER - VII: GENERAL GUIDELINES FOR RESEARCH ENTITIES⁸

9. Conflict of Interest

- 9.1. In terms of Code of Conduct provided under Schedule II of the CMI Regulations, the Research Entity shall avoid conflict of interest and make adequate disclosure of its possible conflict of interest and duties and shall put in place a mechanism to resolve any conflict-of-interest situation.
- 9.2. As specified in regulation 36(1) of the CMI Regulations, the Research Entity shall have written internal policies and control procedures governing the dealing and trading by any employee for:
 - 9.2.1. addressing actual or potential conflict of interest arising from such dealings or trading of securities of subject company;
 - 9.2.2. promoting objective and reliable research that reflects unbiased view of research analyst; and
 - 9.2.3. preventing the use of research report or research analysis to manipulate the financial market.
- 9.3. As specified in regulation 36(2) of the CMI Regulations, the Research Entity shall ensure that the internal procedures and or controls designed to manage actual or potential conflicts of interest are based on the nature, scale and complexity of the business.
- 9.4. As specified in regulation 36(3) of the CMI Regulations, the Research Entity shall ensure that the conflicts of interest are identified and adequately addressed so that the quality of the research report is not compromised.

10. Transparency and Disclosures

- 10.1. The Research Entity shall disclose any material interests or relationships that may create a conflict of interest in its research reports including details on financial interests, ownership in the subject company, or any material business relationships.
- 10.2. Additionally, the Research Entity must ensure its research reports are clear, concise, and specific, allowing investors to understand the potential impact of conflicts of interest on the research's objectivity.
- 10.3. The Research Entity shall disclose in the report if the research entity or the research analyst or his associate or his relative has:

⁸ Regulation 36 and Schedule II of the IFSCA (Capital Markets) Regulations. 2025

- 10.3.1. any material financial interest in the subject company and the nature of such financial interest;
- 10.3.2. beneficial ownership of one or more per cent. of the securities of the subject company;
- 10.3.3. any material business relationship with the subject company over the past 12 months that may result in conflict of interest; and
- 10.3.4. any other material conflict of interest relating to the subject company.

11. Independence and Personal Trading

- 11.1. The Research Entity shall have in place appropriate mechanisms to ensure independence of its research activities from its other business activities and shall establish, implement and enforce policies and procedures for personal trading by its analysts and their associates. Personal trading activities of the individuals employed as research analyst by research entity shall be monitored, recorded and wherever necessary, shall be subject to a formal approval process.
- 11.2. The policy shall ensure that an analyst does not trade for himself in a manner that is contrary to his outstanding research recommendations, except in special circumstances, where the analyst shall be required to obtain prior written approval for each trade. The Research Entity shall also ensure that the remuneration of analysts is structured in a way to avoid any bias in his research analyses and recommendations.
- 11.3. The Research Entity shall ensure that there are robust and effective barriers between the entity and other business dealings of the entity or its group entity to ensure independence and objectivity of the research reports.

12. Research Report Standards

- 12.1. The Research Entity shall ensure that all research reports are based on reliable information and backed by a solid documentary foundation and shall also ensure that the information provided in the report is complete, concise and specific such that investors can understand the actual or potential conflicts of interest and their likely impact on the quality of the research report published.
- 12.2. The Research Entity shall also ensure that the terms and recommendations in the reports should be consistently defined. Where a research entity employs a rating system, it must clearly define the meaning of each such rating including the time horizon and benchmarks on which a rating is based.

13. Maintenance of records

- 13.1. The Research Entity shall maintain and preserve books of account, records and documents, in electronic retrieval form for a minimum of eight years in terms of the requirements specified under regulation 16 of the CMI Regulations.
- 13.2. The Research Entity shall maintain relevant records and documents relating to its research activities for a minimum of eight years.

CHAPTER - VIII: OUTSOURCING

14. Outsourcing

- 14.1. In terms of Code of Conduct provided under Schedule II of the CMI Regulations, the Research Entities are required to have an internal policy for outsourcing of its activities from outside of IFSC.
- 14.2. The Research Entity shall have an internal policy on outsourcing of activities prior to commencement of operations and the Research Entity shall ensure compliance with the policy at all times.

CHAPTER - IX: COMPLAINT HANDLING AND GRIEVANCE REDRESSAL

15. Complaint Handling and Grievance Redressal

- 15.1. Regulation 18 of the CMI Regulations require that the capital market intermediaries in the IFSC shall take adequate steps for redress of grievances of the investors in accordance with the requirements as may be specified by the Authority.
- 15.2. The Research Entity shall comply with the applicable norms and requirements relating to handling of consumer complaints specified by the Authority by way of circular titled "[Complaint Handling and Grievance Redressal by Regulated Entities in the IFSC](#)" dated December 02, 2024 read with circular titled "[Extension of timeline for implementation of the Circular titled "Complaint Handling and Grievance Redressal by Regulated Entities in the IFSC" dated December 02, 2024](#)" issued on January 13, 2025.

CHAPTER - X: CHANGE IN CONTROL

16. Operating in the IFSC in Branch Structure

16.1. In terms of regulation 23(1) of the CMI Regulations, the Research Entity shall intimate the Authority, within fifteen days of any direct or indirect change in control of the intermediary.

17. Research Entities incorporated in the IFSC

17.1. In terms of regulation 23(2) of the CMI Regulations, the Research Entity shall seek prior approval of the Authority, in case of any direct or indirect change in control of the entity.

18. Information to be submitted while seeking prior approval or submitting intimation regarding change in control

18.1. The Research Entity shall provide the following information while submitting application for seeking prior approval of IFSCA or submitting intimation to IFSCA regarding change in control:

18.1.1. Details of new shareholders / entities exercising control over the entity along with number of shares, per cent. of shares etc.;

18.1.2. A declaration that the new shareholders/ entities exercising control are “fit and proper” in accordance with the criteria specified under regulation 8 of the CMI Regulations;

18.1.3. Details of any material regulatory action taken or pending against the Research Entity or any of its controlling shareholder or director or designated partner by any financial sector regulator in the last three years.

18.1.4. A confirmation that all fees due to IFSCA as per the IFSCA Fee Circular has been paid

18.1.5. Number of investor complaints pending, if any, at the time of filing application/ intimation.

18.1.6. Details of ongoing material litigations, if any.

18.1.7. Copies of board resolution and shareholder resolution, as applicable, relating to change in control.

CHAPTER - XI: PERIODIC REPORTING

19. Quarterly Reporting

- 19.1. The Research Entity shall submit reports to the Authority on a quarterly basis in accordance with the requirements specified under the circular titled "[*Reporting Norms for Capital Market Intermediaries*](#)" dated February 08, 2024 (as amended from time to time).
- 19.2. The Research Entity shall furnish such information, documents, or records as may be specified by the Authority from time to time.

20. Annual Compliance Audit

- 20.1. In terms of regulation 25 of the CMI Regulations, the Research Entity shall have an annual audit conducted in respect of compliance with the CMI Regulations by a 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 or any person authorised to conduct audit in a Foreign Jurisdiction.
- 20.2. A copy of such compliance audit report for a financial year shall be furnished to the Authority by the 30th of September of such year.
- 20.3. The Research Entity shall have additional audits and submit such reports as may be specified by the Authority from time to time.

CHAPTER - XII: CYBER SECURITY AND CYBER RESILIENCE

21. Cyber Security and Cyber Resilience

21.1. In terms of regulation 21 of the CMI Regulations, the Research Entity shall have robust cyber security and cyber resilience framework in accordance with the requirements as may be specified by the Authority.

21.2. The Research Entity shall comply with the guidelines specified under the circular titled "[Guidelines on Cyber Security and Cyber Resilience for Regulated Entities in IFSCs](#)" dated March 10, 2025. As mentioned in the said circular, the implementation of these Guidelines shall be undertaken in accordance with the principle of proportionality, after taking into due consideration:

21.2.1. the scale and complexity of operations,

21.2.2. the nature of the activity the entity is engaged in,

21.2.3. its interconnectedness with the financial ecosystem and

21.2.4. the corresponding cyber risks the entity is exposed to.

CHAPTER - XIII: SURRENDER OF REGISTRATION

22. Surrender of Registration

- 22.1. In terms of regulation 14 of the CMI Regulations, a Research Entity may file an application with the Authority for surrender of its registration.
- 22.2. The Research Entity shall provide the following information while submitting application for surrender of registration:
- 22.2.1. Details of registration;
 - 22.2.2. Original Certificate of Registration (if issued in physical form);
 - 22.2.3. List of all activities that are being carried out by the entity;
 - 22.2.4. Details of registration in any other capacity with IFSCA;
 - 22.2.5. List of controlling shareholders and directors / designated partners;
 - 22.2.6. Details of any material regulatory action taken or pending against the Research Entity or any of its controlling shareholder or director / designated partner by any financial sector regulator in the last three years;
 - 22.2.7. Details of ongoing material litigations, if any;
 - 22.2.8. Copies of board resolution and shareholder resolution, as applicable, relating to surrender of registration;
 - 22.2.9. Reasons for surrender of registration; and
 - 22.2.10. Undertakings as under:

Whether any disciplinary proceeding is pending against the Applicant	
Whether any investigation/adjudication/ enquiry by IFSCA is pending against the applicant or its controlling shareholders and directors / designated partners	
Whether as on date of application all fees have been paid and also mention the date of next due date of payment of fee	
Whether any arrangements made by the applicant for maintenance and preservation of records and other documents required to be maintained under the relevant regulations /guidelines of IFSCA	

Whether any arrangements made by it for ensuring continuity of service to the clients	
Whether any arrangements made to transfer its activities to another intermediary holding a valid certificate of registration to carry on such activity	
Whether there are any investor complaints pending against the applicant as on the date of application	