



CIRCULAR

F. No. IFSCA-IF-10PR/7/2024-Capital Markets/10042026

April 10, 2026

To,

All Fund Management Entities in International Financial Services Centres (IFSCs)

Dear Sir / Madam,

Subject: Governance and oversight of Schemes in IFSC - Segregation of the role of Fiduciaries

1. Reference may be drawn to sub-regulation (2) of regulation 17 of the International Financial Services Centres Authority (Fund Management) Regulations, 2025 ("FM Regulations") which mandates that Fund Management Entities (FMEs) shall appoint fiduciaries which includes trustees in case of a scheme set up in the form of a trust, board of directors for the scheme set up in the form of a company, and designated partners for the scheme set up in the form of a Limited Liability Partnership (LLP).
2. Further, reference may also be drawn to regulation 17(5) of the FM Regulations, which mandates that the fiduciaries shall abide by the Code of Conduct and obligations, specified in the Third Schedule, which *inter-alia* provides that fiduciaries shall at all times render high standards of service, exercise due diligence, ensure proper care, and exercise independent professional judgment.



3. In this context, it is hereby clarified that a FME shall not appoint an entity acting as a fiduciary to a scheme, to provide fund administration, valuation, audit, and lending or financing services to that scheme, either directly or through its associate.

4. Accordingly, for the schemes which have already been taken on record by the Authority or filed with the Authority as on the date of issuance of this Circular, the FMEs shall take necessary steps to comply with the provisions of this Circular by **September 30, 2026**.

5. This Circular is issued in exercise of the powers conferred under Sections 12 and 13 of the International Financial Services Centres Authority Act, 2019, read with regulation 146 of the International Financial Services Centres Authority (Fund Management) Regulations, 2025, and shall come into force with immediate effect.

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

Yours faithfully,

Sd/-

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