GRC BULLETIN

OCTOBER - 2025, VOLUME: II

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Circular regarding the recent revised GST rate Structure

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INDUSTRY SPECIFIC

Authority

International Financial Services Centres Authority (IFSC Authority)

Circular Date

Sep 29, 2025

Circular Number

F. No. IFSCA/GN/2025/010.

Effective Date

Oct 13, 2025

INDUSTRY SPECIFIC

IFSCA - INTERNATIONAL FINANCIAL SERVICES CENTERS AUTHORITY (PAYMENT AND SETTLEMENT SYSTEMS) (AMENDMENT) REGULATIONS, 2025

Applicability : All regulated payment system entities and participants

Introduction

On 29th September 2025, the IFSC Authority issued the *International Financial Services Centres Authority (Payment and Settlement Systems) (Amendment) Regulations, 2025*, amending the earlier 2024 Regulations.

The amendment is made under the powers conferred by sub-section (1) of section 28 read with sub-sections (1) of sections 12 and 13 of the IFSC Authority Act, 2019, and section 34B read with sub-section (1) and clauses (b) to (f) of sub-section (2) of section 38 of the Payment and Settlement Systems Act, 2007. The change chiefly revises the definition of "Board" in regulation 3(1)(d) of the 2024 Regulations to refer to the "Payments Regulatory Board constituted under sub-section 2 of section 3 of the Act".

Key Features of the Amendment

- The amendment regulations are titled the *International Financial Services Centres Authority (Payment and Settlement Systems) (Amendment) Regulations, 2025*.
- They come into force **on the date of their publication in the Official Gazette** (i.e., 29th September 2025).
- **Amendment to earlier regulation**: In the 2024 Regulations, regulation 3(1)(d) is replaced to read:

  "(d) 'Board' means the Payments Regulatory Board constituted under sub-section 2 of section 3 of the Act"
- This clarifies that the "Board" referenced throughout the Regulations is the formal Payments Regulatory Board within IFSC jurisdiction, enhancing regulatory clarity.
- The amendment does **not** introduce a wide array of new regulatory obligations beyond this definition change, but the definition change has significance for governance and oversight of regulated payment systems under the IFSC regime.

Importance and Benefits

- **Governance clarity**: By formally defining "Board" to mean the Payments Regulatory Board under the Act, the regulatory framework for payment and settlement systems under the IFSC regime becomes more precise.

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- **Regulatory certainty for participants**: Entities operating payment systems within the IFSC jurisdiction now have clearer reference to the supervisory body and its role, reducing ambiguity.
- **Alignment with statutory structure**: The amendment aligns the 2024 Regulation text with statutory provisions in the IFSC Authority Act, 2019 and the PSS Act, 2007, thereby strengthening the legislative-regulatory congruence.
- **Minimal disruption**: Since the change is limited in scope (definition clarification), it limits compliance burden on existing players while achieving governance enhancement.

Conclusion

The *IFSC Authority (Payment and Settlement Systems) (Amendment) Regulations, 2025* mark a focussed yet important step in refining the regulatory architecture for payment systems within the IFSC environment. Regulated entities and participants are encouraged to review the amended definition, ensure references and internal governance align with the revised regulation, and continue compliance with underlying obligations under the PSS Act, 2007 and the IFSC Authority Act, 2019.

SOURCE: Click here for more details

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