

# INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY

(Framework for FinTech Entity in the IFSCs)

## *Annexure -III*

### Application Form for IFSCA FinTech Regulatory / Innovation Sandbox

<b>1. Applicant's Information</b>		
<b>Sr. No.</b>	<b>Description</b>	<b>Response</b>
1.1	Name of the Applicant, complete address of the registered office and principal place of business of the applicant, if any	
1.2	Legal form of the applicant	
1.3	Date of Incorporation and date of commencement of business of the applicant	
1.4	Country(ies) in which the Applicant operates	
1.5	Shareholding pattern of the applicant	
1.6	Financial Standing of the applicant, including any funding raised and avenues for funding	
1.7	Name, address and profile of Directors/Chief Executives/Key Manager Personnel	
1.8	Corporate identification number or any document of similar nature and Registration no. (if registered with a regulator)	
1.9	Details of the Authorized Representative: a) Name b) Designation c) Contact No d) Email id	
1.10	Details on following, if any a) Affiliation to prominent societies b) Accreditations c) Significant achievements	
1.11	Does the applicant have a presence in India/ IFSC? If yes then please provide details	
1.12	Is the applicant business already active in IFSC or overseas? If yes then please provide details.	
1.13	Legal and regulatory status of the applicant (registration, licensing, authorization, approval, recognition etc.) with regulators in India or overseas	

1.14	Current orders or proceedings pending against the applicant in India/IFSC and abroad (if any)	
<b>2. Details of the Proposed Solution to be tested in Sandbox</b>		
<b>Sr. No.</b>	<b>Description</b>	<b>Response</b>
2.1	<p><b>Details of the proposed FinTech solution, including :</b></p> <ul style="list-style-type: none"> <li>i. Objective of the proposed FinTech solution and the problem statement to be addressed.</li> <li>ii. Details how the solution constitutes a significantly different offering in the market place (genuineness of innovation)</li> <li>iii. Benefits of the proposed financial service/product, and how these are enabled by the technology innovation</li> <li>iv. Key benefits to the users and markets</li> <li>v. Awareness and Assessment of a similar offering prevalent in other jurisdictions</li> </ul>	
2.2	<p><b>Business model and Use Cases.</b></p> <p>For each use case, provide an end-to-end illustration on how the proposed FinTech solution will be made available, including where applicable:</p> <ul style="list-style-type: none"> <li>i. The interactions and money flows between the applicant, the applicant's target customers and the applicant's business partners (if any).</li> <li>ii. The entity that will be holding the applicant's customers' monies.</li> <li>iii. The remuneration structure of the applicant and the applicant's business partners (if any).</li> <li>iv. Asset deployment and sources of revenue</li> <li>v. Target users</li> <li>vi. Compliance obligations</li> <li>vii. Time period for testing</li> </ul>	

2.3	<b>Summary of the Technical Solution including but not limited to:</b> <ul style="list-style-type: none"> <li>i. Technical architecture</li> <li>ii. Usage of Artificial Intelligence and Machine Learning, if any</li> <li>iii. Cyber resilience: VAPT results, if any</li> <li>iv. Certification from Common Criteria Recognition Arrangement (CCRA), if any</li> <li>v. Business Continuity Plan, if any</li> <li>vi. Relevant certifications, if any</li> </ul>	
<b>3. Sandbox Readiness: Details of the proposed Sandbox Design</b>		
Sr. No.	Description	Response
3.1	Illustrate the aspect of the FinTech solution that will be tested, including specific testing of technological innovation in the proposed solution.	
3.2	The test criteria and expected outcomes	
3.3	Describe the experiments and use case that will be tested in the sandbox	
3.4	Define success for a test and the Key Performance Indicators that would be used to monitor and assess the progress of the experiment.	
3.5	Readiness of the prototype and development timeline, including an estimate on the readiness to provide an end-to-end demonstration of the proposed FinTech solution  (Tentative start and end date of sandbox testing)	
3.6	<b>Details of users including but not limited to:</b> <ul style="list-style-type: none"> <li>i. Number of participating customers</li> <li>ii. Profile of customers (retail, institutional, etc.)</li> <li>iii. Process for enrollment and acquisition of customers</li> <li>iv. Requirement of KYC</li> <li>v. User awareness required/conducted</li> </ul>	

	<ul style="list-style-type: none"> <li>vi. Whether consent required /has consent been obtained</li> <li>vii. Arrangements to limit loss if applicable e.g. Margin, stop loss thresholds etc.</li> <li>viii. User compensation if any</li> <li>ix. Value at risk per user</li> <li>x. Transaction thresholds per user</li> </ul>	
3.7	Describe the Controls to be put in place to manage risk and failure in the sandbox including money laundering, terrorism financing, technology risk etc	
<b>4. Deployment post-testing</b>		
<b>Sr. No.</b>	<b>Description</b>	<b>Response</b>
4.1	Describe how the regulatory requirements will be met post successful sandbox testing	
4.2	Provide a deployment strategy post successful sandbox testing including the timelines for full scale deployment	
4.3	Provide a clear strategy to monitor the outcomes in the live scenario	
4.4	Provide exit and transition strategy if the deployed solution turns unviable and the tests are unsuccessful	
<b>5. Details of the applicable IFSCA legal/regulatory requirements and the relaxation sought to deliver the proposed FinTech solution</b>		
<b>Sr. No.</b>	<b>Description</b>	<b>Response</b>
5.1	State all the legal and regulatory requirements (rules, regulations, guidelines, circulars etc) applicable on the applicant	
5.2	State the specific legal and regulatory requirements that the applicant is seeking IFSCA to relax for the duration of the sandbox, and provide justifications	
5.3	Include a legal opinion, if available, from a qualified legal practitioner on the relevant laws administered by IFSCA to the facts of the case	
5.4	Describe how the applicant intends to meet the all legal and regulatory requirements before exiting the sandbox	

**6. Declaration to be submitted by the applicant in the following format on its letter head and the same shall be duly signed by an Authorized signatory, or compliance officer in the case of a company or startup.**

We hereby solemnly declare and agree that:

- (1) the information submitted in the application, including the attachment sheets, is complete and true and the supporting documents enclosed therewith are authentic and true copy of the original.
- (2) we shall notify the International Financial Services Centres Authority immediately of any material change in the information provided in the application.
- (3) as a condition of Authorization, we shall abide by regulations, guidelines and such operational instructions/directives as may be issued by the International Financial Services Centres Authority from time to time.

**For and on behalf of M/s \_\_\_\_\_**

**AUTHORISED SIGNATORY**  
*with seal*

Date:

Place:

**7. The application complete in all aspects shall be submitted at fe-sandbox@ifsc.gov.in, through electronic mail.**

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## Division of FinTech

### Supporting Documents - Checklist

Sr.No	Checklist Item (all documents to be signed and stamped by Authorised Representative)						
1	<p><b>Incorporation and Commencement of Business documents:</b></p> <p><u>For Indian Entity:</u></p> <ul style="list-style-type: none"> <li>• in case of a Company – Certificate of Incorporation and Commencement of Business</li> <li>• in case of Limited Liability Partnership (LLP)/ Partnership firm - Certificate of Registration</li> </ul> <p><u>For Foreign Entity:</u></p> <ul style="list-style-type: none"> <li>• Incorporation and Commencement of Business documents as applicable</li> </ul>						
2	<p><b>Constitutional Documents:</b></p> <p><u>For Indian Entity:</u></p> <ul style="list-style-type: none"> <li>• in case of a Company - Memorandum of Association and Article of Association</li> <li>• in case of Limited liability partnership (LLP)/ Partnership - LLP Agreement/ Partnership Agreement</li> </ul> <p><u>For Foreign Entity:</u></p> <ul style="list-style-type: none"> <li>• Relevant constitutional documents as applicable</li> </ul>						
3	<p><b>Copy of the Resolution passed by the Applicant authorizing its Director(s)/Designated Partner(s)/ Authorized Person(s) as applicable, for enabling the Applicant to make an application to IFSCA (under Sandbox/Authorisation), and thereby executing, or providing necessary documents on behalf of the Entity to IFSCA, from time to time</b></p>						
4	<p><b>Application form and all the relevant Annexures</b> being submitted to be <b>Signed and stamped</b> (i.e. Company Rubber stamp), <b>by the person Authorised as per Board Resolution</b> mentioned in point no 3. above</p>						
5	<p><b>Self-Attested Proof of Identity and Proof of Address (KYC) of Founder/ Directors (in executive role) and Authorised Signatory (mentioned in the Application form)</b></p>						
6	<p><b>Following details of the Application Fees paid by the Applicant:</b></p> <table border="1" style="width: 100%; border-collapse: collapse; margin: 10px 0;"> <thead> <tr> <th style="text-align: center;">Date of remittance</th> <th style="text-align: center;">Amount</th> <th style="text-align: center;">Details of SWIFT MT 103 or UTR of the transaction)</th> </tr> </thead> <tbody> <tr> <td style="height: 20px;"> </td> <td> </td> <td> </td> </tr> </tbody> </table> <p><b>Application fees:</b></p> <ul style="list-style-type: none"> <li>• for Authorisation for all the Applicants (Indian / Foreign): USD 500</li> <li>• for Limited Use Authorisation for Foreign Applicants: USD 100</li> </ul> <p>For payment of fees, request you to kindly <a href="#">click here</a> to refer IFSCA Circular on fees as amended.</p>	Date of remittance	Amount	Details of SWIFT MT 103 or UTR of the transaction)			
Date of remittance	Amount	Details of SWIFT MT 103 or UTR of the transaction)					
7	<p><b>(i) Latest Shareholding pattern in the below-mentioned format for the :</b></p>						

**Sr.No Checklist Item (all documents to be signed and stamped by Authorised Representative)**

- a. applicant  
b. holding/subsidiary/ associate Company, if applicable

Instrument	Name of the Shareholder or Investor	Nationality for Individual shareholders/ Country of Registration for Institutional Investors	Amount Invested (and Currency)	Latest Holding (as on_____) %
Equity Shares				
Preference /Convertible	-			
Others	-			
<b>TOTAL</b>				

- (i) **KYC documents of person(s) holding more than 10% or more shares in the Applicant Company.**  
(ii) **If any Partnership /Companies/Trust/Entity holds more than 10% or more shares in the Applicant Company, their shareholding break-up in the above format as specified in point no 7(i); and**  
(iii) **KYC proofs for such aforesaid entities and the UBO:**

<b>In case of Company</b>	Documents as mentioned in point no 1 and 2 above and KYC documents of executive directors
<b>In case of LLP</b>	Documents as mentioned in point no 1 and 2 above and KYC documents of designated partners
<b>In case of Trust</b>	Pan, Registration and Trust Deed. KYC of trustees, settlors etc.

- 8 Technical documents (As Applicable):**
- Technical architecture including deployment diagram
  - Technology stack for Front-end, Back-end, Middleware and database
  - Usage of Artificial Intelligence, Machine Learning or Decentralized Ledger Technology / Blockchain if any
  - Details of any Intellectual Property Rights (whether applied/granted) with relevant documents.
  - Security Assessment report/ VAPT Audit report and certificate by cert-in empaneled auditor.
  - Relevant ISO certificates.
  - Technology readiness level of the product being proposed

- 9 Additional Documents (As Applicable) :**
- Pitch deck/Concept Note of the activities that are proposed for Authorization/ Sandbox, technicalities, road map, an overall business model considering the context of GIFT IFSC, employment planned in GIFT-IFSC, etc.
  - Audited Financials for the last 3 FY's
  - In case of Authorization – additional details about each of the activities proposed (like, the revenue generated, and existing geographies of the activities, top customers, targeted customers post Authorization from GIFT – IFSC and geographies planned, etc)

Sr.No	Checklist Item (all documents to be signed and stamped by Authorised Representative)
	iv. <b><u>In case of Limited Use Authorization – MoUs/Agreements with Financial Institutions as applicable for the sandbox activity.</u></b> v. Licenses/Authorizations/Approvals obtained from Regulator(s) in Domestic and/or Foreign Jurisdiction(s) vi. Details about Pilot(s) done in Domestic and/or Foreign Jurisdiction(s)
10	<b>Certificate of Good Standing</b> (as may be applicable for Foreign Entities)
11	<b>Declaration on the letterhead</b> signed by Authorised Signatory, stating that no regulatory, statutory, or any kind of action, penalty, fine etc., has been taken/imposed against the Company, its Related Entities, Group, and Interlinked Companies or any of its Promoter(s), Director(s)/ Designated Partner(s), Key Managerial Person(s), Authorised Person(s) by any of the law enforcement/ regulatory agencies, Regulatory Body, Ministry, Authority, etc. in any Jurisdiction, or any of them are/ were undergoing/ involved in any investigation/ disciplinary action/ legal or regulatory violations/ criminal case
12	<b>Fit and proper Declaration</b> and <b>fit and proper criteria</b> as enclosed ( <b>on the letterhead of the Applicant</b> )

## **FIT AND PROPER DECLARATION**

(on letterhead of the Applicant Entity)

We, \_\_\_\_\_(name of Entity), represented by \_\_\_\_\_(name of Authorised persons as per Board resolution) hereby declare that we, our directors/ partners/ designated partners, principal officer, key managerial and our controlling shareholders are and shall be and always meet the “fit and proper persons” criteria.

We further declare that:

- a. We have a record of fairness and integrity, including but not limited to:
  - i. Financial integrity, good reputation, character and honesty;
  - ii. absence of convictions and restraint orders;
  - iii. competence, including financial solvency
  
- b. None of us have incurred any of the following disqualification:
  - i. been convicted by a court for any offence involving moral turpitude or any economic offence;
  - ii. a recovery proceeding has been initiated against the person by a financial regulatory authority and is pending;
  - iii. an order for winding up has been passed against such person for malfeasance;
  - iv. has been declared insolvent and not discharged;
  - v. an order, restraining, prohibiting or debarring the person from accessing or dealing in financial products or financial services has been passed by a competent authority, and a period of three years from the date of the expiry of the period specified in the order has not elapsed;
  - vi. any other order against the person, has been passed by any regulatory authority, and a period of three years from the date of the order has not elapsed;
  - vii. the person has been found to be of unsound mind by a court of competent jurisdiction and the finding is in force;
  - viii. the person is financially not sound or has been categorized as a willful defaulter;
  - ix. the person has been declared a fugitive economic offender; or
  - x. the person suffers from any other disqualification as may be specified by the Authority.

For \_\_\_\_\_(name of Company)

Sd/- and stamp

Name and Designation of Authorised Representative:

Place:

Date:

**Fit and Proper Criteria**  
**(on letterhead of the Applicant Entity)**

For, all the questions below, provide details for the past 8 years.

We, \_\_\_\_\_ (name of Entity), represented by \_\_\_\_\_ (name of Authorised person as per Board resolution) hereby declare the following for our functionaries\*:

- Promoters
- Founders
- Directors/Partners/Designated Partners
- Key Managerial Personnel
- Principal Officers
- Persons /Shareholders having 10% and above share/voting rights/ distributable dividend
- Trustees
- Authorised Representatives
- Any other person, as maybe specified.

Sr. No.	Particulars	Comments/Remarks
0	<p>Whether any of the functionaries or any of the entities associated with<sup>9</sup> the functionary have been refused a Registration/ Authorization/ License by the IFSCA or any other regulatory authority or their Registration/ Authorization/ License has been suspended at any time prior to this application.</p> <p>(If Yes, provide details. If No, enclose a declaration to that effect).</p> <p><sup>9</sup>for this Section, a person is said to be 'associated with' an entity if he/she is/ was a functionary of the entity</p>	
1	<p>Whether the functionaries or any relative of the functionaries of the companies/ entities in which the applicant is/ was associated with<sup>9</sup>, are in default or have defaulted in the past in respect of credit facilities obtained from any entity or bank?</p> <p>(If yes, please furnish information about the default and the name of the lending institution.</p>	

2	<p>Whether any of the functionaries have been disqualified to act as promoter/ director/ key managerial personnel under any law in any jurisdiction where the applicant entity or the group companies of the applicant entity are operating?</p> <p>If yes, please furnish details.</p>	
3	<p>Name/s of the companies, firms, partnership firms, in which any of the functionaries hold substantial interest.</p>	
4	<p>Whether any of the functionaries are/ were undergoing/ involved in any investigation/ disciplinary action/ legal or regulatory violations/ criminal case by any law enforcement/ regulatory agencies?</p> <p>If yes, please furnish details.</p>	
5	<p>Whether any order has been passed by any bankruptcy/ resolution authority against any company/ entity with which any of the functionaries are/ were associated<sup>9</sup>?</p> <p>If yes, please furnish details.</p>	
6	<p>Whether any of the functionaries have been convicted by a court for any offence involving moral turpitude or any economic offence or any offence against securities laws?</p> <p>If yes, please furnish details.</p>	
7	<p>Whether a recovery proceeding has been initiated against any of the functionaries by a financial regulatory authority and is pending?</p> <p>If yes, please furnish details.</p>	

<b>8</b>	<p>Whether an order for winding up has been passed against any of the functionaries for malfeasance?</p> <p>If yes, please furnish details.</p>	
<b>9</b>	<p>Whether an order restraining, prohibiting or debarring any of the functionaries from accessing or dealing in financial products or financial services, has been passed by any regulatory authority/ courts, and a period of five years from the date of the expiry of the period specified in the order has not elapsed?</p> <p>If yes, please furnish details.</p>	
<b>10</b>	<p>Whether any other order against any of the functionaries, which has a bearing on the securities market, has been passed by any regulatory authority, and a period of five years from the date of the order has not elapsed?</p> <p>If yes, please furnish details.</p>	
<b>11</b>	<p>Whether any of the functionaries</p> <p>i) have been declared insolvent and not discharged?</p> <p>If yes, please furnish details.</p>	
	<p>ii) have been found to be of unsound mind by a court of competent jurisdiction and the finding is in force?</p> <p>If yes, please furnish details.</p>	
	<p>iii) are financially not sound or have been categorized as a wilful defaulter?</p> <p>If yes, please furnish details.</p>	

	iv) have been declared a fugitive economic offender?  If yes, please furnish details.	
I/We declare that all the functionaries have a record of fairness and integrity, including but not limited to financial integrity, good reputation, character and honesty.		
I/We undertake to bring to the notice of IFSCA within one week, if any of the above actions is initiated against any of the functionaries in future.		

*\*The term 'functionaries' includes but are not limited to the officials of the applicant as mentioned below].*

- *Promoters*
- *Founders*
- *Directors/Partners/Designated Partners*
- *Key Managerial Personnel*
- *Principal Officers*
- *Persons /Shareholders having 10% and above share/voting rights/ distributable dividend*
- *Trustees*
- *Authorised Representatives*
- *Any other person, as maybe specified*

For \_\_\_\_\_(name of Company)

Sd/- and stamp

Name and Designation of Authorised Representative:

Place:

Date: