



## **CIRCULAR**

F. No. 1068/IFSCA/EPA/Research/2023-24

December 04, 2023

**To: All Applicants**

Dear Sir / Madam,

### **FRAMEWORK FOR GRANT OF FUNDS FOR RESEARCH STUDIES BY INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY**

This circular is issued in exercise of powers conferred by Section 12 of the International Financial Services Centres Authority Act, 2019 to develop and regulate the financial products, financial services, and financial institutions in the International Financial Services Centres.

#### **1. Objectives**

- 1.1. The framework is aimed at undertaking quick and effective policy-oriented research backed by strong analytical and empirical formulations, which will help the International Financial Services Centres Authority (IFSCA) in designing effective policies and in evaluating the impact of implemented policies.
- 1.2. The framework aims to bring in domain expertise for conducting fundamental and original research, on topics that are of relevance to IFSCA, for policy formulation, implementation, monitoring, and evaluation, necessary for the development of financial services market including “financial products”, “financial services”, and “financial institutions” in IFSC.
- 1.3. The framework also aims at encouraging research in emerging and promising financial disciplines for development of IFSC and mitigating regulatory challenges by developing suitable policy and regulatory framework in an effective and efficient manner.

#### **2. Scope of Research Studies and Call for Proposals**

- 2.1. The scope of research studies shall include, but not be limited to, the development of financial services market including financial products, financial services, and financial institutions in IFSC or other ancillary and incidental matters connected with IFSC.
- 2.2. Research is expected to be undertaken on policy/ regulatory/ market assessment as required by IFSCA. The IFSCA may issue an annual call for

proposals with a list of topics related to the aforementioned scope of research studies from eligible research institutions. The annual call for proposals may be made either every year in the month of January or multiple times in a year as per the requirements.

### **3. Eligibility**

- 3.1 The applicant must be an academic institution that has achieved a ranking within the top 20 in the Management category, or the top 10 in the Research Institutions category, or the top 10 in the Law category, as per the latest NIRF India Rankings released by the Ministry of Education, Government of India.
- 3.2 The applicant institution shall appoint a lead researcher on behalf of it to undertake the research study and the lead researcher shall have:
  - i. experience in research studies for at least 10 years in the field of finance, economics or any other field related to the research proposal, and
  - ii. strong publication (research papers) record in high impact factor journals with high citation index.
- 3.3 The lead researcher, in each study, is expected to associate such other senior researchers with strong research and publication experience with desired competency or highly experienced practitioners from the financial services market.

### **4. Time Period and Other Conditions**

- 4.1. Research shall be completed within a period of four to six months. However, upon request with due justification, extension of timeline for completing the research report may be granted in a special circumstance, post approval by Expert Committee (EC).
- 4.2. Applicant shall not have commercial interest in the research studies under this framework. Any conflict of interest shall be disclosed at the time of application.

### **5. Expert Committee**

- 5.1. A research proposal received under this framework shall be referred to the EC constituted by IFSCA for appraisal and recommendations.
- 5.2. The EC shall, as far as possible, have representation from Regulators, Industry and Academia.
- 5.3. The experts having domain knowledge and expertise in the related areas may be included in the committee as desired by the EC.

### **6. Approval Process**

- 6.1. Research proposals, received from the applicants upon call for proposals made by IFSCA, shall be placed before the EC for recommendations, after initial screening.
- 6.2. After due consideration of recommendations of EC, IFSCA may approve or reject a proposal in its entirety or in part and may also suggest modifications to any aspect of the proposal. Subsequently, IFSCA shall issue a sanction letter for each approved research proposal.

- 6.3. The EC may call for a progress report on the research undertaken, at periodic intervals, starting from the date of approval.
- 6.4. The EC may take expert opinion as to assess or review the on-going research.
- 6.5. The EC may recommend to IFSCA, to call off the research study at any time, if it appears to the Committee that the study is not viable or feasible.

## 7. Quantum of Assistance and Disbursal

- 7.1. Each research study shall carry an all-inclusive grant of Rupees Ten Lakh (Rs. 10,00,000/-) only (subject to TDS at the applicable rate). Grant shall be disbursed by IFSCA to the institution upon achievement of the milestones i.e., proposal approval, acceptance of the interim report and the acceptance of the final report by the IFSCA on the recommendation of EC. The milestones for disbursal of grant and the timelines for research study shall be as follows:

Sr. No.	Phase/Milestone	Timeline* (Months)	Grant Release (%)
1	Approval of research proposal	Nil	10
2	Interim Report <sup>#</sup>	4	40
3	Final Report <sup>#</sup> and Presentation	6	50

\*Timeline shall start from the date of approval of the Research Proposal and may differ as per the proposal

<sup>#</sup>Grant shall be released after acceptance of interim and final reports by the IFSCA on the recommendation of EC

- 7.2. In case where the research study is called off, the grant release (%) shall correspond with the completed milestone(s). If the study is called off after submission of interim report, the report shall be deemed as accepted by IFSCA.
- 7.3. IFSCA may also collaborate with any regulatory/ statutory body or any other institution for jointly funding a research grant.
- 7.4. The Applicant receiving the grant will be required to submit an undertaking, as prescribed in Annexure-II, to the effect that they will adhere to the terms and conditions associated with the grant, failing which, the applicant shall return the grant to the Authority along with simple interest at the rate of 8% per annum.

## 8. Facilities

- 8.1. In addition to the grant for research studies, IFSCA may also provide restricted economy domestic air-fare tickets and per diem allowance, as decided, to the researcher during their visits to IFSCA Head Office Gandhinagar or any other place, in connection with the study.

- 8.2. Accommodation and local conveyance for such visit may be provided during each such visit as decided by IFSCA.
- 8.3. IFSCA may not encourage more than two visits depending upon the necessity, and each trip may not exceed two to three days at a stretch. The rest of the interactions may be held virtually on VC.

## **9. Final Report**

- 9.1. The final report of the study shall be submitted by the lead researcher to IFSCA, which shall place the report before EC for evaluation.
- 9.2. The final report shall include the following points –
  - I. The problem studies including the following: -
    - (i) Theoretical context
    - (ii) Review of existing literature
    - (iii) Statement of the problem, including explanation of key concepts and mention of the hypotheses tested
  - II. The Methodology of the study:
    - (i) The research designs
    - (ii) Tools used, detailed account, special contribution made by the study in devising new observations or sharpening existing ones
    - (iii) Field work, if any, with details including problems encountered, etc.
    - (iv) Schedule of the study
    - (v) Organisation structure and problems
    - (vi) Methodology gains
    - (vii) Limitations of the study
    - (viii) Other observations
  - III. An account of the population/ data studied
  - IV. Description and analysis of data, vis-à-vis objectives of the research
  - V. Findings and conclusions:
    - (i) Summary of findings
    - (ii) Conclusions
    - (iii) Implications for further research
    - (iv) Suggestions for action and for policy making

## **10. Data Privacy**

It will be the absolute responsibility of the researcher and institution to keep the data being shared, if any, by IFSCA as confidential. Under no circumstances shall it be shared with any other entity or be used for any purpose other than carrying out research. The data shared by IFSCA shall be deleted once the research is completed/terminated. The researcher/institution will be liable for action, as deemed fit, in case of any breach of data. All such data shared by IFSCA and the report shall be treated as intellectual property of IFSCA.

## **11. Copyright and Publication**

- 11.1. The IFSCA will have the copyright for each of the completed research. Each research shall carry the disclaimer that the views in the document are those

of the author and not of IFSCA. IFSCA may publish the same on its website and/or as a separate series so as to generate discussion on the subject among the stakeholders.

11.2. The Researcher may publish and/or present at public forums (post due approval from IFSCA), the research work undertaken. However, specific mention should be made in the publication/presentation about grants by the IFSCA, data access, guidance and advice rendered by the EC in shaping/ finalizing the research report, etc.

## **12. Proposal Submission**

12.1. The proposal shall be in compliance with the guidelines suggested in Annexure – I.

12.2. In addition to the submitted research proposal, the applicant shall also enclose the following:

- a) Curriculum Vitae of each researcher in the research team (including the list of all the publications to the applicant's credit)
- b) Institution shall bear the full responsibility for completion of the research study. Declaration to that effect shall be submitted stating that if the lead researcher discontinues the research without completing it, the institution shall get the research completed by allocating it to another competent researcher(s).

12.3. The research proposal may be submitted to [dept-epa@ifsc.gov.in](mailto:dept-epa@ifsc.gov.in) by email.

Yours faithfully  
Sd/-

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## ANNEXURE – I

### GUIDELINES FOR THE FORMULATION OF RESEARCH PROPOSAL

An indicative format for a research proposal is –

I. **The title of the Study**

II. **Statement of the Problem**

In the opening paragraphs of the research proposal, the problem to be investigated should be presented clearly and briefly. The key originating question(s) and the location of the problem in the theoretical context of the concerned discipline should be specified. Specific mention should be made of the rationale of the approach intended to be adopted to study the problem and the specific aims of the study. While indicating the significance of the problem, there shall be mention about how the outcome of the proposed research will contribute to IFSCA.

III. **Review of Literature**

A brief overview shall be provided of work already done in the area of the Proposal. A note summarising the current status of research in the area including major findings and highlighting research gaps should be included in the study proposal.

IV. **Objectives of the study**

This should list, in clear and precise terms, the main objectives of the study.

V. **Research questions or hypothesis**

The applicant shall enumerate the specific research questions and/ or hypotheses that he/she intends to investigate in the research.

VI. **Methodology**

In the light of the questions raised or the hypotheses proposed to be tested, full information of the following points should be given:

- (i) Universe of study
- (ii) Sampling frame
- (iii) Sampling procedure
- (iv) Units of observation and sample size<sup>1</sup>

VII. **Budgeting and Timeline**

VIII. **Organisational Framework**

An organisation chart indicating the positions, tasks and number of persons at each position should be given.

IX. CV of each researcher including list of publications in field relevant to the proposal, Impact Factor of journals and Citation Index.

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<sup>1</sup> Note: An explanation of the determination of size and type of sample will also be necessary. Proposals not requiring a sample selection should clearly specify their strategy appropriately and describe the rationale.

## ANNEXURE – II

### DECLARATIONS CUM UNDERTAKING

- a) I, the undersigned, hereby request a grant for research study \_\_\_\_\_ (title) from IFSCA and certify that the information contained in this application is correct and complete to the best of my/our knowledge. The supporting documents enclosed therewith are authentic.
- b) The grant proceeds shall be utilised towards the purpose for which the grant is availed.
- c) The submitted research proposal is fresh and original and has not been submitted/ presented elsewhere.
- d) I confirm that I have not received any other grant/fund to carry out the research study proposed which is the subject of this grant application.
- e) I also certify that I have the financial and operational capacity to carry out the proposed action/work within the given timeframe.
- f) I have read IFSCA Policy Framework for Grant of Funds for Research Studies and the circulars, guidelines, directions, notifications, communications issued thereunder and undertake to comply with the terms and conditions stated thereunder, as amended from time to time.
- g) I confirm that in case, at any point, it is found that there is willful misrepresentation of facts by me or violation of the terms and conditions of sanctioning of the grant, IFSCA has right to call off the research studies and in such a case, I will be obliged to refund the entire grant amount disbursed for the research work.
- h) I confirm that there are no conflicts of interest in the research area proposed/ there are conflicts which are disclosed and enclosed separately.
- i) I confirm that any data being shared by IFSCA in relation to the research work shall be kept confidential.

Name of Institution:

Name of Head of Institution:

Signature and stamp of Head of

Institution:

Office Address:

Contact number:

E-mail Id:

Date: