



CIRCULAR

efile No. IFSCA-FCR0FCR/5/2025-Banking/01

July 1, 2025

To: All Finance Companies / Finance Units

Dear Sir/ Madam,

Subject: Guidance on submission of requests pertaining to changes requiring prior approval/ intimation to the Authority.

1. Reference may be drawn to the International Financial Services Centres Authority (Finance Company) Regulations, 2021 ('FC Regulations'), which requires a Finance Company/ Unit (FC/FU) to obtain prior approval or to intimate the Authority in certain cases.
2. With a view to facilitating uniformity and ease of doing business for the Regulated Entities (REs), the Authority hereby issues a 'Guidance Note' outlining the process to be followed by FCs/FUs for such requests and the documents to be submitted in each case. The 'Guidance Note' is placed as **Annexure 1** to this circular. All FCs/FUs are advised to strictly adhere to same while submitting any requests to the Authority.
3. The RE shall submit its request to the respective Division of IFSCA, based on the nature of request as indicated in the table below:

No.	Nature of Request	Division of IFSCA
1	Change in Management/ control of the RE	Division of Supervision of Finance Companies, Department of Banking Supervision
2	Change of Name of the RE	Same as above
3	Broad banding of activities of RE	Same as above
4	Voluntary Surrender of Registration by RE	Same as above
5	Pre-facto waiver/ exemption from any applicable	Division of Finance Company Regulations, Department of Banking Regulation.

	regulations/ circulars	guidelines/	
6	Any other request		Division of Supervision of Finance Companies, Department of Banking Supervision

Table 1: Type of request and concerned Division

4. This Circular is issued in exercise of the powers conferred under Sections 12 and 13 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.
5. The provisions of this Circular shall come into force with immediate effect.
6. A copy of this Circular is available on the website of the International Financial Services Centres Authority at <https://ifsca.gov.in/Legal/Index>.

Yours faithfully,

Supriyo Bhattacharjee
(Chief General Manager)
(Head - Department of Banking)

Guidance Note

- A. This document provides for the mandatory documents to be submitted by the RE for consideration of its request (s) in relation to matters outlined in Table 1 of this circular. However, the RE may submit any other documentation to support its request or as may be sought by the Authority for processing.
- B. All words and expressions used herein shall have the same meaning as assigned under the FC Regulations, unless otherwise specified.

Types of Requests and Corresponding Documentation:

1. Change in Management/control of the RE

Explanation: As per regulation 8(2) of the FC Regulations: “Any mergers, acquisitions, takeovers or change in management of a Finance Company, which results in its change in control of at *least twenty per-cent.* of total share capital, or of business decisions under an agreement, shall be subject to prior approval and such other requirements as may be specified by the Authority:

Provided that merger, acquisitions, takeovers or change in management in the parent of a Finance Unit shall be in compliance to its registration requirements and shall be intimated to the Authority within a period of 15 days from the date of such event.”

Applicability: Prior approval is required only for entities which are registered as a Finance Company and are permitted to undertake core activities. Whereas, in case of FCs permitted to undertake non-core activities, Global/ Regional Corporate Treasury Centre (GRCTC) and operating as a FU only intimation is required.

1.1. In view of the above regulation, the RE is required to submit the following documents for seeking **prior approval for change of management/ control:**

- (i) A formal request letter¹
- (ii) Board Resolution or other equivalent document, indicating the purpose for undertaking the change of management.
- (iii) The new shareholding pattern and the complete group structure of the entity (which would be in effect post change of management) upto the UBO² level (UBO being a natural person).

¹ All request letter shall be on the letterhead of the RE and shall be signed by the authorised person of such entity.

² Definition of UBO shall be as per Companies Act, 2013.

(iv) The following details of the proposed promoters:

a. Nature of promoter:

- i. Being an incorporated entity: Constitutional documents (Col, AoA, MoA) and the audited financial statements of the previous three years.
- ii. Being a natural person: Net-worth statement (not older than 6 months from the date of request).
- iii. Being a partnership firm: Constitutional documents (i.e. partnership agreement) and the audited financial statements for the previous three years.
- iv. Being a trust: Details on the beneficiaries of the trust and the net-worth of the trust.
- v. Being a Fund: Details the size of the fund for the past three years, total number of investors, whether the fund is a broad-based fund and details of the anchor investor, if any, and its contribution.

b. Sources of funds of the proposed shareholders acquiring the shares in the RE.

(v) Self-certified 'Information on Management' (IOM) as per *Appendix I* to this Annexure, for the following individuals:

- a. Proposed new promoters (being natural person).
- b. Proposed additional director(s).
- c. The UBO of the entity (being natural person), if there is any change in the UBO submitted earlier.

(vi) Fees: Processing fee as per provisions of the IFSCA Fee Circular³ along with copy of the SWIFT/MT103 confirming remittance of the said fees.

1.2. In case the **change of management/ control of the entity is below 20% of the share capital**, the following documents shall be submitted (this requirement flows from the condition of the Certificate of Registration (CoR) on any material change in information submitted at the time of grant of CoR):

- (i) A formal intimation letter along with the copy of the Board resolution or equivalent document inducting the new shareholders.
- (ii) If the change in shareholding leads to change in UBOs, Documents as at point 1.1. v. above may be sought.

³ Refer Circular No. IFSCA-DTFA/1/2025, titled '**Fee structure for the entities undertaking or intending to undertake permissible activities in IFSC or seeking guidance under the Informal Guidance Scheme**' dated April 08, 2025.

2. Change of Name of RE

Explanation: If a Registered Entity (RE) changes its name, it must notify the Authority of the change. The following documents shall be submitted by the RE in such case:

- (i) A formal intimation letter from the entity on the matter
- (ii) Copy of Board resolution or equivalent document indicating the change in name of the entity.
- (iii) Copy of Certificate of Incorporation (indicating the new name of the entity) or in case of Limited Liability Partnership (LLP) the relevant constitutional document on the matter.
- (iv) Fees: Processing fee as per the applicable provisions of IFSCA Fee Circular along with copy of the SWIFT/MT103 confirming remittance of the said fees.
- (v) Revised Letter of Approval (LOA) from the IFSCA Administrator, if applicable

3. Broad banding of activities of the RE:

Explanation: The Certificate of Registration is granted to entities for undertaking specific activities and in case an entity intends to undertake any additional activity, the same may be considered as substantive change in the information submitted by the entity, if otherwise stated in this circular. Following information are to be furnished to the Authority in such cases:

3.1. Case 1: In case the new activity(ies) proposed are regulated under the FC Regulations.

Example: An entity undertaking lending activity as a Finance Company under regulation 5(1)(ii)(a) intends to undertake activity of 'factoring' under regulation 5(1)(ii)(b) of the FC Regulations.

3.1.1. In any such case, the entity is required to submit the following documents:

- (i) A formal request letter
- (ii) Board resolution indicating the intent of the entity to undertake the additional activity (ies).
- (iii) Revised Business plan and projected financials highlighting the existing and the new activity to be undertaken, including the assumptions therein.
- (iv) Experience of the Key Managerial Persons (KMP) in handling the proposed activity (ies).
- (v) In case the matter is accompanied by change in the management / shareholding, RE required to submit the documents as sought in point 1 of this circular.
- (vi) Fees: Processing fee as per provisions of the IFSCA Fee Circular along with copy of the SWIFT/MT103 confirming remittance of the said fees.

3.2. Case 2: In case the new activities proposed to be undertaken are regulated by regulations/ frameworks other than FC Regulations.

Example: An entity undertaking lending activity as a Finance Company intends to undertake investment management activity (regulated under the IFSCA (Capital Market Intermediaries) Regulations)

3.2.1 In any such case, the entity is required to submit the following documents:

- (i) Prior to Broad banding of activity for issuance of No-objection certificate (NoC):
 - a. A formal request letter (on the letterhead of the company).
 - b. A Processing fee as applicable as per schedule I of the IFSCA Fee Circular along with SWIFT/MT103 of the remittance made.
 - c. Board resolution indicating the intent of the entity to broad band it's activities.
- (ii) After Broad-banding is approved: The entity to submit an intimation letter stating that it has been registered for undertaking the additional activity along with Certificate of Licence/Registration/Authorisation pertaining to the said activity.

4. Voluntary Surrender of Registration by RE

Explanation: The application/ submission for voluntary surrender shall be made by the entity to IFSCA along with submission of information as sought in the voluntary surrender form attached at *Appendix II* of this Annexure.

5. Pre-facto waiver/exemption/relaxation from any applicable regulations/guidelines/circulars applicable for Finance Company/Unit.

Explanation: Such pre-facto waiver/ exemption/ relaxation would include:

- (i) Relaxation from strict enforcement of any requirement of the FC Regulations, as specified under regulation 10(A)(2) of the FC Regulations.
- (ii) Relaxation from any of the provisions of 'Framework for Aircraft Lease' dated May 18, 2022, as amended from time to time, as specified under clause 5.Q of the said Framework.
- (iii) Relaxation from any of the provisions of 'Framework for Ship Leasing' dated August 16, 2022, as amended from time to time, as specified under clause 3.Q of the said Framework.
- (iv) Relaxation from the requirement of employment of certain number of qualified personnel, as specified under clause 3(2)(ii) of the 'Framework for Finance Company/ Finance Unit undertaking the activity of Global/Regional Corporate Treasury Centres' dated April 4, 2025, as amended from time to time.

- (v) Relaxation from strict enforcement of any requirement of the 'Guidelines on setting up and operation of International Trade Finance Service Platform' dated December 23, 2024, as amended from time to time, as specified under clause 20 of the said guidelines.
- (vi) Waiver of whole or part of any fee, specified under the IFSCA Fee Circular, as specified under clause 12 of the said circular.
- (vii) Any other waiver/exception/relaxation from any applicable regulations/guidelines/circulars applicable for Finance Company/Unit.

5.1.1 In any such cases, the entity is required to submit the following documents:

- (i) A formal request letter along with the applicable processing fee as per the provisions of the IFSCA Fee Circular, along with necessary supporting documents, to support the exemption/ waiver request.

Information on the Management (IOM)***(Separate form should be submitted in respect of each individual)**

Sr. No.	Particulars	Response	Remarks by IFSCA
1)	Name		
2)	Director Identification Number (DIN)		
3)	Designation in company		
4)	Nationality.		
	If not an Indian citizen, please specify country and Passport Number and copy of the Passport	Country:	
		Passport Number:	
5)	Date of Birth	DD\MM\YYYY	
	Age as on the date of application	Age: -- Yrs.	
6)	Business Address (along with Phone, Fax and Email)		
7)	Residential Address (along with Phone, Fax and Email) with supporting document		
8)	Permanent Account Number (PAN) under Income Tax Act, if applicable		
9)	Educational/professional qualifications		
10)	Experience if any, in the Financial Services Sector.		
	(Details such as name of the company, designation held, experience in years etc. should be provided)		
11)	Is the promoter/director associated with any other entity in any capacity?	Yes/No	
	If yes, please furnish the name(s) of other organizations or entities or associations or unincorporated entities in which the person has held the post of Chairman or Managing Director or Director		

	or Chief Executive Officer or associated with the above entities in any other capacity indicating the activity of the company and regulators, if any.		
12)	Declaration: I, Mr./ Ms. _____ promoter/director of (Name of applicant company) confirm that I have not accepted public deposit ⁴ as defined in the Regulations		
13)	Has the promoter/director or any relative of the director or the companies/entities in which the director is/was associated with, are in default or have defaulted in the past in respect of credit facilities obtained from any entity or bank?	Yes/No	
	If yes, please furnish information about the default and the name of the lending institution.		
14)	Whether the promoter/director has been disqualified to act as promoter/director under any law in any jurisdiction where the applicant entity or the group companies of the applicant entity are operating	Yes/No	
15)	Name/s of the companies, firms, partnership firms, in which the promoter/director holds substantial interest.		
16)	Whether the company or any of its promoter(s)/director(s) was/is involved in any investigation /disciplinary action /legal or regulatory violations /criminal case by any law enforcement /regulatory agencies?	Yes/No	
	If yes, please furnish details.		
17)	Whether any order has been passed by any bankruptcy / resolution authority against any company with which the promoter(s)/director(s) are associated?	Yes/No	

⁴ The term "public deposit" is defined under Chapter 1, section 2, sub-section 1(j) of IFSCA Finance Company Regulations, as "Public deposit", for the purposes of these Regulations shall mean an amount raised from a resident or a non-resident, in any form which is repayable on demand or is a term deposit and includes such other amount as may be specified by the Authority from time to time;

* Response (details, if any) to any of the questions herein, may not necessarily impair our assessment towards fitness and propriety of the applicant. However, deliberately withholding information or providing false or misleading information may be viewed adversely.

	If yes, please furnish details.		
18)	Credit report/ Information / Score		
	(Adverse remarks, if any to be incorporated)		
	Signature:		
	Name:		
	Designation		
	Company Seal:		
	Date: Place:		

Form pertaining to request of withdrawal of Certificate of Registration (Voluntary Surrender of CoR)

{Refer point 4 of the Annexure}

Decision on withdrawal of CoR		
1.	Reasons/justifications for seeking withdrawal of CoR	(Please attach separate sheet if required)
2.	Has the decision for withdrawal of CoR been taken at the level of the Board/Partners/Trustees (as applicable) of <u>(Name of Company)</u>	Yes/No If 'Yes', please furnish documentary proof (Board resolution, etc) of the decision
Permitted activities of <u>(Name of Company)</u> in the GIFT IFSC		
3.	Has <u>(Name of Company)</u> undertaken any activity(ies) in the GIFT IFSC since grant of CoR dated _____	Yes/No
4.	If the answer to the above is 'Yes',	
	i. Has <u>(Name of Company)</u> undertaken only such activity(ies) in GIFT IFSC as permitted by the said CoR	Yes/No If 'No', please give details along with reasons, and date by which all non-permitted activity(ies) will be stopped.
	ii. Has <u>(Name of Company)</u> ceased all activity(ies) as permitted by the said CoR	Yes/No If 'No', please furnish reasons alongwith the date by which all activities will be completely ceased
	iii. Have all applicable regulations, circulars, guidelines and directions issued by the IFSCA or the Government of India or any other relevant authority(ies) been abided by w.r.t. permitted activities carried out by <u>(Name of Company)</u>	Yes/No If 'No', please give details along with reasons

Protection of stakeholders' interest		
5.	Have all clients (if any) /creditors/employees and other stakeholders (w.r.t. the permitted activities) of <u>(Name of Company)</u> in the IFSC, been notified in regard to its decision to cease permitted activities in GIFT IFSC	Yes/No If 'No', please furnish reasons alongwith the date by which all the stakeholders be notified
	iv. Has <u>(Name of Company)</u> transferred or is proposing to transfer any of its client(s) (if any) to another entity/unit either in the IFSC or regulated by any other Financial Services Regulator	Yes/No/NA If 'Yes', please furnish details of transfer, including entity to which transfer has been made. If 'No', furnish details of existing clients and steps taken to protect their interests
6.	Have all complaints, both existing and potential (as assessed by the <u>(Name of Company)</u> in light of evidence available) been resolved	Yes/No/NA furnish details of complaints (except for 'NA'), If 'No', furnish details of steps taken for and expected date of resolution.
7.	Are there any legal proceedings, or investigation anticipated (as assessed by <u>(Name of Company)</u> in light of evidence available) or ongoing against <u>(Name of Company)</u>	Yes/No If 'Yes', furnish details, including steps taken for resolution
8.	Have arrangements been put in place to ensure that all records of <u>(Name of Company)</u> are retained in a safe place and are accessible as and when required, including on all matters relating to <u>(Name of Company)</u> performance, financials, material changes and regulatory reporting	Yes/No If 'Yes', furnish details including method of access to records If 'No', furnish reasons, including steps taken to ensure availability of records in future

	Information w.r.t. winding up of company	
9.	Is <u>(Name of Company)</u> moving for voluntary strike off from the Register of Companies	Yes/No If 'No', furnish reasons for continuation
	Residual matters	
10.	Are there any other issue(s) that in the opinion of <u>(Name of Company)</u> need to be resolved by the Authority before withdrawal of the CoR granted	Yes/No If 'Yes', furnish details of action expected from the Authority
