



## CIRCULAR

F. No. 535/IFSCA/FC/ALF/2023-24/02

April 18, 2023

**To: All Finance Companies/ Units registered with the International Financial Services Centres Authority for undertaking aircraft leasing activity.**

**Sub: Utilisation of office space or manpower or both by entities undertaking aircraft leasing activity in the International Financial Services Centre (“IFSC”)**

Reference is drawn to the Notification No. G.S.R. 125 (E) dated February 23, 2023 issued by Department of Commerce, Ministry of Commerce and Industry amended the Special Economic Zones Rules, 2006. Vide this Notification, *ibid*, Rule 21B was inserted to the Special Economic Zones Rules, 2006 (hereinafter referred to as “SEZ Rules”), which is stated below:

*“21B.Units dealing with aircraft leasing activities. - A Unit in an International Financial Services Centre, authorised to undertake aircraft leasing activity, if allowed by the International Financial Services Centre Authority not to maintain separate office, may utilise office space or manpower or both, of another unit set up in International Financial Services Centre authorised to undertake aircraft leasing activity, as may be approved by the Authority.”*

2. The International Financial Services Centres Authority (hereinafter referred to as “Authority”) in reference of the Rule 21B of the SEZ rules, 2006, issues the following guidelines for the purpose of seeking approval for utilisation of office space or manpower or both (hereinafter referred to as “resource”) by an IFSC Unit undertaking aircraft leasing activity in the IFSC.
3. The entity registered in the IFSC intending to avail the above approval shall fulfil the following conditions:
  - (i) The applicant entity shall be registered with the IFSC as an ‘Aircraft Lessor’, in terms of the ‘Framework for Aircraft Lease’.
  - (ii) The applicant entity shall provide a declaration as to whether it has commenced the permitted activities as per the Certificate of Registration or the date by which it intends to undertake the permitted activities.

- (iii) The applicant entity shall provide a Board Resolution for the following:
- (a) seeking approval to undertake the permitted activity of carrying out investment activity without any customer interface i.e. limited to its group entities; as per the permitted non-core activity specified in the regulation 5(1)(iii)(m) of IFSCA (Finance Company) Regulations, 2021, if applicable;
  - (b) stating its relationship with the proposed entity; the relationship shall fall within the definition of group entity;
  - (c) stating that it intends to share the resource (please specify details) with the proposed entity;

Here the term 'Group Entity', shall mean an arrangement involving two or more entities related to each other through any of the relationships, viz. Subsidiary – parent (defined in terms of AS 21), Joint venture (defined in terms of AS 27), Associate (defined in terms of AS 23), a related party (defined in terms of AS 18), Common brand name and investment in equity shares (of 20% and above).

- (iv) The applicant entity shall provide a declaration on behalf of the proposed entity confirming that its line of business would be within the scope of the permissible activities as defined under the 'Framework for Aircraft Lease' dated May 18, 2022.
- (v) The application under this circular shall be made before the incorporation of the proposed group entity in the IFSC in the format as specified in the **Annex A** to this circular and shall be accompanied with a one-time fee of USD 2500 (covers fee for both prior approval for extending scope of existing activities of the applicant entity and approval for sharing of resource).
- (vi) The proposed entity shall be incorporated and its application for registration as an aircraft lessor shall be received by the Authority within a period of six months from the date of receipt of approval, for which the approval shall remain valid. The registration application for the proposed entity shall be made to the Authority by filling the simplified application form available on the IFSCA website.
- (vii) The applicant entity, wherever applicable, shall be granted a revised Certificate of Registration for undertaking permissible activity as specified in regulation 5(1)(iii)(m) of IFSCA (Finance Company) Regulations, 2021.

4. A copy of this circular is available on the website of the Authority at [www.ifsc.gov.in/circular](http://www.ifsc.gov.in/circular) along with the updated 'Framework on Aircraft Lease'.

**Yours faithfully,**

**R. Kumar**  
**General Manager**  
[raq.kumar@ifsc.gov.in](mailto:raq.kumar@ifsc.gov.in)

**Format for application to the Authority (on company letter head)**

To,

The Division Head,  
Division of Finance Company Regulations  
International Financial Services Centres Authority,  
2<sup>nd</sup> and 3<sup>rd</sup> Floor, Savvy Pragya,  
Gujarat International Finance Tec-City,  
Gandhinagar, Gujarat – 382 355

Dear Sir / Madam,

**Application for approval under rule 21B of the SEZ Rules, 2006, to either utilise manpower or office space or both (as the case may be) of (Name of Existing Finance Company/Unit i.e. Applicant entity) with (Name of proposed Finance Company/Unit)**

Reference is drawn to the circular dated April 18, 2023. (Name of the registered aircraft leasing entity) is a registered Finance Company/Unit bearing registration number (mention the registration number of the entity), operating in IFSC since (mention the date of registration of the entity). We make this application seeking permission to share our office space and/or manpower with (name of the proposed group entity in IFSC), which is proposed to be (relationship of the group entity with the IFSC entity) of (name of the applicant entity) in accordance with Rule 21B of the SEZ Rules, 2006 and the aforementioned circular.

2. We solemnly declare that to the best of our knowledge and belief, the information furnished in this application is true and statements enclosed are correct, complete and true. We are aware that if any of the information furnished herein is found to be incorrect/incomplete/untrue, this application is liable to be rejected and the approval herein if granted, is liable to be cancelled.

Yours Faithfully,

(Signature of the Authorized Official)

Name:

Company Name:

**Application form for sharing of office space and/or manpower:**

Sr. No.	Particulars	Response
<b>A</b>	<b>Details regarding the applicant entity</b>	
1	Name of the applicant entity.	
	Registration details with IFSCA (Date and Registration Number)	
2.(i)	Office Address in IFSC	
2.(ii)	Is the above office space, intended to be shared with the proposed entity.	Yes/No
3	Details of primary contact person of the applicant entity (name, email and contact number)	
4	Details of the manpower to be shared (Name and designation in the applicant entity and the role in the proposed entity)	
5	A declaration regarding the date of commencement of business as per the Certificate of Registration. If not yet commenced, proposed date of commencement of business.	
<b>B</b>	<b>Details regarding the proposed entity sharing the office space and/or manpower of the applicant entity.</b>	
1	Name of the proposed entity	
2	Proposed relationship with the applicant entity, along with Board Resolution as sought in point 3 (iii) of the circular. (To be within the scope of 'Group Entities', as defined in the circular)	
3	Type of permissible activity as per 'Framework of Aircraft Lease', proposed to be undertaken by the entity along with declaration as sought in point 3 (iv) of the circular.	
<b>C</b>	<b>Other Details:</b>	
1	New Group structure of the applicant entity (post incorporation of the proposed entity), along with the details of the shareholding at each level.	
2	Copy of proof of payment of one-time fee (SWIFT MT 103 or UTR No.) as per point 3 (vi) of the circular.	
3	A Declaration by the applicant entity stating that the proposed entity shall be incorporated and its application for registration as an aircraft lessor shall be received by the Authority within a period of six months from the date of receipt of approval for sharing of the office space and/or manpower by the entities.	
	<b>Signature of the Authorised representative of the Applicant entity:</b>	
	<b>Name:</b>	
	<b>Designation:</b>	
	<b>Seal/Stamp:</b>	
	<b>Date and Place:</b>	