

FREQUENTLY ASKED QUESTIONS (FAQs) UNDER THE IFSCA (TECHFIN AND ANCILLARY SERVICES) REGULATIONS, 2025

1. Who can apply under the IFSCA (TechFin and Ancillary Services) Regulations, 2025 (“TAS Regulations”)?

Any entity desirous of providing either TechFin Services or Ancillary Services, or both, from the IFSC, can apply under the TAS Regulations to obtain a Certificate of Registration (“CoR”), before commencing its operations in the IFSC.

2. What legal form(s) of the Applicant are eligible to obtain CoR under the TAS Regulations?

The following legal form(s) of the Applicant are eligible to obtain CoR under the TAS Regulations:

- (i) Companies or Limited Liability Partnerships (“LLPs”) incorporated in IFSC.
- (ii) Branches of companies or LLPs incorporated outside IFSC (i.e. India or from foreign jurisdiction).

3. Can a partnership firm be set up under the TAS Regulations, and if so, in what form?

Yes, a partnership firm may be set up under the TAS Regulations either in the form of a newly registered partnership firm or in the form of branch of an existing partnership firm, provided that:

- (i) Such partnership firm is registered under the Indian Partnership Act, 1932;
- (ii) All partners are members of a professional body or institute established under an Act of Parliament (e.g., BCI, ICAI, ICSI, ICMAI, etc.), including IBBI; and
- (iii) All promoters or partners of the applicant entity must be from jurisdictions not identified by the Financial Action Task Force (FATF) in its public statement as “High-Risk Jurisdictions subject to a call for action.”

4. Whether an entity authorised under the erstwhile Ancillary Services Framework or FinTech Entity Framework, can migrate under the TAS Regulations, 2025.

Yes, an existing entity, including the entities that are already operating in branch mode, authorised under the erstwhile Ancillary Services Framework or FinTech Entity Framework, can migrate and continue operations, under the TAS Regulations, 2025, subject to the conditions stipulated under the IFSCA’s circular titled “Transition to IFSCA (TechFin and Ancillary Services) Regulations, 2025” dated July 31, 2025.

5. What services are not permitted to be provided under the TAS Regulations, 2025

Please refer the Third Schedule of the TAS Regulations, 2025.

6. What is the timeline to comply with the TAS Regulations and conditions of the in-principle approval?

On receipt of in-principle approval, the applicant entity must, within a period of one hundred eighty (180) days, unless extended by the Authority, take necessary steps to comply with the TAS Regulations and conditions of the in-principle approval.

7. Are there any requirements for appointment or designation of Principal Officer ('PO') and Compliance Officer ('CO')?

(1) Yes, Regulation 9 of the TAS Regulations mandates the TechFin and Ancillary Service Providers ("TAS Provider") to appoint or designate one of its existing officers as:

- (a) a Principal Officer (however, for any entity providing services exclusively to its Group Entities located in IFSC, the appointment of a principal officer is optional, subject to the approval of the Authority); and
- (b) a Compliance Officer

(2) Both PO and CO must be full-time employees and based out of IFSC.

(3) However, in case of a TAS Provider engaging a member of a professional body other than in employment mode, such professional may also be designated as PO or CO of that TAS Provider, provided that they shall be based out of IFSC unit and shall not be permitted to function as PO or CO for any other unit of IFSC.

8. Do existing Ancillary Services Providers and TechFins need to obtain CoR under the TAS Regulations?

Entities which have been granted authorisation for providing Ancillary Services or TechFin Services, under the "*Framework for enabling Ancillary services at International Financial Services Centres*" or "*Framework for FinTech Entity in the International Financial Services Centres (IFSCs)*", respectively, shall be required to obtain CoR under the TAS Regulations within a period of 12 months from the commencement of the TAS Regulations, unless this period is extended by the Authority, upon an application from the entity.

IFSCA may, upon receipt of a declaration from the existing Ancillary Services Provider or TechFin entity, certifying the compliance with the requirements specified under TAS Regulations as per format in Annexure – I of this FAQS, and on being satisfied with such declaration, issue a CoR to the existing Ancillary Service Provider or TechFin.

9. What about entities which have been granted in-principle approval for Ancillary Services or TechFin Services, under the "*Framework for enabling Ancillary services at International Financial Services Centres*" or "*Framework for FinTech Entity in the International Financial Services Centres (IFSCs)*", respectively?"

Such entities must also obtain a CoR under regulation 4 of the TAS Regulations within 12 months from the date of commencement of the TAS Regulations.

10. What process must a TechFin entity operating in the Sandbox under the FE Framework follow to obtain registration for providing TechFin services at GIFT-IFSC?

A TechFin entity currently operating in the Sandbox under the Financial Entity (FE) Framework is required to successfully exit the Sandbox before seeking formal registration. After the successful exit, the entity must submit a fresh application through the SWIT portal under the TAS Regulations to obtain registration for providing TechFin services.

11. How the pending applications will be processed and what would be the fees applicable?

(1) Applications pending under Framework for enabling Ancillary services at International Financial Services Centres" or "Framework for FinTech Entity in the International Financial Services Centres (IFSCs)", as on the date of commencement of the TAS Regulations will be processed under the TAS Regulations.

(2) No additional application fee / processing fee will be applicable, if already paid

(3) Registration/annual Recurring Fees (Flat + Conditional if applicable), other fees as specified by Authority vide circular dated 31.07.2025 titled "Transition to IFSCA (TechFin and Ancillary Services) Regulations, 2025" issued under the TAS Regulations will apply.

12. What if the CoR is not obtained within 12 months by the entities, which has received in-principle approval or by existing Ancillary Services Providers and TechFin Entities, which received final authorisation under existing frameworks.

Existing entities that are having approval as Ancillary Service Provider under Framework for enabling Ancillary services at International Financial Services Centres or are Authorised TechFin as per as per Framework for FinTech Entity in the International Financial Services Centres and fail to obtain a Certificate of Registration (CoR) under the TAS Regulations, 2025 within the stipulated period of 12 months from the commencement of these Regulations, unless extended by the Authority, will have their approvals or authorisations deemed invalid. Such entities shall cease their operations under the old frameworks upon expiry of the 12 months period.

13. Which existing circulars are being repealed under the TAS Regulations?

The following provisions/circulars shall stand repealed after 24 months from the commencement of the TAS Regulations:

(1) The Framework for enabling Ancillary services at International Financial Services Centres dated February 10, 2021, and any other circulars issued thereunder.

(2) Clause 7(b), Part B of Annexure-I of the Framework for FinTech Entity in the International Financial Services Centres dated April 27, 2022, pertaining to Authorization of TechFin entities.

(3) However, all prior authorisations, obligations, and proceedings undertaken under these frameworks shall remain valid and unaffected.

14. In which currency shall the TAS Provider carry out its operations and financial reporting?

(1) For operations: Specified Foreign Currencies.

(2) INR account allowed to defray its administrative and statutory expenses.

(3) For reporting: USD (unless otherwise specified by the Authority).

15. What is the mode of payment for application, registration, annual fee and other fees?

Please refer to IFSCA fees circular issued from time to time.

(1) For payments in USD:

- Account Name: International Financial Services Centres Authority
- Account Number: 970105000174
- Type of Account: USD Current Account
- Bank Name: ICICI Bank Limited
- SWIFT Code: ICICINAAXXX
- NOSTRO Details: CHASUS33XXX
- Correspondent Bank: JP MORGAN CHASE BANK NA, NEW YORK, USA
- NOSTRO Account No.: 833999532

(2) For payments in INR (for Indian entities other than those in GIFT-IFSC):

- Account Name: IFSCA FUND 2
- Account Number: 39907189884
- Bank Name: State Bank of India
- Type of Account: INR Current Account
- IFSC Code: SBIN0060228

Note: The applicable INR amount shall be calculated using the latest RBI reference rate, generally 7 days prior to the transaction date, available at FBIL Website.

For comprehensive details, please refer to the IFSCA Fee Circular dated April 8, 2025, clarification on fee circular dated April 23, 2025, and amendments made thereafter.

16. How can one get clarification on any difficulties in interpreting these regulations?

For any clarification or additional guidance, stakeholders may contact the Financial Support Services Regulatory Division (FSSRD) of the IFSCA at tas-ifsc@ifsc.gov.in . In case of any specific policy / proposed transaction related clarification, the applicant may seek guidance under the IFSCA Informal guidance scheme.

17. What is the due date for the payment of fees?

1st year

- **Registration fees:**

- (i) Upon grant of in-principle approval, one-time registration fee must be paid within 15 days from the date of issue, in terms of IFSCA circular dt. April 8, 2025 and July 31, 2025 as amended from time to time.
- (ii) For the existing entities operating under the relevant erstwhile frameworks, which have already been paid annual fees, such entities must pay annual fees on a pro rata basis for the remaining period of the financial year in which CoR is granted under TAS Regulations.

- **Conditional Fees as part of Annual fee for FY, in which CoR was issued:**

The conditional fees for the 1st year of grant of CoR shall be paid within 30 days of end of the said financial year in which CoR was granted under TAS Regulations, calculated on a pro rata basis in the year of grant of CoR.

2nd year onwards:

- (i) the Annual recurring fee is applicable as per the IFSCA transition circular dated 31.07.2025 read with IFSCA Fee Circular dated 08.04.2025 as amended from time to time.
- (ii) Conditional fees calculated basis turnover for the previous financial year.
- (iii) Both flat fee plus conditions fee, as applicable, have to be paid in advance for next FY within the timelines as specified by IFSCA Circular issued from time to time.

18. Whether providing technology services / solutions for carrying out BATF services are covered under TAS Regulations.

Yes, it is clarified here that "Development, implementation, and ongoing maintenance of any ERP software or any other software/technology platform on which accounting, bookkeeping, taxation, and financial crime compliance services are performed" are covered under IFSCA (TechFin and Ancillary Services) Regulations, 2025, subject to the condition that the service recipients for these services are BATF services providers located in IFSC as well as outside India. Further, BATF services are as defined under IFSCA(BATF) Regulations, 2024.

Disclaimer: These FAQs are not interpretation of law. They are intended to provide a simplified explanation of processes, terms, and requirements under the IFSCA (TechFin and Ancillary Services) Regulations, 2025. In case of any disparity between these FAQs and the provisions of the relevant Acts, Regulations, Guidelines, Circulars, etc., the latter shall prevail. For official legal reference, stakeholders must consult the Acts, Regulations, Guidelines, and Circulars available on the IFSCA website www.ifsc.gov.in

Annexure- I

Date:
Place:

From,
Name of Authorized Signatory Name of Entity
Type of Entity(Ancillary Services Provider / TechFin Entity)
Address
Contact details

To,
The Executive Director
Financial Support Services Regulatory
Division International Financial Services Centres Authority
2nd and 3rd Floor, Pragya Tower, GIFT City, Gandhinagar

Subject: Submission of Letter of compliance with IFSCA(TechFin and Ancillary Services) Regulations, 2025 - request to issue a CoR

Dear Sir,

I/We have been granted authorization vide letter no._ dated_ bearing authorization no.____ as an Ancillary Services Providers/ TechFin Entity under IFSCA Ancillary Services Framework, 2021 /TechFin related provisions of IFSCA's FinTech Entity Framework, 2022 to undertake the following services from GIFT-IFSC, namely,_____, _____, _____and _____.

Further, we have also obtained SEZ Letter of Approval for the services permissible under First & Second Schedule of IFSCA(TAS) Regulations, 2025

In view of the above, I/ We (name of authorised signatory) hereby declare and confirm that the entity(name of the entity__) complied with all the provisions of IFSCA(TechFin and Ancillary Services) Regulations, 2025 and hence, it is requested to issue a Certificate of Registration as a TechFin and Ancillary Services Provider under the said regulations.

(Authorized Signatory)

Name:

Designation:

Signature:

Seal: