



PRESS RELEASE

Standard Operating Procedure for Inter-operable Regulatory Sandbox (IoRS)

An Inter-Regulatory Technical Group on FinTech (IRTG on FinTech) had been constituted under the aegis of the Financial Stability and Development Council- Sub Committee (FSDC-SC). The terms of reference (ToR) of IRTG on FinTech include discussion on issues relating to hybrid product/ service falling under the regulatory ambit of different financial sector regulators for admission in Regulatory Sandbox and framing of Standard Operating Procedure (SOP) for IoRS for hybrid products/services. The group, in addition to the members from Financial Sector Regulators, has representation from Department of Economic Affairs (DEA), Ministry of Finance and Ministry of Electronics and Information Technology (MeITY), Govt.

2. In order to facilitate testing of innovative products/services falling within the regulatory ambit of more than one financial sector regulators viz. RBI, SEBI, IRDAI, IFSCA and PFRDA, a Standard Operating Procedure (SOP) for IoRS has been prepared by the Inter-Regulatory Technical Group on FinTech (IRTG on FinTech). The Pension Fund Regulatory and Development Authority today placed on its website the SOP for IoRS.

3. The Common Application form for participating in the IoRS is attached. The entities meeting the minimum eligibility criteria for participating in the RS of the Principal Regulator (as defined in the SOP), may apply, along with requisite documents through email at iors@rbi.org.in (maximum size 10 MB). Additional information and/ or documents, as and when required, will have to be furnished by the applicant. The Principal Regulator/ Associate Regulators shall reserve the right on admissibility of the hybrid product / solution / innovation as per their RS framework.



**Inter-operable Regulatory Sandbox (IoRS)
Application Form**

I. Product Information

1.	Applicant Name (Name of the entity)	
2.	Name of the product to be tested	
3.	“Corporate Identity Number (CIN), or Limited Liability Partnership Identification Number (LLPIN), or any other registration number allotted to the applicant entity for incorporation under relevant law”.	
4.	Email and Website URL (if available)	
5.	If a Company: Shareholding and Directors details Full names of all Directors with their Director Identification Number (DIN), PAN number and contact details	
6.	Address of registered Head Office and Phone Number	
7.	Principal line of activity	
8.	i. Name of the nodal/alternate contact person ii. Designation in the company / firm iii. Telephone number iv. Mobile number v. Email address	
9.	Is your principal business or any affiliated business is currently liable to be supervised by any of the financial sector regulators (RBI/ SEBI/ IRDAI/ IFSCA / PFRDA) in India? If yes, please provide details of the same	
10.	A brief description of your innovative product/ service/ technology which you intend to test in IoRS. Also specify the existing gap in the financial ecosystem your product/service/technology is trying to address.	
11.	Please mention the regulatory remit (RBI/ SEBI/ IRDAI/ IFSCA / PFRDA) under which your proposed hybrid product/service/ technology falls: i. Principal Regulator ¹ ii. Associate Regulator ² (s)	

¹ Principal Regulator - the regulator under whose remit the ‘dominant feature’ of the product falls. The dominant feature shall be decided based on two factors (i) the number of relaxations sought for undertaking the test under the IoRS and (ii) the factor being the type of enhancement to the existing products like loans, deposits, capital market instrument, with greater weightage to the number of relaxations sought.

² Associate Regulator – the regulator/s under whose remit the other features apart from the dominant feature of the product fall

IFSCA shall be the PR for Indian FinTechs having global ambition and foreign FinTechs seeking entry to India

	(In case Principal and Associate regulator is not known, please mention the names of all the regulators, under whose ambit the proposed product falls)	
12.	Explain how your proposed hybrid product/service/technology falls under the inter regulatory ambit as mentioned in sl.no.10	
13.	“Do you meet the Minimum eligibility criteria for participating in the RS of the Principal Regulator	
	<p>Minimum eligibility criteria for participating in Regulatory Sandbox of various financial sector regulators are as given below:</p> <p>(A) RBI</p> <p>i. Is your entity a company incorporated and registered in India or banks licensed to operate in India or Limited Liability Partnership (LLP), Partnership firm registered in India? (Yes/No) and type</p> <p>ii. Does your entity have a minimum net worth of Rs. 10 lakh as per its latest audited balance sheet? (Yes/No) (Net worth in figures)</p>	
	<p>(B) SEBI</p> <p>i. Is your entity registered with SEBI under section 12 of the SEBI Act, 1992 or you are applying in partnership with any of the SEBI registered entity? (Yes/No) and SEBI Registration no.</p> <p>ii. Please provide the outline of the list of rules, regulations, guidelines, circulars etc. of SEBI that as per the applicant may act as an impediment to the proposed innovative solution, along with detailed rationale.</p> <p>iii. Is SEBI to relax any specific regulatory requirements, for the duration of the sandbox? Please provide the details along with detailed rationale.</p>	
	<p>(C) IRDAI</p> <p>i. is your entity other than an individual? (Yes/ No) and type</p> <p>ii. Does your entity have a minimum network of Rs 10 lakhs as per latest audited balance sheet? (Yes/ No) (Network in figures)</p>	

	<p>(D) IFSCA</p> <p>(1) An Applicant who satisfies any of the following conditions shall be eligible to make an application to IFSCA under this Part:</p> <p>i. Where the Applicant is from India:</p> <p>a) An entity registered with Department for Promotion of Industry and Internal Trade (DPIIT) as a start-up entity relating to FinTech; or</p> <p>b) An entity incorporated as a company under the Companies Act 2013, or as a Limited liability Partnership (LLP) under the Limited liability Partnership Act, 2008 or a 'Branch' of an Indian company or LLP in IFSC; or</p> <p>c) An entity working directly or indirectly in the ecosystem regulated by domestic financial sector regulator.</p> <p>ii. Where the Applicant is from Outside India – An incorporated entity or a branch of an incorporated entity from FATF compliant countries/jurisdictions;</p> <p>(2) The Applicant proposes to use innovative technology in its core product or service, business model, distribution model or methodology to provide financial services that are or likely to be regulated by the Authority.</p> <p>(E) PFRDA</p> <p>(for detailed clarification with respect to PFRDA minimum eligibility criteria, prospective participant could write to <fintech-data@pfrda.org.in>)</p> <p>(for detailed and latest guidelines on minimum eligibility criteria please refer to the website(s) of respective Principal Regulator(s))</p>	
14.	Regulatory Relaxation(s) sought (Indicate the Regulator (s) from which relaxation is sought).	
15.	Expected use cases of innovative product/service/technology which you intend to test in IoRS	

II. Submission

- i. The application form and the required supporting documentation must be submitted to RBI by email to iors@rbi.org.in
- ii. It may be noted that incomplete application form may be rejected.
- iii. Additional information and/ or documents may be required to be furnished as per the RS framework of the Principal Regulator and Associate Regulator.
- iv. The Principal Regulator/ Associate Regulators shall reserve the right to reject the hybrid product / solution / innovation as per its RS framework.

V. Declaration by the applicant

- i. I acknowledge the fact that although all application material will remain confidential, 'Regulators shall reserve the right to publish any relevant information about the IoRS applicants on its website, including for the purpose of knowledge transfer and collaboration with other international regulatory agencies without revealing any proprietary/intellectual property rights related information'
- ii. It is declared that the innovation above is original and does not violate the intellectual property rights of others.
- iii. It is conformed that we shall comply to the requirements of the Regulatory Sandbox of the Principal as well as Associate regulator and shall submit required documents and information.

Authorised Signatory
Name
Date
Place
Company Seal