

Dated: 07.12.2018
New Delhi: 110003

ADMINISTRATIVE APPROVAL

Subject: Administrative Approval for the project entitled “**Setting up of Centre of Excellence in FinTech at STPI-Chennai**” to be implemented by **Software Technology Parks of India (STPI), Chennai in partnership with M/s Intellect Design Arena Ltd – regarding.**

I am directed to convey the Administrative Approval of the Competent Authority to the implementation of the project on “**Setting up of Centre of Excellence in FinTech at STPI-Chennai in partnership with M/s Intellect Design Arena Ltd**” at a total estimated cost of Rs. 24,45,00,000/- (Rupees Twenty Four Crore Forty Lakh only) comprising the following:

- (i) Grants-in-aid amounting to Rs. 1,80,00,000/- from Ministry of Electronics & IT;
- (ii) Contribution of Rs. 3,61,00,000/- by STPI from its internal accruals;
- (iii) Contribution of Rs. 5,41,00,000/- by Government of Tamil Nadu; and
- (iv) Seed Funding contribution of Rs. 13,63,00,000/- by Venture Capitalists (Rs. 6,81,50,000/- each from AU Capital Partner, UK and Pontaq, UK).

2. The project will be implemented over a period of five years and effective from the date of issue of the Administrative Approval. The details of the project are given in the enclosed Annexure-I. Terms and Conditions governing release of Grant-in-aid from MeitY are enclosed as Annexure-II.

3. This issues with the approval of Secretary vide Dy. No. 07 dated 20.11.2018 and in exercise of powers conferred on the Ministry in consultation with the Integrated Finance Division, MeitY vide their Dy. No. 897 dated 02.11.2018.

(Jatinder Singh)
Deputy Director
(Physically signed)

Copy to:

1. The Director, Office of the Director General of Audit, Post & Telecommunication, Sham Nath Marg, Delhi-110 054.
2. DG, STPI/ Dr. Sanjay Tyagi, Director, STPI-Chennai
3. Pay & Accounts Office, MeitY
4. Drawing & Disbursing Officer, MeitY.
5. Finance Division, MeitY
6. JS(GS)/Dir(AKG)/ ScS(NKS), MeitY
7. Sanction Folder

(Jatinder Singh)
Deputy Director
(Physically signed)

Annexure-I to Administrative Approval No. MeitY/Innovation/15(6)/2018 Dated 07.12.2018

1	Name of the Project:	Centre of Excellence in FinTech at STPI-Chennai
2	Objective:	<ul style="list-style-type: none"> • To provide resources, mentoring, technology support and funding to nascent start-ups in the FinTech sector • To focus on long term growth of FinTech start-ups by providing ecosystem with the latest trends and technologies in the financial services sector through a collaborative approach including NPCI, UIDAI and Partner Banks. • To accelerate start-ups into full-fledged company by targeting a key priority for economic growth
3.	Deliverables	CoE in FinTech intends to support & nurture at least 58 start-ups over a period of five years who would develop products and/or services around “FinTech”
4	Name of the Implementing Agency	Software Technology Parks of India (STPI), Chennai in partnership with M/s Intellect Design Arena Ltd. Yes Bank will be knowledge partner for the project NPCI, UIDAI, IIT-Madras, TiE-Chennai and other partners roped in for monitoring and guiding startups.
5	Name of Chief Investigator:	Dr. Sanjay Tyagi, Director, Software Technology Parks of India, Chennai
6	Name of Co-Investigator	Shri S. Marivannan, Addl. Director, Software Technology Parks of India, Chennai
7.	Total Project duration	60 Months
8. (i)	Expected date of commencement	07.12.2018
(ii)	Expected date of completion	06.12.2023

8. Total Project Outlay: Rs. 24,45,00,000/- (Rupees Twenty Four Crore Forty Lakh only) consisting of Grants-in-aid of Rs. 1.8 Cr. from MeitY, Rs. 3.61 Crore as contribution of STPI, Rs. 5.41 Cr. as contribution by Govt. of Tamil Nadu and Rs. 13.63 cr as seed funding by Venture Capitalists.

9. **Budget Details:** Yearwise and itemwise break-up of expenditure from Grant-in-aid from MeitY, Contribution of Govt. of Tamil Nadu and Contribution by STPI is as given below:

9.1 Capital Expenditure

(Rupees in Lakh)

A	Items	Year-1	Year-2	Year-3	Year-4	Year-5	Total
1	Sandbox Bank API	8.00	12.00	13.00	12.00	13.00	58.00
2	NPCI Sand box	4.00	6.00	6.50	6.00	6.50	29.00
3	Payment Gateway	0.80	1.20	1.30	1.20	1.30	5.80
4	Aadhaar API Gateway	8.00	12.00	13.00	12.00	13.00	58.00
5	IT Infrastructure(Server, Router, Firewall etc.)	13.00	32.00	40.00	40.00	40.00	165.00
	Total	33.8	63.2	73.8	71.2	73.8	315.80

9.2 Recurring Expenditure

(Rupees in Lakh)

B	Items	Yea -I	Year -2	Year-3	Year-4	1 Year-5	Total
1	Business Development	15.00	15.00	15.00	15.00	15.00	75.00
2	Mentoring & Workshop	10.00	10.00	10.00	10.00	10.00	50.00
3	Branding Outreach & Communication	15.00	15.00	10.00	10.00	10.00	60.00
4	Hackathon/Screening113 IC	10.00	10.00	10.00	10.00	10.00	50.00
5	Facility Management	26.88	67.20	84.00	84.00	84.00	346.08
6	AMC	7.00	7.35	7.72	8.10	8.51	38.68
7	Manpower	24.00	26.40	29.04	31.94	35.14	146.52
	Total	107.88	150.95	165.76	169.05	172.65	766.28

- 9.3 **Seed Funding:** Seed Funding contribution of Rs. 13,63,00,000/- by Venture Capitalists (Rs.6,81.50.000/- each from AU Capital Partner, UK and PONTAQ, UK).

10. Mode and extent of Funding:

(i)	Budgetary Support	
a)	Grants-in-aid from MeitY	Rs.1,80,00,000/-
b)	Loan	Nil
b)	If loan, terms and condition for grant or loan to be stipulated if terms and condition have been Accepted, reference to acceptance	Nil
(ii)	Internal generation	STPI will contribute Rs. 3.61 Crore from its internal accruals.
(iii)	External Agency, if any	<ul style="list-style-type: none"> Rs. 13.63 Crore as seed funding by VCs Rs. 5.41 Crore will be the contribution of Government of Tamil Nadu

11. **Stages of release of Grants-in-aid amounting to Rs.1,80,00,000/- to STPI-Chennai**

Sl. No.	Amount	Stage	Conditions
1	40% of the amount earmarked for First year	Initiation of the project	Acceptance of Terms & Conditions governing release of Grant-in-Aid
2	60% of the amount earmarked for First year	6 Months	(i) Submission of Utilization Certificate of Previous release. (ii) Technical & Financial Progress Report; (iii) Audited statement of accounts ; and (iv) Recommendations of the PRSG.
3	50% of the amount earmarked for second year	6 Months	(i) Submission of Utilization Certificate of Previous release. (ii) Technical & Financial Progress Report ; (iii) Audited statement of accounts ; and (iv) Recommendations of the PRSG.
4	50% of the amount earmarked for second year	6 Months	(i) Submission of Utilization Certificate of Previous release. (ii) Technical & Financial Progress Report ; (iii) Audited statement of accounts ; and (iv) Recommendations of the PRSG.
5	50% of the amount earmarked for third year	6 Months	(i) Submission of Utilization Certificate of Previous release. (ii) Technical & Financial Progress Report ; (iii) Audited statement of accounts ; and (iv) Recommendations of the PRSG.
6	50% of the amount earmarked for third year	6 Months	(i) Submission of Utilization Certificate of Previous release. (ii) Technical & Financial Progress Report ; (iii) Audited statement of accounts ; and (iv) Recommendations of the PRSG.
7	50% of the amount earmarked for fourth year	6 Months	(i) Submission of Utilization Certificate of Previous release. (ii) Technical & Financial Progress Report ;

			<ul style="list-style-type: none"> (iii) Audited statement of accounts ; and (iv) Recommendations of the PRSG.
8	50% of the amount earmarked for fourth year	6 Months	<ul style="list-style-type: none"> (i) Submission of Utilization Certificate of Previous release. (ii) Technical & Financial Progress Report ; (iii) Audited statement of accounts ; and (iv) Recommendations of the PRSG.
9	50% of the amount earmarked for fifth year	6 Months	<ul style="list-style-type: none"> (i) Submission of Utilization Certificate of Previous release. (ii) Technical & Financial Progress Report ; (iii) Audited statement of accounts ; and (iv) Recommendations of the PRSG.
10	50% of the amount earmarked for fifth year	6 Months	<ul style="list-style-type: none"> (i) Submission of Utilization Certificate of Previous release. (ii) Technical & Financial Progress Report ; (iii) Audited statement of accounts ; and (iv) Recommendations of the PRSG.

(Jatinder Singh)
Deputy Director
 (Physically signed)