



# GIFT City: A Future-Ready Launchpad for International Expansion



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**GIFT City is becoming the New Generation Gateway for Global Business Expansion**

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## Overview:

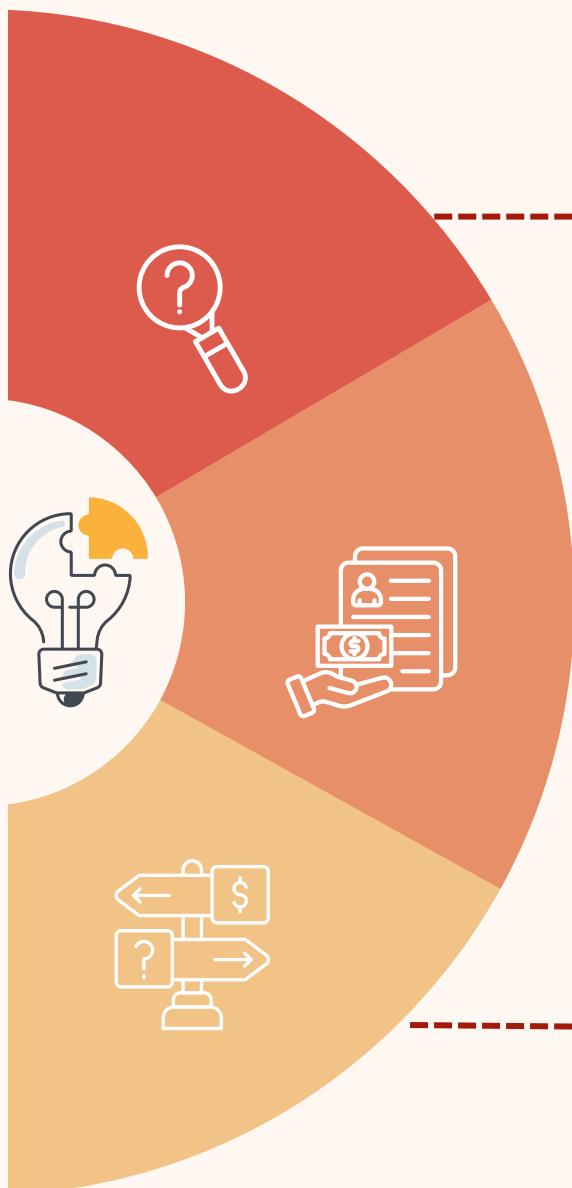
**I**n today's rapidly evolving global landscape, multinational corporations are seeking far more than routine efficiency; they are looking for transparent, agile, and innovation-driven jurisdictions to support their cross-border ambitions. The global conversation is shifting away from opaque tax shelters and toward credible financial centers that offer real substance, trust, and long-term strategic value.

GIFT City is emerging as one of these new-age hubs—combining regulatory clarity, modern infrastructure and a future-focused financial and technology ecosystem. For global enterprises seeking a reliable and growth-aligned base, GIFT City offers a clean, competent and forward-looking alternative that fits the needs of today's evolving world.

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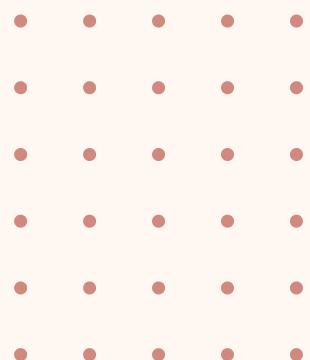
# Insights Ahead:



A clear explanation of GIFT IFSC - how it operates and the purpose it serves.

A business focused Summary of its tax, regulatory, and operational advantages

A decision framework to evaluate whether GIFT City is relevant to your global structure

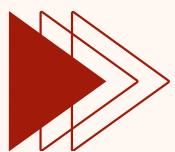




# Gift City

# A CLEAR EXPLANATION OF GIFT IFSC - HOW IT OPERATES AND THE PURPOSE IT SERVES



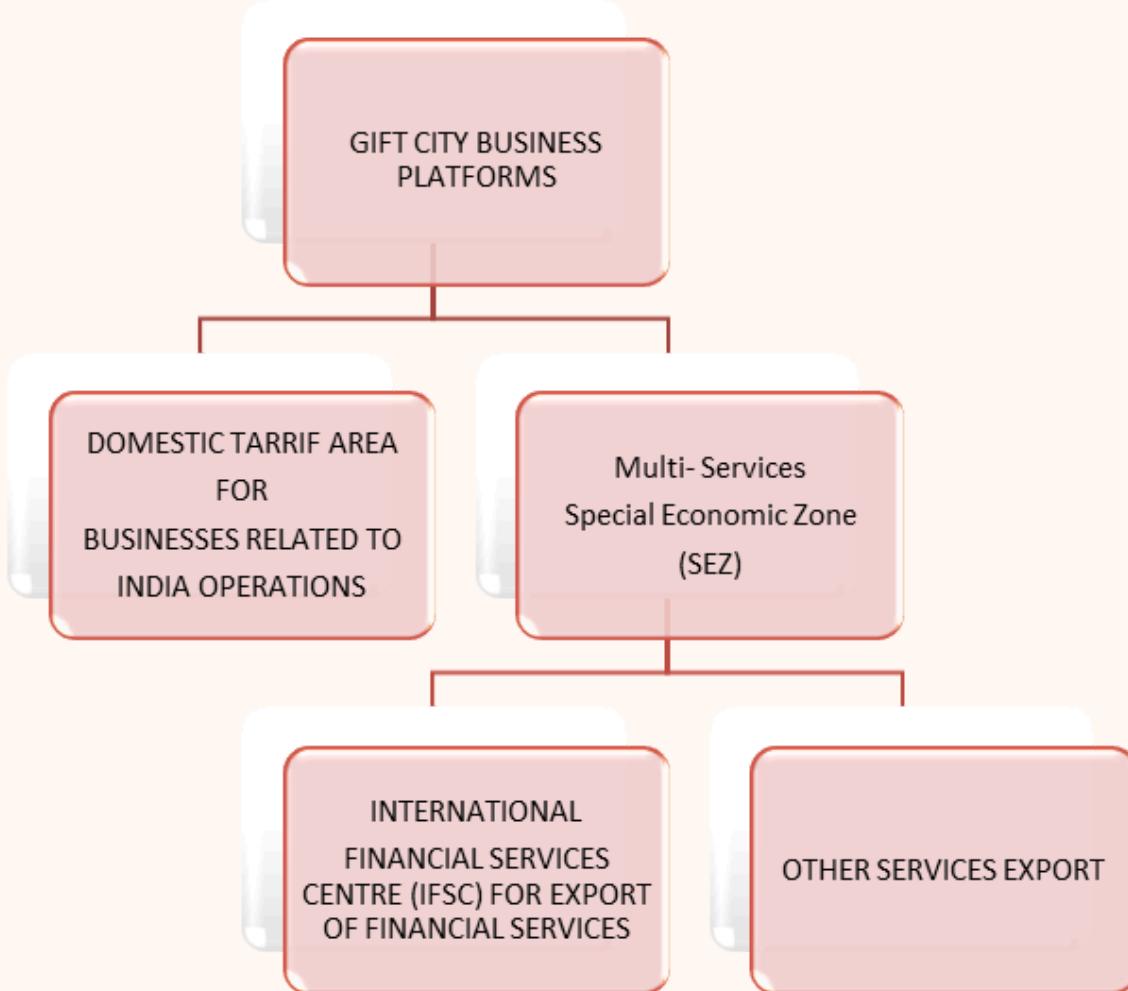


# About Gift City

- The Government of Gujarat through its undertaking Gujarat Urban Development Company Limited ("GUDCL") has established "Gujarat International Finance Tec-City Company Limited" ("GIFTCL") to develop and implement GIFT City.
- GIFT City consist of a conducive Multi-Service SEZ and an exclusive Domestic Tariff Area (DTA), Total area of 261 acres has been demarcated as SEZ and additional 625 acres has been marked as DTA.



# GIFT IFSC Snapshot



- In India, International Financial Services Centres (IFSCs) are created and regulated by the Union Government under the Special Economic Zones Act, 2005, providing a specialised framework for global financial activity.
- Units operating within an IFSC are treated as non-residents under Foreign Exchange Management regulations with various tax incentives that promote the cross-border flow of capital, financial products and services.



# A BUSINESS FOCUSED SUMMARY OF ITS TAX, REGULATORY, AND OPERATIONAL ADVANTAGES

# Key Incentive:

## Direct-Tax



- 100% tax exemption for 10 consecutive years out of 15 years (for IFSC unit income).
- MAT/AMT applies at 9% of book profits when a unit does not opt for the 100% tax exemption or the new tax regime; it becomes relevant when taxable income is lower than book profits.
- Concessional withholding tax rate of 10% on dividend paid to non-resident shareholders.
- Dividend income distributed by Company in IFSC to be taxed in the hands of the shareholder.



## Companies Act Exemptions



- CSR provisions are not applicable for the first five years from commencement.
- Appointment of a resident director is required after completion of the first year.
- Audit Committee and Nomination & Remuneration Committee are not mandatory.
- IFSC companies may adopt the holding company's financial year without approval.
- EGMs may be conducted at any location in or outside India with unanimous shareholder consent.

# Key Incentive:

## Indirect-Tax



- Services received by or delivered to an IFSC unit or offshore clients enjoy GST exemption.
- GST is levied on services supplied to entities in the Domestic Tariff Area (DTA).
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## Subsidies

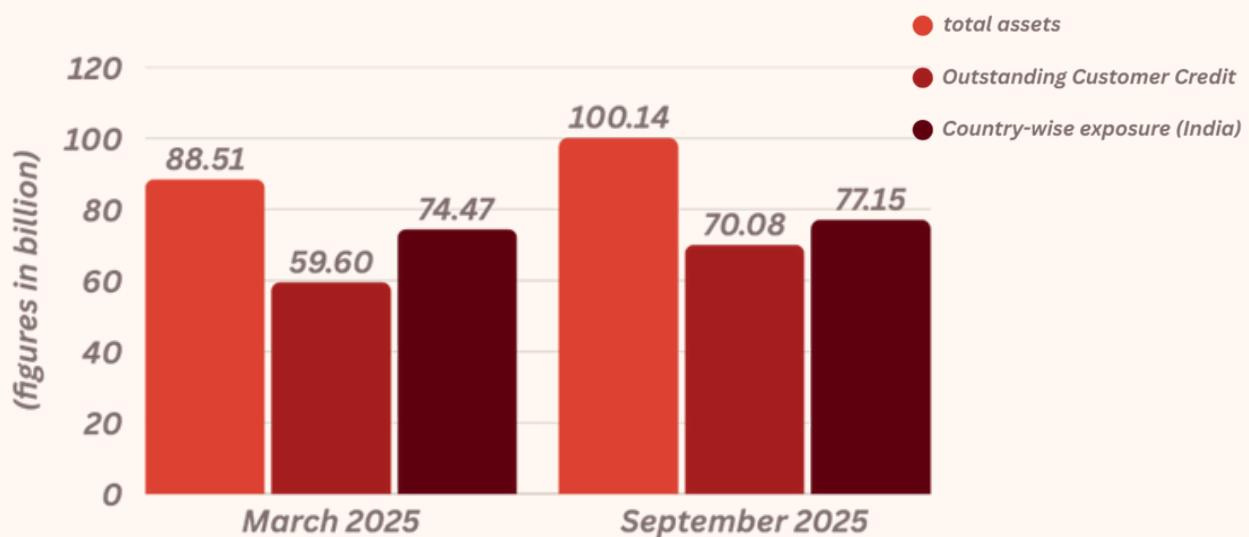


- **Capital Subsidy:** 25% of capex; up to INR 200 million for large projects and INR 50 million for smaller projects.
- **Opex Subsidy:** 15% of operating cost for five years; capped at INR 400 million for large investments and INR 200 million for smaller ones.
- **Electricity Duty:** Full reimbursement for five years.
- **EPF Support:** Government contribution of 100% for women and 75% for men.
- **Additional Incentives:** Interest subsidy up to 7% (maximum INR 10 million per year) and 50% reimbursement of one-month employment cost.
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# Banking Sector

## Key Highlights

- Payments made to non-residents on the transfer of OTC (Over-the-Counter) derivatives are exempt from tax in India.
- Interest income earned by a GIFT International Banking Unit (IBU) on lending ECB to Indian residents is fully exempt during the 10-year tax holiday period.
- Interest paid on deposits to non-residents is exempt from tax in India.



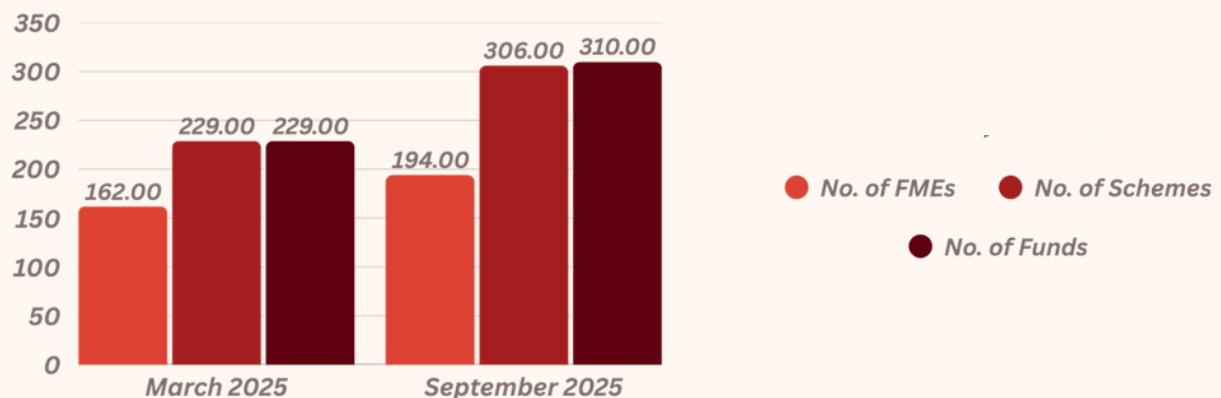
## Key Financial Indicators

- Total Assets was USD 88.51 bn in March 2025 and rose to USD 100.14 bn in September 2025.
- Outstanding Customer Credit was USD 59.60 bn in March 2025 and rose to USD 70.08 bn in September 2025.
- Country Exposure to India was USD 74.47 bn in March 2025 and rose to USD 77.15 bn in September 2025.

# Fund Management Ecosystem

## Key Highlights

- Dividends distributed by an FME are taxed at 10% for non-resident shareholders, while resident shareholders are taxed at normal domestic rates
- AIF Category I & II: Income earned or received by non-resident investors from offshore investments is not taxable in India, and they are exempt from PAN and return filing under specified conditions.
- AIF Category III: Non-resident investors enjoy tax exemption on income from IFSC-traded, offshore, and non-resident-issued securities, along with preferential capital-gains tax rates on Indian shares.



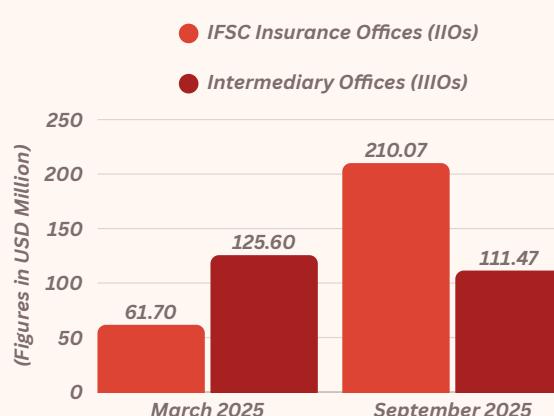
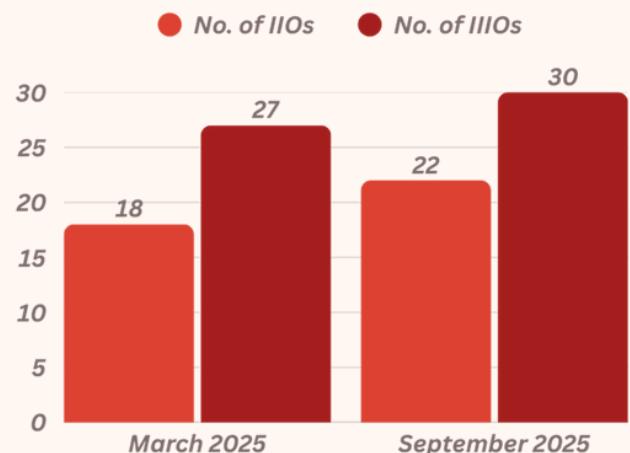
## Key Financial Indicators

- Fund Management Entities were 162 in March 2025 and rose to 194 in September 2025.
- Number of Schemes were 229 in March 2025 and rose to 306 in September 2025.
- Number of Funds were 229 in March 2025 and rose to 310 in September 2025.

# Insurance & Intermediary

## Key Highlights

- IFSC allows offshore reinsurance business from cedents and insurers worldwide, opening a direct channel to international premium flows.
- IFSC Insurance Offices (IIOs) applicants must be based in FATF-compliant jurisdictions, meeting global standards on anti-money laundering and counter-terror financing.
- Promoters and key personnel must meet "fit-and-proper" norms, including adherence to FATF-aligned compliance requirements.



## Key Financial Indicators

- IFSC Insurance Offices (IIOs) were 18 in March 2025 and rose to 27 in September 2025.
- Premium Written by IIOs was USD 61.70M in March 2025 and rose to USD 210.07M in September 2025.
- Premium Written by IIIOs was USD 125.60M in March 2025 and fell to USD 111.47M in September 2025.

# Aircraft & Ship Leasing

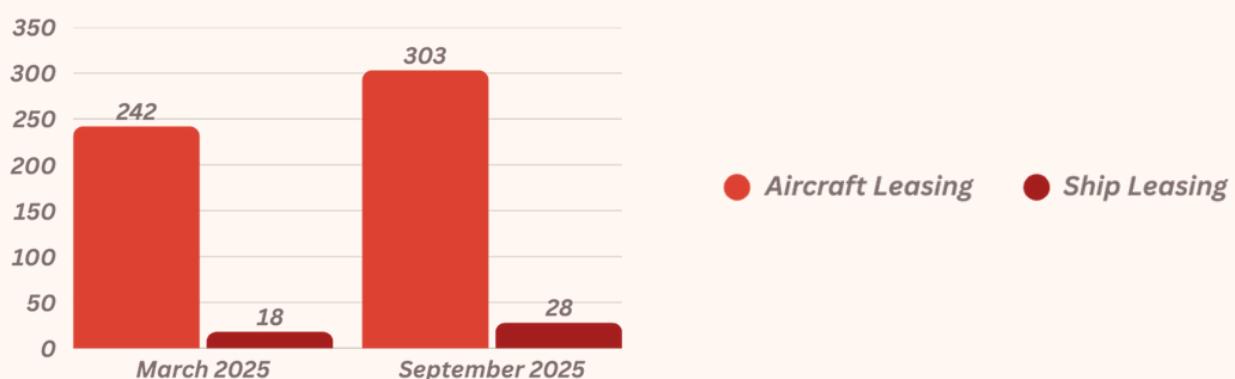
## Key Highlights

### AIRCRAFT-

- Aircraft lease payments treated as royalty attract no WHT when paid to non-residents, for IFSC units commencing operations before 31 March 2030.
- Income on disposal of leased aircraft eligible for tax holiday.
- Import of aircraft and aircraft engines into the IFSC is exempt from Basic Customs Duty, provided aircraft / aircraft engine required to be landing in SEZ .

### SHIPS -

- A dedicated expert committee recommended global-standard practices for Ship Acquisition, Financing & Leasing (SAFAL)
- Vessel leasing notified as a regulated financial product.



## Key Financial Indicators

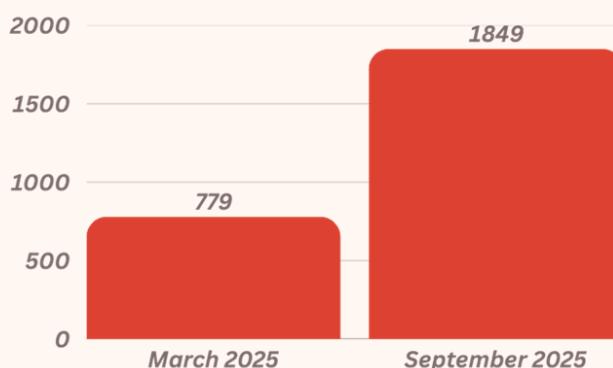
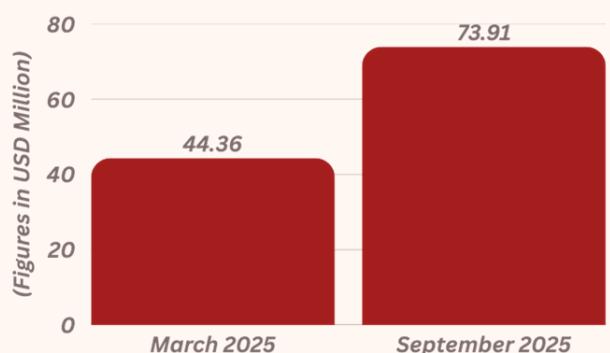
- Aircraft Leasing transactions were 242 in March 2025 and rose to 303 in September 2025.
- Ship Leasing transactions were 18 in March 2025 and rose to 28 in September 2025.

# International Trade Finance Services

## Key Highlights

- Access to international lenders and financiers, improving availability of competitive working-capital financing for Indian and global trade flows

● *Value of Transactions*



● *No. of transactions*

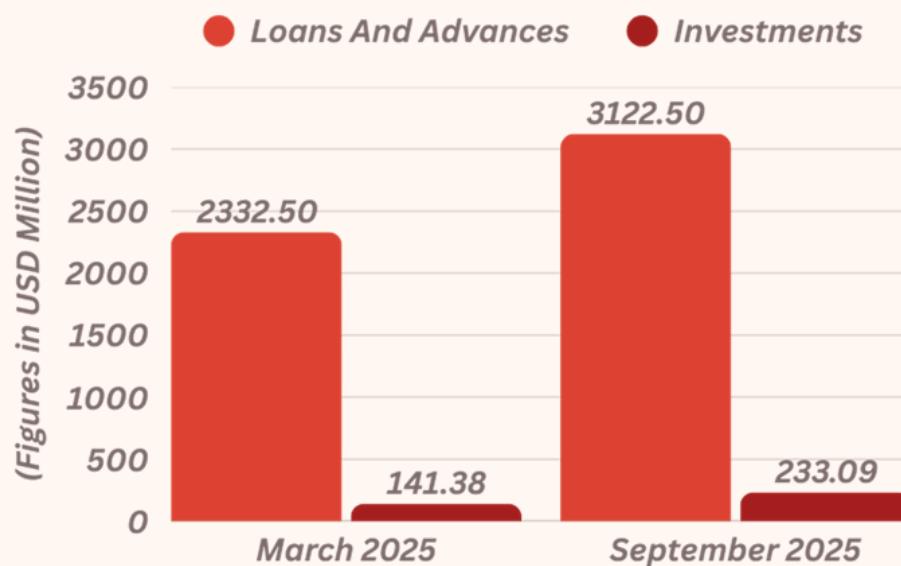
## Key Financial Indicators

- ITFS Transactions Count was 779 in March 2025 and rose to 1,849 in September 2025.
- ITFS Transaction Value was USD 44.36M in March 2025 and rose to USD 73.91M in September 2025.

# Global/Regional Corporate Treasury Centres (GRCTC)

## Key Highlights

- Centralized treasury hub for multinational groups, enabling consolidation of cash, liquidity, risk management, and funding operations in one regulated centre.
- Minimum capital requirement of USD 3 Mn
- Adoption of Treasury and Commodity Trading and Risk Management (CTRM) technology.
- Full foreign-currency operating environment, including cash pooling, FX hedging, commodities hedging, and derivatives transactions.
- Form of set up subsidiary, joint venture, company, branch or any other form specified by IFSCA



## Key Financial Indicators

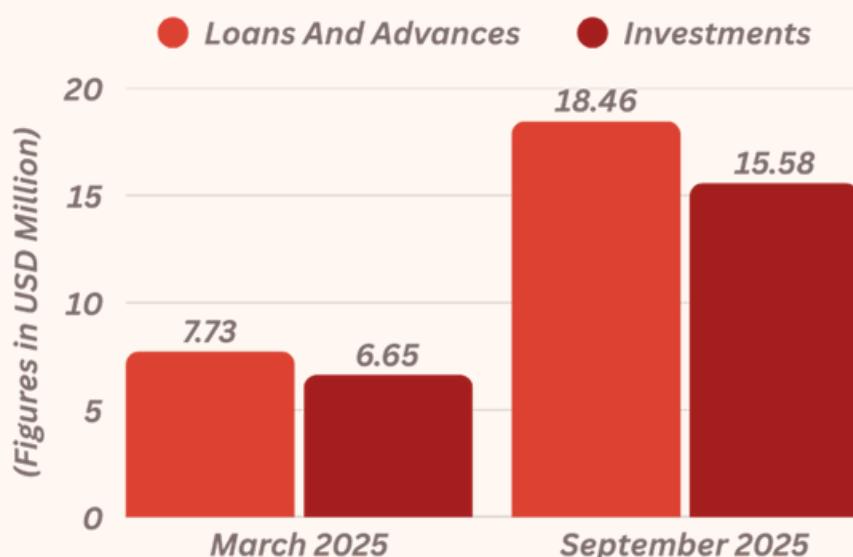
- GRCTC Loans & Advances were USD 2,332.50M in March 2025 and rose to USD 3,122.50M in September 2025.
- GRCTC Investments were USD 141.38M in March 2025 and rose to USD 233.09M in September 2025.

# Financing

## Key Highlights

The permitted core activities include -

- Lending & credit solutions, including guarantees, securitisation and loan portfolio transactions permitted by the IFSC Authority.
- Receivables finance, covering factoring and forfaiting for global trade and treasury needs.
- Investment activities, such as subscribing to, acquiring or transferring permitted securities and financial instruments.
- Derivative and treasury operations, enabling derivatives trading and corporate/regional treasury centre functions within IFSC.



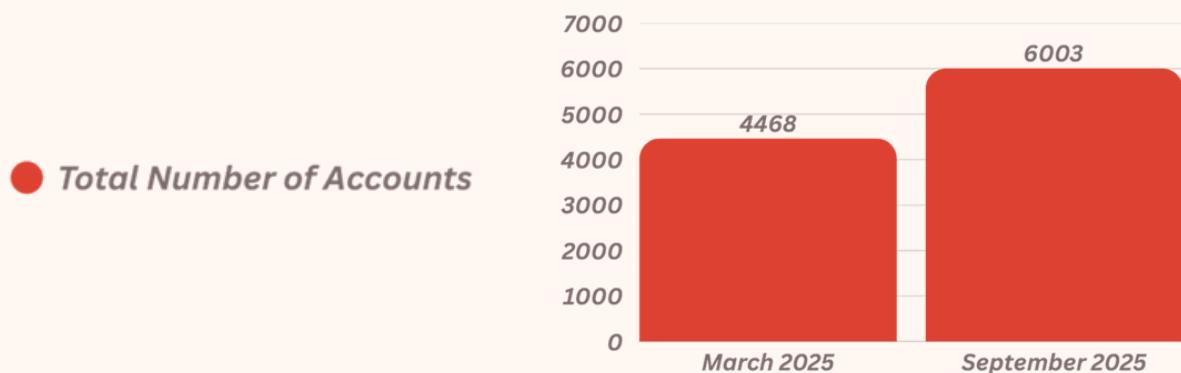
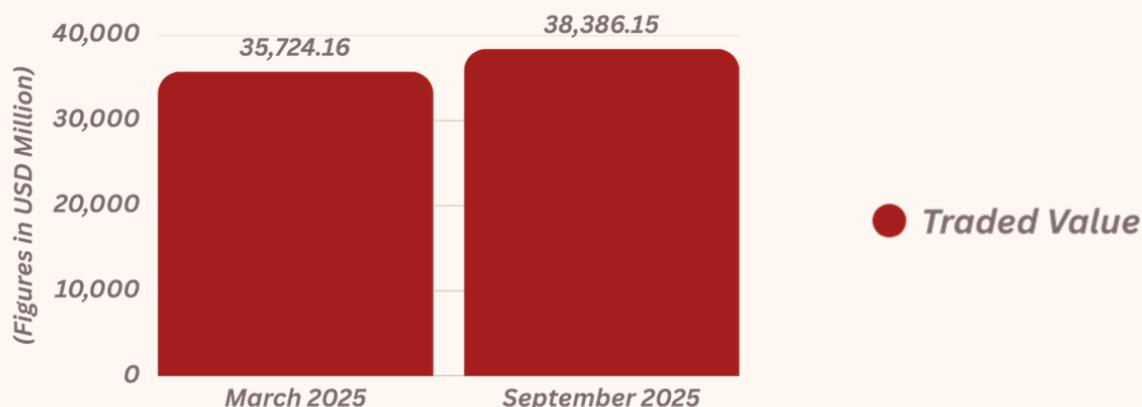
## Key Financial Indicators

- Core Finance Company Loans & Advances were USD 7.73M in March 2025 and rose to USD 18.46M in September 2025.
- Core Finance Company Investments were USD 6.65M in March 2025 and rose to USD 15.58M in September 2025.

# Capital Markets

## Key Highlights

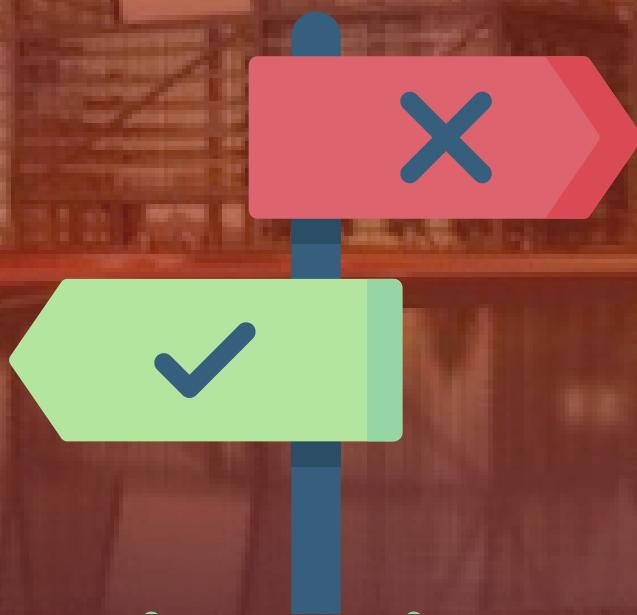
- Global access to capital market intermediaries
- Trading- 22 hours
- Availability of foreign products on IFSC exchanges
- NSE IFSC SGX Stock Connect



## Key Financial Indicators

- India INX Account Holders were 4,468 in March 2025 and rose to 6,003 in September 2025.
- India INX Traded Value was USD 35,724.16M in March 2025 and rose to USD 38,386.15M in September 2025.

# A DECISION FRAMEWORK TO EVALUATE WHETHER GIFT CITY IS RELEVANT TO YOUR GLOBAL STRUCTURE



# Assessment Framework

Decision Criteria	Set Up in GIFT IFSC IF
Tax Outcomes	A tax-efficient structure is required without association with low-substance hubs.
Regulatory Comfort	Operations demand a unified, FATF-aligned and internationally accepted framework.
Capital Needs	Access to USD markets, ECB lending avenues or structured finance is a priority.
Cost Sensitivity	Meaningful capex/opex incentives and SEZ-linked efficiencies are essential.
Talent & Proximity	The model benefits from India's specialised, cost-efficient finance-tech talent.
Long-term India Strategy	The organisation seeks a strategic onshore-offshore gateway for India-centric activity.

# Connect with us

AKSSAI is led by a dedicated team of professionals who bring strategic insight and operational excellence to every engagement. Our collective expertise ensures the highest standards of service and delivery



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# About Akssai

At Akssai, we provide comprehensive and reliable accounting and finance services to clients across the globe. With our deep industry knowledge, expertise, and commitment to excellence, we strive to be your trusted partner in navigating the complex landscape of financial management.

Under the leadership of Mr. Anil Sharma, CEO of STCO, our parent company, these values and ethics are deeply ingrained in our organizational DNA. They guide our decision-making processes, shape our relationships, and define our commitment to excellence and integrity.

# How We Work

We're expert accountants who understand your company's processes and accounting integration. We optimize your system, advise on advancements, and reduce integration risks for improved internal control.

We analyze financial strategies, generate reports, calculate monetary effects and advise leaders for improved decision-making, creating strong financial plans for organizations.

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Akssai leverages technological advancements to enhance decision-making and transform vision into tangible value. We prioritize client satisfaction, going beyond service to deliver exceptional results.

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