



# IFSC: KPMG in India's value proposition



## Overview of IFSC

International Financial Service Center (IFSC) has been set up to attract foreign and Indian financial services companies that are currently carrying out their business outside India to shift their business to India. IFSC aspires to cater to India's large financial services potential by offering global firms world class infrastructure and facilities.

IFSC offers special tax advantages and relaxed regulatory regime for the arms of financial service firms making this centre a major global financial hub.

Gujarat International Finance Tec-City (GIFT City) is the first IFSC in India, which offers a free trade zone with various fiscal incentives for units set up in an IFSC.

The services can be provided in any permissible foreign currency other than Indian rupees. An IFSC unit is treated as a non-resident under the Indian foreign exchange regulations.

This is an excellent opportunity for overseas financial services firms to leverage the benefits offered by IFSC and expand the India footprint.

## Key sectoral opportunities

### Capital markets

- Stock/Bullion exchanges
- Trading members
- Segregated nominee account providers
- Clearing corporations, depositories, other intermediaries



### Offshore banking

- Corporate banking
- External commercial borrowings lending
- Servicing JV/WOS of Indian companies registered abroad
- Factoring/forfeiting of export receivables



### Offshore Insurance

- General/Life Insurance
- Co-Insurance
- Reinsurance
- Captive Insurance



### Offshore asset management

- Alternative investment funds
- Portfolio management services
- Investment advisors



### Ancillary services

- Research and analytics
- Fund accounting
- Accounting, legal, auditing, etc.

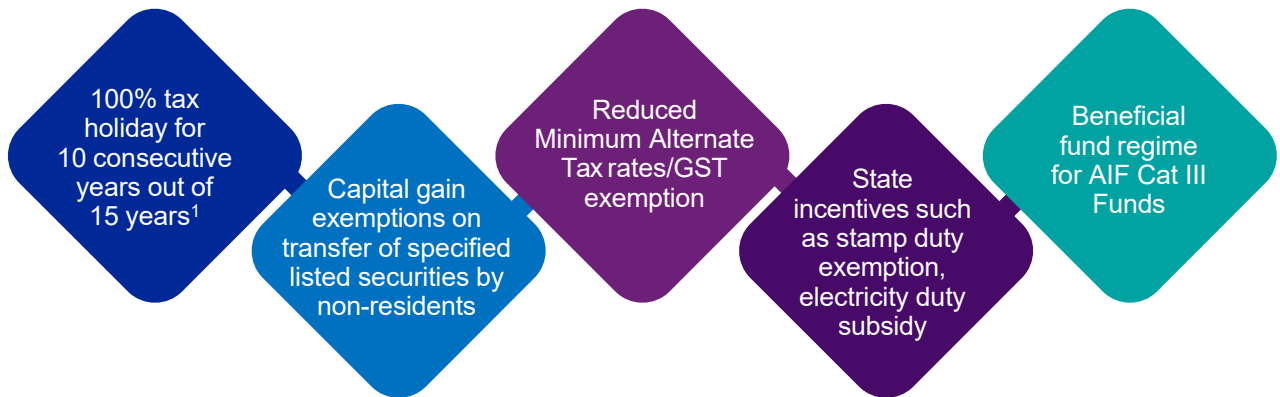


### Others

- Global In-house centres
- Global treasury centres
- Finance company
- Aircraft leasing and financing



## Key fiscal incentives



Prominent global and domestic financial service players have already established business presence in IFSC-GIFT City.

## How can KPMG in India help?

### Conceptualisation/ Strategic assistance

- Feasibility study for setting up a unit in IFSC
- Assistance in formation of business strategy/plan for setting up IFSC unit
- Facilitating meetings with the IFSC Authority to seek clarifications before finalisation of business model



### Implementation

- Assistance in preparation and submission of the applications
- Follow-up and regular meetings for approvals
- Assistance in obtaining tax and regulatory registrations



### Ongoing Compliances

- Assistance in ongoing tax and regulatory compliances
- Assistance in obtaining state incentive approvals
- Need based advisory



1. Income tax Act, 1961 - Section 80LA

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