



# International Financial Services Centre

A Financial & Technology Gateway of India

# Prime Minister's Vision For GIFT City (IFSC)

A Greenfield Smart City developed on 886 Acres of land

Developed by Government of Gujarat through a Joint Venture

Potential employment opportunity for 1 Million people



Ranked 1<sup>st</sup> in the recent report by the Global Financial Centres Index as one of the IFSC which could become more significant in next few years

Government of India has approved GIFT City as an IFSC



“My vision is that in ten years from now, GIFT city should become the price setter for at least a few of the largest traded instruments in the world, whether in commodities, currencies, equities, interest rates or any other financial instrument.” The concept of IFSC is simple but powerful. It aims to provide on-shore talent with an offshore technological and regulatory framework. This is to enable Indian firms to compete on an equal footing with offshore financial centres.”

Shri Narendra Modi, Hon'ble Prime Minister of India

<http://pib.nic.in/newsite/PrintRelease.aspx?relid=156240>

# IFSC Ecosystem and Business growth

Sr No	Players	Key business activities and features	Volume and No. of players
1	Stock exchanges	<ul style="list-style-type: none"> <li>Dollar denominated products</li> <li>No transaction cost (other than brokerage)</li> <li>Trading - 22 hours</li> </ul>	<ul style="list-style-type: none"> <li>India INX and NSE IFSC stock exchange</li> <li>Daily average volume crossed USD 14 Bn+</li> </ul>
2	IFSC banking units	<ul style="list-style-type: none"> <li>ECB Lending</li> <li>Loan syndication and trade finance</li> </ul>	<ul style="list-style-type: none"> <li>22 IBUs</li> <li>Business - USD 50 Bn+</li> </ul>
3	FPI in IFSC (Alternative Investment Funds ['AIF'])	<ul style="list-style-type: none"> <li>India bound investments</li> <li>Investments in IFSC and global markets</li> </ul>	<ul style="list-style-type: none"> <li>15 registered</li> </ul>
4	Brokers	<ul style="list-style-type: none"> <li>Broking services</li> <li>Proprietary trading</li> </ul>	<ul style="list-style-type: none"> <li>50+ brokers</li> </ul>
5	Insurance players	<ul style="list-style-type: none"> <li>Reinsurance business</li> <li>Insurance intermediaries</li> </ul>	<ul style="list-style-type: none"> <li>24 players</li> <li>Sum insured business - USD 30 Bn+</li> </ul>
6	IT & ITeS	<ul style="list-style-type: none"> <li>Legal &amp; consultancy firms</li> <li>IT companies</li> </ul>	<ul style="list-style-type: none"> <li>50+ entities</li> </ul>
7.	Global In-house Centers (GICs)	<ul style="list-style-type: none"> <li>Tech &amp; Ops support services for overseas financial institutions in FATF compliant jurisdictions</li> </ul>	<ul style="list-style-type: none"> <li>Large US based financial group setting up services center</li> </ul>
8	Aircraft Financing & Leasing	<ul style="list-style-type: none"> <li>Framework for aircraft leasing backed by Ministry of civil aviation</li> </ul>	<ul style="list-style-type: none"> <li>9 entities for aircraft leasing set up</li> <li>Maiden transaction completed</li> </ul>
9	Portfolio Management Service	<ul style="list-style-type: none"> <li>Fund and portfolio management services</li> </ul>	<ul style="list-style-type: none"> <li>Several PMS players in the process of setting up operations at IFSC</li> </ul>





# Foreign Universities & Educational Institutions in IFSC

**Union Budget 2022,  
Hon'ble FM's  
announcement -**

*“ World-class foreign universities and institutions will be allowed in the GIFT City to offer courses in financial management, fintech, science, technology, engineering and mathematics free from domestic regulations, except those by IFSCA ”*

- Hon'ble Finance Minister Nirmala Sitharaman had interacted with the representatives of 14 distinguished US universities and invited them to set up foreign universities/institutions at the GIFT-IFSC;
- University Grants Commission, UGC has set up a committee to finalise and create rules and regulations for foreign universities who wish to set up and open campuses in India;
- The Central Government vide notification in Official Gazette recently notified following courses offered in foreign universities or foreign institutions in the IFSC as financial services;

Financial Management

Fintech

Science, Technology,  
Engineering

Mathematics

- The IFSC Authority vide notification in Official Gazette dated 12 October 2022 notified International Financial Services Centres Authority (Setting up and Operation of International Branch Campuses and Offshore Education Centres) Regulations, 2022 ('IFSC – IBC and OEC Regulations, 2022') which permits foreign universities or foreign institutions to set up themselves in the IFSC.

## Mode of Set-up

### International Branch Campus

- **Campus** set up as a branch by a foreign university on stand-alone basis; or any other form as may be permitted by IFSC Authority;

### Offshore Educational Centre (OEC)

- **Centre** set up as a branch by a foreign educational institution (other than the foreign university) on stand-alone basis; or any other form as may be permitted by IFSC Authority;

- for the purpose of delivering courses including research programmes in the permissible subject areas; that are duly accredited under the relevant framework in their respective home jurisdiction and is registered with the Authority.

## Eligibility Criteria

- FU within Top 500 in global overall ranking and / or subject ranking in the latest QS World Universities ranking;
- Foreign Educational Institutions which is reputed in its home jurisdiction;
- The applicant shall satisfy the IFSC Authority of its financial capability and ensure continuity of proposed activities;
- The applicant shall put in place suitable infrastructure facilities

## Courses to be offered

- Courses offered must be identical with those offered by parent entity;
- Degree/ diploma/ certificate shall have same recognition as if it were provided in the home jurisdiction;
- any modification in the course curriculum or content shall be carried out with prior approval of competent body of the Parent Entity;
- modification can be done without prior intimation if the same is necessitated due to the change effected in the course offered by the Parent Entity.

Non-Permissible Activities : An IBC or OEC shall not act as a mere representative office of the Parent Entity for the purposes of undertaking promotional activities

# Procedure for Grant of Registration

An Applicant satisfying the eligibility conditions specified in these regulations, shall apply to the Authority, in the specified format, for the grant of registration to conduct the courses including research programmes or/and executive education programmes. in the permissible subject area with requisite documents.

An application shall be referred to Committee of Experts (CoE) by GIFT City Company Limited for recommendations



On recommendations of CoE, Authority to grant in principal approval for 180 days to set up necessary infrastructure and manpower



If unable to set up, application in 7 days advance for extension of time and on being satisfied, the Chairperson of the IFSC Authority may extend period for maximum 90 days



Authority issues Certificate of Registration for period of 5 years and renewable for additional period of 5 years

## Currency for Operations

- Freely convertible foreign currency only
- Defray their administrative expenses in INR by Special Non-Resident Rupee Account

## Maintenance of accounts

- Books of Accounts maintained in foreign currency
- Annual report giving all the details like number of students admitted, total fee collected, amount repatriated to Parent Entity, etc.

## Repatriation of profits

- The Parent Entity shall be permitted to repatriate profit, if any, without any restrictions.

## General Conditions

- Use same or similar name as that of Applicant
- Provide copy of Memorandum of Understanding between Parent Entity and its IBC or OEC;
- The student and faculty selection shall follow the same/similar procedure as that of Applicant
- Undergo quality assurance audit and submit report at the time of renewal of registration.
- All marketing communications or advertisements shall be factual and accurate.
- Adhere to dispute resolution policy of Authority

## Deposit Fees

<u>Deposit and Fees</u>	<u>Amount INR</u>
Application Fee	\$1,000 (one time)
Initial Registration Fee	\$25,000 (one time)
Annual Fee	\$10,000 (second year onwards)
Processing fee for relaxation	\$10,000

## Safeguarding the interest of students

- Any suspension or discontinuation of the course shall be subject to prior written approval of the Authority and it shall be the responsibility of the Parent Entity to provide an alternative to the affected students.



# Why GIFT IFSC?

## Unified Regulator

- IFSC Authority – regulator for various financial services sectors & No local regulation for university

## Liberal Policies

- Deemed foreign jurisdiction from exchange control perspective

## Tax Benefits

- Tax Holiday for 10 consecutive years out of 15 years

## Savings in Cost

- Low Manpower and other Administrative cost



**Enabling Flow of finance,  
financial products and  
services across borders**



**State of the art  
infrastructure**



**Skilled Talent Pool**

**CONTACT US:**

**Gujarat International Finance Tec-City Company Ltd.**

Reg. Office: EPS - Building no. 49A, Block 49, Zone 04, Gyan Marg, GIFT City, Gandhinagar - 382355. Gujarat

Visit us: <http://www.giftgujarat.in>



**GIFT SEZ LTD.**

**IFSC Department**

GIFT House, Zonal Facility Center, Road 1-D, Zone - I,  
GIFT SEZ, GIFT City, Gandhinagar - 382355, Gujarat.

Phone: +91 079-61708300