

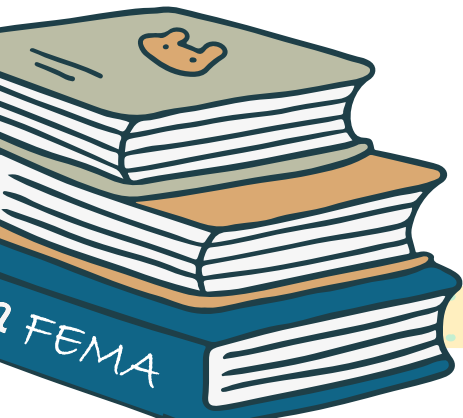
FEMA Ke Fundae

#FamiliarwithFEMA

International Financial Service Center (IFSC) Part - I

Date: 3rd July, 2024

Issue no: 108





ANU
(Indian citizen)

Hello, Mr Fema Gyani, I have been enthusiastic about investing my hard-earned money to secure my future. I am a frequent ODI Investor but recently I heard about the concept of IFSC. Can you explain it to me a bit more in detail?

Hey Anu! IFSC stands for International Financial Services Centre. It's essentially a designated area within a country's territory that provides financial services to non-residents and residents alike. It's like a special zone or area that attracts financial companies from all over the world.



The FEMA Gyani

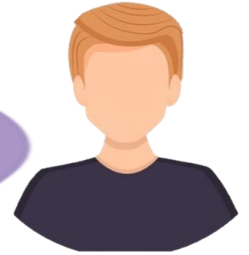




ANU
(Indian citizen)

So, where is the IFSC present in India?

It is situated in the Gujarat International Finance Tech city (GIFT) in India under Special economic zone Act, 2005. It seeks to bring back those financial service transactions that are currently carried on outside India by overseas financial institutions to Indian shores.



The FEMA Gyani



ANU
(Indian citizen)

But, why would companies from different countries want to come to this place?



Good question! An IFSC attracts financial companies by offering a lot of benefits.



The FEMA Gyani

Some of these key benefits includes:

Same ecosystem advantage as their present location

Modern Transport , communication, and internet infrastructure

Lower operating costs

Liberal tax regime for 10 years

Availability of skilled professionals

Integrated system of banks, insurance , capital markets law firms

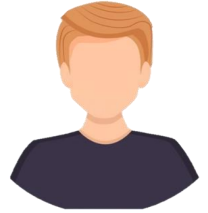


ANU
(Indian citizen)

What kind of companies are we talking about?

PLANNER

We're talking about banks, insurance companies, investment firms and even companies that manage stocks and bonds. Basically any company involved in financial services.



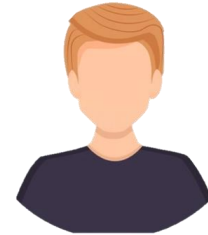
The FEMA Gyani



ANU
(Indian citizen)

But why did the government decided to provide these regulations?

The government aims to promote IFSC as a global financial hub, attracting investors from all over the world so as to **preserve the foreign exchange within the country**. By making it **easier for resident individuals to invest there**, they're hoping to stimulate more investment activity within IFSC, which in turn benefits the overall economy.



The FEMA Gyani

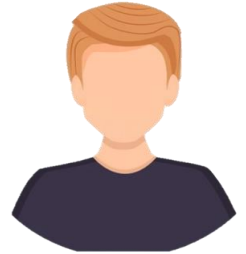




ANU
(Indian citizen)

Makes sense. So, by investing in IFSC, we're not only benefiting ourselves but also contributing to the growth of the financial sector?

Absolutely, it's a win-win situation. We get access to new investment opportunities, and at the same time, we're supporting the development of IFSC as a prominent player in the global financial landscape.

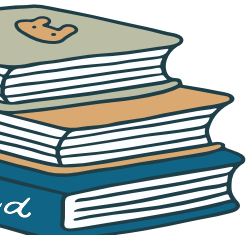


The FEMA Gyani

Well, thanks for explaining, , I'm excited to explore this new opportunity.



ANU
(Indian citizen)



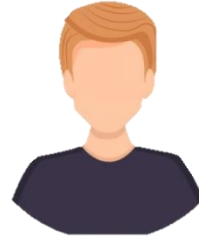


*In the next part, we will cover **criteria for net profits in case of investment in IFSC , Investment by an Indian unlisted entity and Relaxation on investment by resident individuals in IFSC.***

To be continued next
WEDNESDAY...



Thank You



The FEMA Gyani

Comments

Feedbacks

Suggestions



<https://in.linkedin.com/company/jscoca>

WEBSITE

<https://jainshrial.com/>



International Tax Gyan   
WhatsApp group





Disclaimer

- ❑ This presentation has been prepared on the basis of information available in the public domain and is intended for guidance purposes only.
 - ❑ Jain Shrimal & Co. has taken reasonable care to ensure that the information in this presentation is accurate. It however accepts no legal responsibility for any consequential incidents that may arise from errors or omissions contained in this presentation.
 - ❑ This presentation is based on the information available with us at the time of preparing the same, all of which are subject to changes which may, directly or indirectly impact the information and statements given in this presentation.
 - ❑ Neither Jain Shrimal & co., nor any person associated with us will be responsible for any loss however sustained by any person or entity who relies on this presentation. Interested parties are strongly advised to examine their precise requirements for themselves, form their own judgments and seek appropriate professional advice.
- 