Genexxt Advisory

QUICK REFERENCE GUIDE

GIFT IFSC & Global Financial Cities

What GIFT City IFSC offers, how it compares to Singapore, Dubai, London, Hong Kong and Mauritius, and how to structure your entry.

What is GIFT City IFSC?

GIFT City IFSC (International Financial Services Centre) is India's first and only IFSC — a dedicated financial and IT services hub in Gandhinagar, Gujarat, regulated by a single unified regulator, the International Financial Services Centres Authority (IFSCA). It offers full financial-services convertibility, a 20-year tax holiday (within a 25-year block, per Budget 2026) with a 15% concessional rate thereafter, and a globally benchmarked regulatory framework designed to let Indian and international firms compete on equal footing with established offshore financial centres.

Why GIFT IFSC Works

- **Single-window regulator** — IFSCA covers banking, capital markets, insurance and funds under one authority.
- **20-year tax holiday** (within a 25-year block, per Budget 2026) at a 15% concessional rate thereafter, plus GST/customs exemptions for qualifying IFSC units.
- **100% foreign ownership** permitted for most IFSC entity types.
- **USD-denominated** operations with full current and capital account convertibility within the zone.
- **Cost-efficient base** relative to Singapore, Dubai, London and Hong Kong for India-linked structures.

Common Entity Types

ENTITY TYPE	TYPICAL USE
Alternative Investment Fund (AIF Cat I/II/III)	Venture, PE, hedge and infrastructure fund pooling
Fund Management Entity (FME)	Managing AIFs and other pooled investment vehicles
Finance Company / Finance Unit	Cross-border lending, treasury, factoring
IFSC Banking Unit (IBU)	Offshore banking operations of an Indian/foreign bank
IT/ITES SEZ Unit	Global Capability Centres, export-oriented services

GIFT IFSC vs. the World's Leading Financial Centres

CENTRE	REGULATORY MODEL	TAX POSITIONING	WHERE IT TENDS TO WIN
GIFT City IFSC	Single-window (IFSCA)	20-year tax holiday (25-yr block), 15% rate thereafter	India-linked funds, cost-efficient administration, rupee/USD dual access
Singapore	MAS	Competitive corporate tax, wide treaty network	Pan-Asia fund domiciliation, mature fund-services ecosystem
Dubai (DIFC/ADGM)	DFSA / FSRA, common law	0% tax on qualifying income	Middle East/Africa gateway, family office structures
London (UK)	FCA	Standard UK corporate tax	Deep capital markets, global reputation
Hong Kong	SFC	Territorial tax system	China-linked capital flows
Mauritius	FSC Mauritius	Treaty-based tax efficiency	Africa/India-linked offshore structures

A Typical Mandate, Step by Step

- **Structure** — select the right IFSC entity type and jurisdictional structure.
- **License** — prepare and file the IFSCA application through to licence grant.
- **Fund** — open banking relationships and close first capital.
- **Operate** — ongoing compliance, reporting and access to our global associate network.

India Missions That Fund IFSC-Linked Projects

National Critical Mineral Mission (₹34,300 Cr) · National Green Hydrogen Mission (₹19,744 Cr) · India Semiconductor Mission 2.0 (≈₹1.27L Cr) · PLI Scheme (₹1.97L Cr across 14 sectors) · Jal Jeevan Mission 2.0 (₹8.69L Cr) — see our full India Policy & Missions briefing at genexxtadvisory.com/policy.html