

**Comparative analysis of key changes in IFSCA Framework for Global/Regional Corporate Treasury Centres (GRCTC) through recently notified updated framework**

Particulars	Framework dated 25 June 2021 (erstwhile framework)	Framework dated 04 April 2025 (revised framework)
<b>Permissible Activities</b>	<ul style="list-style-type: none"> <li>• Cash and Liquidity Management</li> <li>• Treasury Operations &amp; Financial Risk Management</li> <li>• Inter-Company and Capital Structuring Activities</li> <li>• Payment and Settlement Services</li> <li>• Corporate finance and advisory services</li> <li>• Market and investment activities</li> <li>• Managing relationships with financial institutions, investors, and counterparties</li> <li>• Any other treasury activity with prior intimation to the Authority</li> </ul>	<p>The list of permissible activities broadly remains the same with following key inclusions:</p> <ul style="list-style-type: none"> <li>• <b>Management of obligations of its service recipients towards insurance and pension related commitments</b></li> <li>• <b>Acting as a holding company</b></li> </ul>
<b>Definition of group entity</b>	<p>Group entities shall mean any entity which is registered under any law for the time being in force with any competent or statutory body in its home jurisdiction and shall include its holding, subsidiary or associate companies, branch, joint venture investment or subsidiary of a holding company to which it is also a subsidiary</p>	<p>The erstwhile definition has been expanded to include entities sharing common brand name as well</p>

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<b>Substance requirements</b>	No specific mention under framework for GRCTC except for those mentioned under Finance Company regulations	The revised framework mandates GRCTC to employ at least 5 qualified personnel, based in IFSC, to undertake the permissible activities including the Head of Treasury and the Compliance Officer before commencement of operations
<b>Service Recipients</b>	Permissible activities/services could only be performed for Group Entities domiciled in jurisdictions not identified as 'High-Risk Jurisdictions subject to a Call for Action' by FATF	Permissible activities may be undertaken for: <ul style="list-style-type: none"> <li>a) Group Entities</li> <li>b) Group Entities of the Parent</li> <li>c) Branches of such Parent or Group Entities</li> </ul> <p>Must maintain an updated list of all service recipients and provide to IFSCA when called upon</p>
<b>Commencement of operations</b>	No explicit mention in the framework	Required to begin operations within 6 months of obtaining registration

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<b>Fee Structure</b>	<ul style="list-style-type: none"> <li>- Application fee: USD 1,000</li> <li>- Registration fee: USD 12,500</li> <li>- Annual recurring fee: USD 12,500</li> </ul>	<ul style="list-style-type: none"> <li>- Application fee: USD 1,000</li> <li>- Registration fee: USD 12,500</li> <li>- <b>Annual recurring fee: USD 25,000</b></li> </ul>
<b>Currency of Operations</b>	<ul style="list-style-type: none"> <li>- Freely convertible foreign currency only</li> <li>- Indian Rupee (INR) allowed only for administrative expenses through a separate INR SNRR account</li> <li>- Transactions in non-freely convertible currencies permitted only if directly linked to underlying trade flows of Group Entities and settled in freely convertible currency</li> </ul>	<ul style="list-style-type: none"> <li>- Any of the Specified Foreign Currency(ies)</li> <li>- May undertake transactions outside IFSC in currencies other than Specified Foreign Currency(ies)</li> <li>- May open an SNRR account with an authorised dealer in India (outside IFSC) under Schedule 4 of FEMA Deposit Regulations, 2016 for business transactions outside IFSC</li> </ul>
<b>Corporate Governance</b>	<ul style="list-style-type: none"> <li>- Required to comply with IFSCA Guidelines on Corporate Governance and Disclosure Requirements for a Finance Company (as per circular dated 9 August 2021)</li> </ul>	<ul style="list-style-type: none"> <li>- Required to have a Board-approved corporate governance policy clearly documenting governance arrangements</li> <li>- Must have a Board-approved policy for undertaking permissible activities, which shall include:               <ul style="list-style-type: none"> <li>(a) Approval process including delegation of powers;</li> </ul> </li> </ul>

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		(b) Financial limits for activities; (c) Oversight/audit procedures; (d) Other relevant control mechanisms as per activity type
<b>Time Limit for Transition to new framework</b>	Existing GRCTCs must align with the new framework within <b>6 months</b> from the date of notification	