



# Deciphering the 2025 IFSCA TechFin and Ancillary Services Regulations

A Strategic Guide for Operating in GIFT City

**PKM Advisory Services LLP**  
Authorized Service Provider, GIFT City

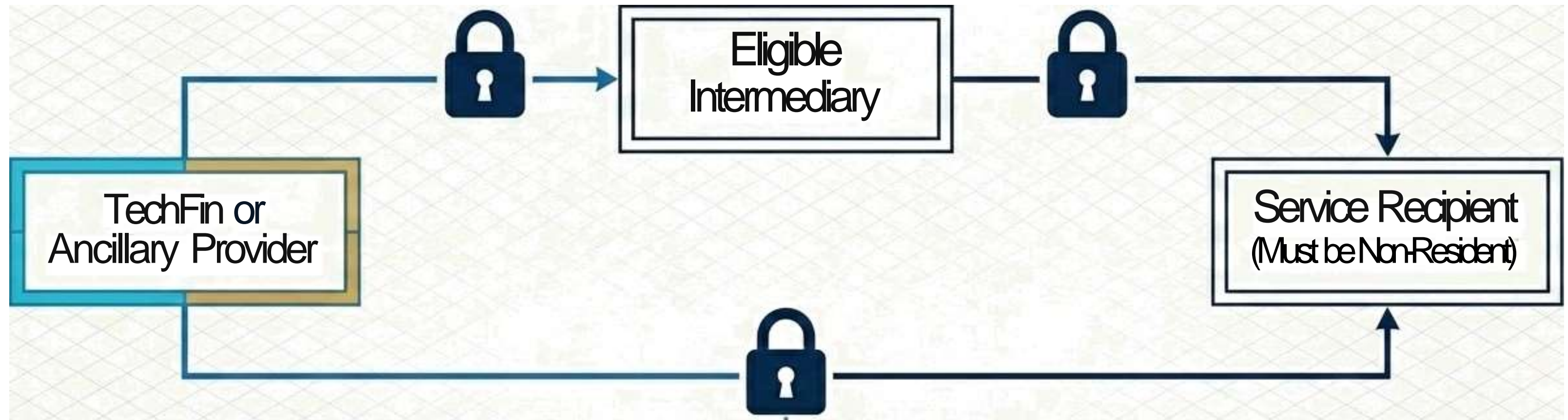
# The New Baseline for GIFT City

The 2025 Regulations consolidate the framework for entities that directly or indirectly aid, help or assist core financial services in the IFSC.



**Key Takeaway:** The Authority has formally defined the support infrastructure required to run a globally competitive financial hub.

# Navigating the Permitted Service Flow



## The Traceability Mandate

The flow of services between parties must be demonstrable and traceable. Services delivered to intermediaries must clearly facilitate the end-recipient's core financial activities in the IFSC.

# The Service Matrix: Mapping Your Operations

## Ancillary Services

The Facilitators (First Schedule)

Core Function: Professional, administrative, and operational support.

- Auditing & Legal Services
- Fund Administration
- Risk Management & Trusteeship
- Actuarial Services
- Compliance Management

## TechFin Services

The Innovators (Second Schedule)

Core Function: Technology solutions leveraging advanced digital architecture.

- AI & Machine Learning
- Distributed Ledger Technology (DLT)
- Cloud Computing & Cyber Security
- Web 3.0 & Metaverse
- Space Tech & Regulatory Tech

# The Exclusion Zone: Prohibited Activities

## Third Schedule Exclusions

The following activities cannot be registered under the TechFin and Ancillary Services framework:



### Core Exclusions

Activities not permitted to be outsourced by home-jurisdiction financial regulators.



### Overlapping Jurisdictions

Activities already regulated under other specific IFSCA frameworks.



### Physical Infrastructure

Facility management (building maintenance, security, housekeeping, plumbing).

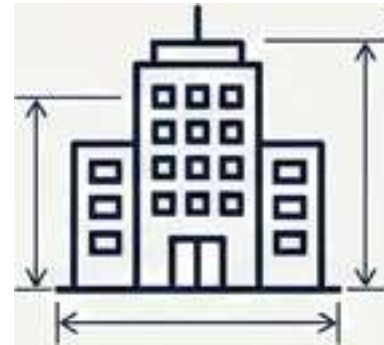


### Physical Operations

Transport, logistics, construction services, and physical asset management.

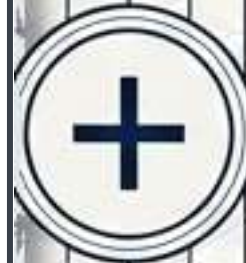


# Corporate Eligibility & Structural Prerequisites



## Permitted Legal Forms

- Company incorporated in IFSC
- Limited Liability Partnership (LLP) in IFSC
- Branch of a foreign Company or LLP
- Professional Partnership Firm (if all partners belong to a parliamentary-constituted professional body)

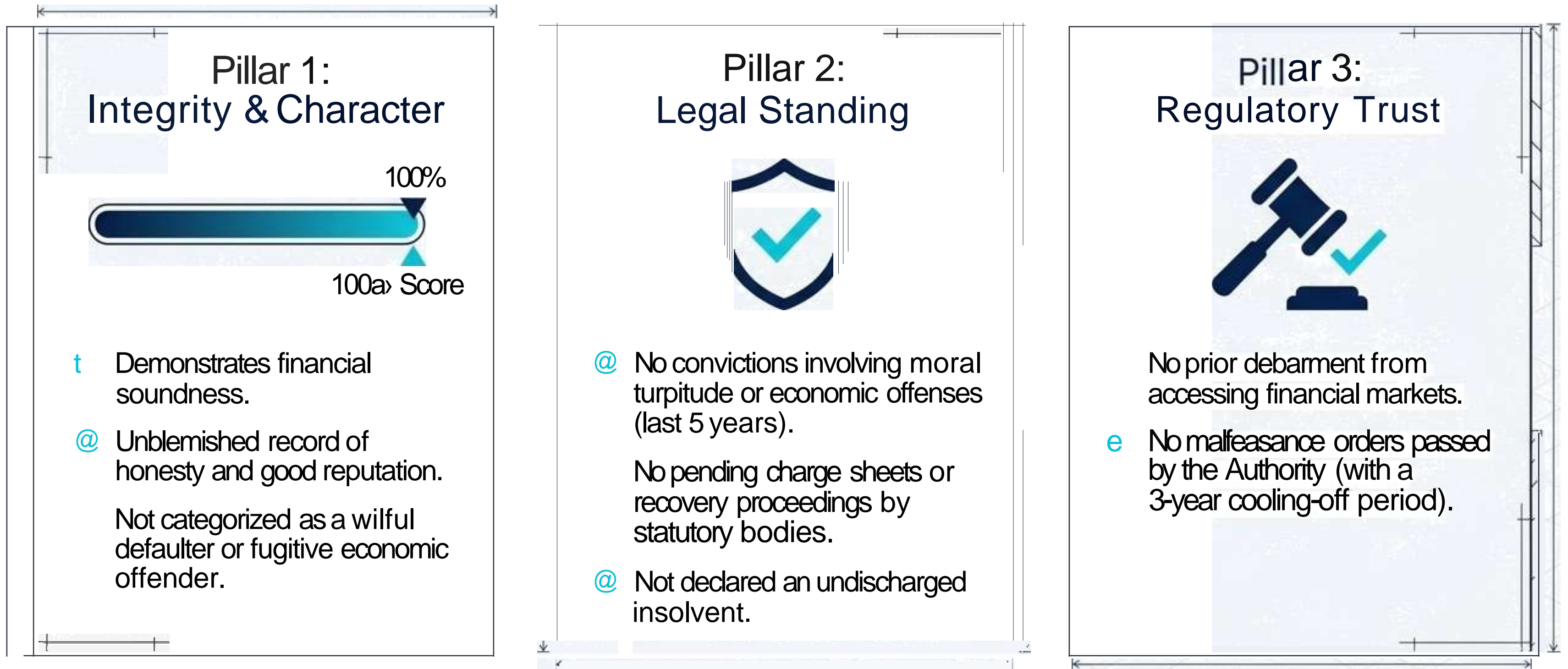


## The FATF Mandate

### A Strict Geographic Gateway

All promoters and partners must be from jurisdictions NOT identified in the FATF public statement as “High—Risk jurisdictions subject to call for action.”

# The 'Fit and Proper' Diagnostic Scorecard

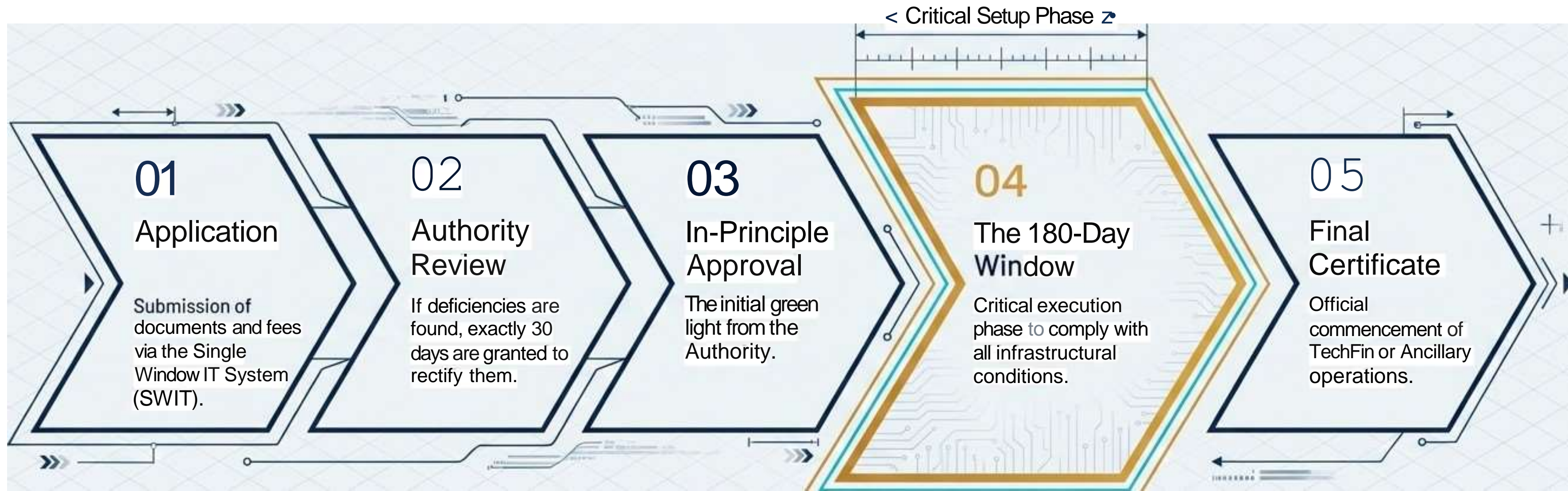


Diagnostic Check: Officers, Directors, Partners, and Controlling Shareholders must pass this criteria.

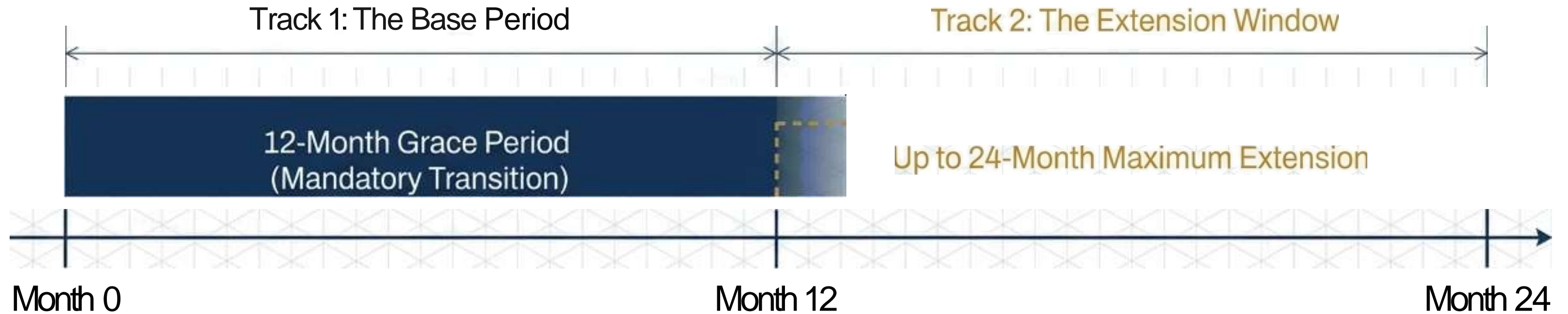
# Leadership Mandate: On-Site Governance



# The Registration Gateway: SWIT Timeline



# The Transition Bridge for Existing Entities



## Transition Rules:

- Extensions beyond 12 months require the Chairperson's approval with recorded written reasons.
- Entities remain governed by the old 2021/2022 frameworks until the new 2025 certificate is officially granted.

# Operational Mechanics: Currency & Conduct

## The Ledger

Currency of Operations



- Primary Operations: All business operations and balance sheets must be maintained in Specified Foreign Currencies.
- The Constraint: INR accounts are strictly limited to defraying local administrative and statutory expenses.

## The Code

Fourth Schedule Mandates

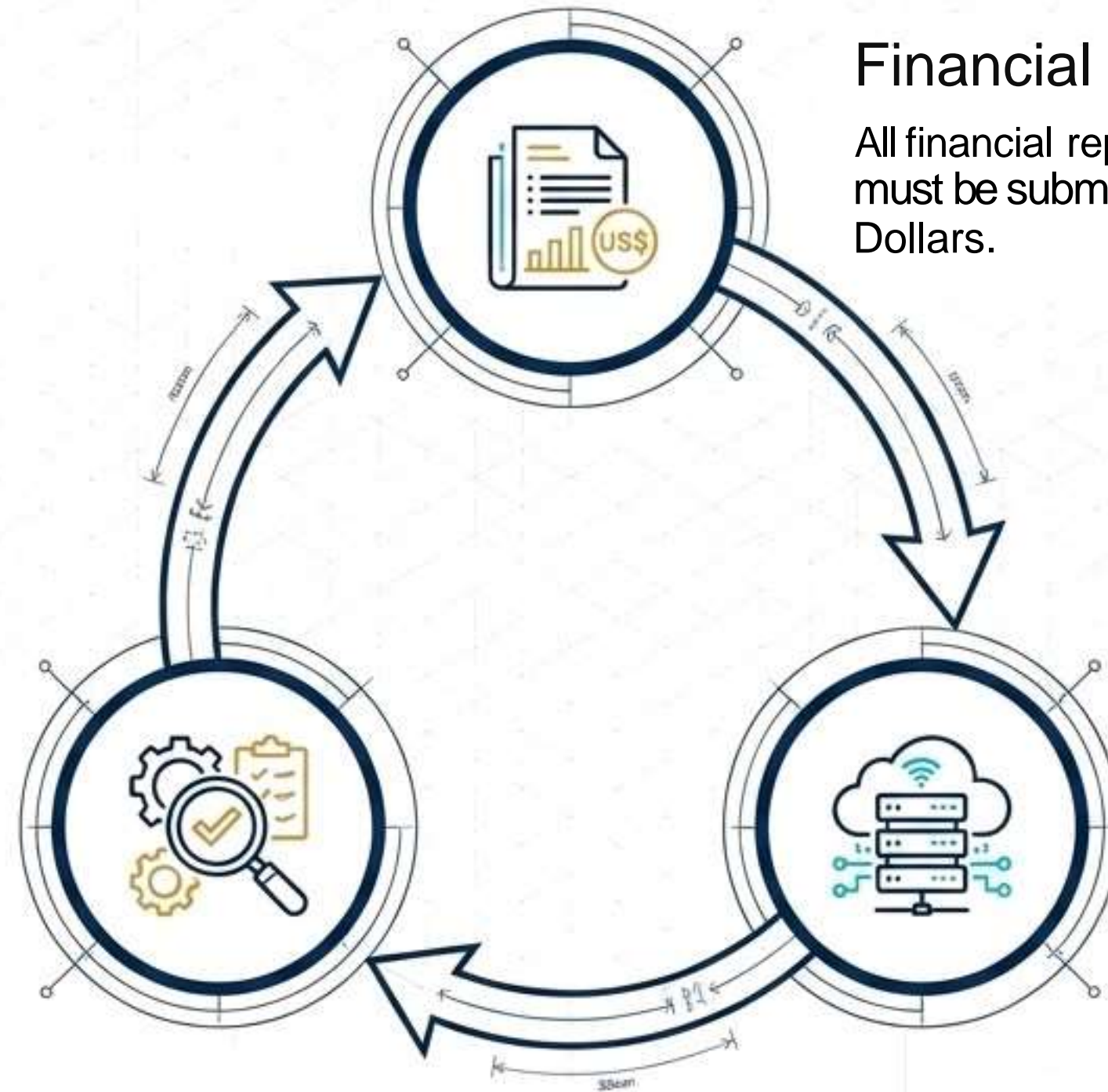


- Physical Presence: Must deploy adequate manpower and infrastructure physically inside the IFSC.
- FATF Monitoring: Must notify the Authority within 10 business days if a promoter's home jurisdiction is added to the FATF high-risk list.

# Continuous Compliance & Oversight

## Financial Reporting

All financial reporting to the Authority must be submitted exclusively in US Dollars.



## Oata Submission

Continuous operational data flow mandated via the SWIT system.

## Suo Motu Inspections

The Authority retains the power to appoint Inspecting Authorities to examine books, records, and internal systems without prior notice.

# Synthesis: The Architecture of Trust



The 2025 Regulations are not merely a compliance checklist. By enforcing strict FATF standards, tracing service flows, and mandating transparent US Dollar reporting, the IFSCA is engineering a globally verifiable trust-infrastructure. Compliance here is your competitive advantage on the world stage.

# PKM Advisory Services LLP: Your Authorized Guide



## Authorized Provider

Positioned as a premier, authorized service provider within the GIFT City ecosystem.

## Structuring & Operations

Expertise in structuring FATF-compliant entities and mapping operations to precise TechFin and Ancillary parameters.

## SWIT Navigation

End-to-end management of the Single Window IT System (SWIT) application and 180-day build-out phase.

# Strategic Next Steps

## Step 1: Ecosystem Assessment

Map your current or planned operations against the First (Ancillary) or Second (TechFin) Schedules to definitively confirm your regulatory eligibility.



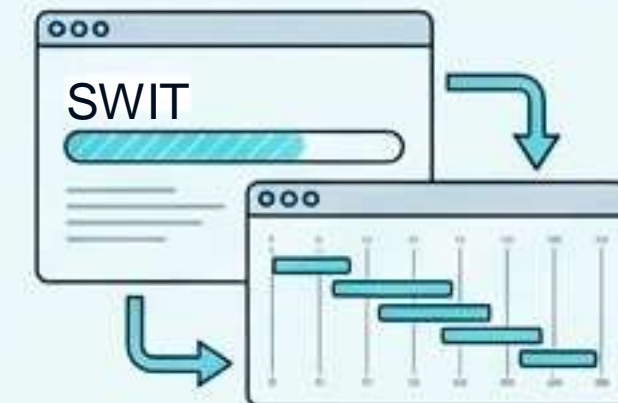
## Step 2: Structuring & FATF Review

Audit your promoter jurisdictions and executive leadership against the stringent 'Fit and Proper' diagnostic scorecard.



## Step 3: Application Execution

Engage PKM Advisory to initiate the SWIT application process and strategically manage the critical 180-day infrastructure build-out window.



Initiate your GIFT City setup today.

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