



## **Consultation paper on proposed revised 'Framework for undertaking Global/Regional Corporate Treasury Centres activities by Finance Company/Unit in IFSC'**

**September 12, 2024**

### **Objective:**

The objective of this consultation paper is to seek comments/views/suggestions from the public on the draft revised 'Framework for undertaking Global/Regional Corporate Treasury Centres activities by Finance Company/Unit in IFSC' ("the Framework")

### **Background:**

2. A Treasury Centre functions as an in-house bank for multinational corporations. Its main objectives are to manage funds centrally and optimise the use of funds within the various entities of the multinational corporation ("the group"). Key responsibilities include intra-group financing, managing cash and liquidity and providing financial advisory services to group entities.

3. In order to facilitate setting-up of Treasury Centres in the IFSC, the Authority had issued a circular titled 'Framework for undertaking Global/Regional Corporate Treasury Centre Activities by Finance Company/ Unit in IFSC' ("the circular") on June 25, 2021. The said circular outlined the requirements for setting up Global/ Regional Treasury Centre (GRCTC) in IFSC and the permissible activities/ services it may undertake.

4. As per the provisions of regulation 7 of the International Financial Services Centres Authority (Procedure for Making Regulations) Regulations, 2021 and keeping in view of outcome and experience of the market participants and stakeholders, the circular is proposed to be revised to streamline the permissible activities/services undertaken by treasury centers and to introduce elements aligned with international best practices. This would make it attractive for entities to set up their treasury centers in the IFSC while ensuring the Authority has due oversight over their activities.

5. Additionally, the range of activities that may be undertaken by the GRCTC are proposed to be enlarged and their scope and restrictions (if any) are clearly outlined in the explanatory note (Annex II) to be issued by the Authority. The draft explanatory note is also placed along with the revised Framework as part of the consultation paper.

### **Public comments:**

6. The general public, market participants and stakeholders are requested to forward their comments /suggestions on the framework and the explanatory note regarding permissible activities by GRCTC (**refer to Annex I and Annex II respectively**) through e-mail to Ms. Riddhi Bhandari (General Manager), IFSCA at [riddhi.bhandari@ifsca.gov.in](mailto:riddhi.bhandari@ifsca.gov.in) and Mr. Lobhas Khairnar (Manager), IFSCA at [lobhas.khairnar@ifsca.gov.in](mailto:lobhas.khairnar@ifsca.gov.in) latest by October 02, 2024. The comments may kindly be submitted in the following format (in either MS Word or MS Excel).

**Format for providing comments/ suggestions**

**Annex I: Draft revised 'Framework for undertaking Global/Regional Corporate Treasury Centres activities by Finance Company/Unit in IFSC'**

<b>Name, Designation of the person</b>				
<b>Contact No.</b>				
<b>Name of Organisation</b>				
<b>Page no. of draft Framework</b>	<b>Clause No.</b>	<b>Sub-Clause No/ Paragraph No.</b>	<b>Comments / Suggestions</b>	<b>Rationale</b>

**Annex II: Permissible activities by Global/ Regional Corporate Treasury Centres**

<b>Name, Designation of the person</b>				
<b>Contact No.</b>				
<b>Name of Organisation</b>				
<b>Page no. of draft</b>	<b>Point Number</b>	<b>Comments / Suggestions</b>	<b>Rationale</b>	

**Draft 'Framework for undertaking Global/Regional Corporate Treasury Centres activities by Finance Company/Unit in IFSC'**

*In exercise of the powers conferred by sub-section (1) of section 28, read with sub-section (1) of Section 12 and sub-section (1) of Section 13 of the International Financial Services Centres Authority Act, 2019 (hereinafter referred to as 'IFSCA Act'), read along with the sub-clause (d) of clause (ii) of sub-regulation (1) of regulation 5 of the IFSCA (Finance Company) Regulations, 2021, the International Financial Services Centres Authority (hereinafter referred to as "Authority") hereby makes the following revised Framework namely: -*

**CHAPTER 1  
PRELIMINARY**

**1. Short title and commencement**

- (1) The Framework may be called as '**Framework for undertaking Global/Regional Corporate Treasury Centres activities in IFSC**'
- (2) The said Framework shall come into force from the date of issuance.

**2. Definition**

- (1) In this Framework, unless the context otherwise requires, the terms defined herein shall bear the meanings as assigned to them herein below –
  - (a) "Act" means the International Financial Services Centres Authority Act, 2019 (50 of 2019);
  - (b) "Authority" means the International Financial Services Centres Authority established under sub-section (1) of Section 4 of the Act;
  - (c) "Certificate of Registration" means the certificate containing the details of the registration granted by the Authority to a Global/ Regional Corporate Treasury Centre under regulation 3 of the IFSCA (Finance Company) Regulations (hereinafter referred to as 'FC Regulations');
  - (d) "Company" means a company as defined in sub-section 20 of section 2 of the Companies Act, 2013 (18 of 2013);
  - (e) "Global/ Regional Corporate Treasury Centre" (GRCTC) means a Finance Company/ Unit registered under sub-clause (e) of clause (ii) of sub-regulation (1) of regulation 5 of the FC Regulations, provided that it is not licensed/registered/authorised under any of the regulations/guidelines/framework issued under IFSCA Act, 2019.
  - (f) "Group Entities" means an arrangement involving two or more entities related to each other through any of the following relationships: (i) subsidiary – parent (as defined in Ind-AS 110/Accounting Standard 21); (ii) joint venture (as defined in Ind-AS 28/Accounting Standard 27); (iii) associate (as defined in Ind-AS 28/Accounting Standard 23); (iv) common brand name or (v) investment in equity shares of 20 per cent and above;

- (g) "IFSC" or "International Financial Services Centre" shall have the meaning assigned to it in clause (g) of sub-section (1) of section 3 of the Act;
  - (h) "Owned fund" shall mean the paid-up-capital and free reserves balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any;
  - (i) "Parent" shall mean an entity (ies) which intends to set up a GRCTC in IFSC either as its wholly owned subsidiary or as its branch;
  - (j) "Permissible activities" shall mean such activities as specified in clause 10 of the Framework;
  - (k) "Relevant Person (s)" shall mean the Directors, key managerial persons and persons exercising control over the GRCTC set up in IFSC;
- (2) Words and expressions used and not defined in the Framework but defined in the Act or Acts mentioned in the First Schedule to the Act or Companies Act, 2013, or any rules or regulations made thereunder shall have the same meanings respectively assigned to them in those Acts, rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

## CHAPTER II

### SETTING UP OF A GRCTC

#### 3. Eligibility Criteria

- (1) An entity seeking to commence operations as a GRCTC (hereinafter referred to as "the Applicant") in IFSC shall require a Certificate of Registration as a Finance Company or a Finance Unit under regulation 3 of the FC Regulations;
- (2) While evaluating an application under sub-clause (1) above, the Authority shall take into account all matters which it deems relevant for grant of registration, including:
  - (i) that the applicant's operations in IFSC is not proposed to be set up either by splitting up or reconstructing or reorganising of operations already in existence in India

**Explanation:** For the purpose of determination of splitting up, reconstruction and reorganisation of any business already in existence in India, the applicant shall adhere to the requirements specified in Part A of the Schedule I of the Framework

- (ii) that the applicant's operations shall not lead to offering the permissible activities by way of transferring or receiving of existing contracts or work arrangements from its extant service recipients in India.

**Explanation:** For the purpose of this Framework, the interpretation of 'transferring or receiving of existing contracts or work arrangements from their extant service recipients in India' shall be as per Part B of Schedule I of the Framework.

- (iii) that the applicant possesses or is willing to invest in the necessary infrastructure in IFSC including adequate office space requirement, equipment, communication facilities and manpower to undertake the permissible activities;
- (iv) that the applicant complies with the owned fund requirements as specified in clause 7 of the Framework;
- (v) that the financial position of the applicant is sound;
- (vi) that the applicant and relevant persons satisfy the 'fit and proper' requirements as specified in the Framework;
- (vii) that relevant persons of the applicant possess adequate experience in setting up and operating GRCTCs, including but not limited to operating such centres in any other jurisdiction;
- (viii) that the applicant or its service recipients have in the past been refused authorization/registration by the Authority and if so, the ground for such refusal;
- (ix) that the applicant or the relevant persons of the applicant are not subject to any proceeding for breach of law in any jurisdiction;
- (x) the list of service recipients to be catered to by an entity seeking registration as a GRCTC shall include at least one service recipient which is either a person resident outside India or has a branch office(s) outside India;
- (xi) any other requirements as may be specified by the Authority from time to time.

#### **4. Application for Registration**

- (1) The applicant shall submit an application to the Authority, for grant of Certificate of Registration, in the format and in the manner as may be specified by the Authority.
- (2) The application under sub-clause (1) above, shall be accompanied by a non-refundable application fee as may be specified by the Authority;
- (3) The parent of the applicant shall be from a jurisdiction which has not been identified in the public statement of Financial Action Task Force (FATF) as "High Risk Jurisdiction – subject to call for action";
- (4) The applicant, at the time of application, shall provide a list of the group entities it intends to serve including information about:
  - a) the nature of the relationship between the applicant and each entity, or the relationship between the parent of the applicant and each entity;
  - b) the jurisdiction in which each entity is incorporated and operates;
  - c) the activities that each entity is undertaking in that jurisdiction;
  - d) the activities proposed to be undertaken by the GRCTC for or on behalf of each entity.

#### **5. Legal Form**

- (1) The applicant shall be required to be incorporated in IFSC, in the form of a company or a branch or in any other legal form as may be specified by the Authority from time to time.

## **6. Service Recipients:**

- (1) The GRCTC shall perform Treasury Activities for and/or provide Treasury Services to either its Group Entities and/or to the Group Entities of its parent and/or to the branch of such Group Entities.
- (2) The entities mentioned in sub-clause (1) above, designated as service recipients, shall be domiciled in a jurisdiction not identified in the public statement of Financial Action Task Force as 'High-Risk Jurisdictions subject to a Call for Action'.
- (3) A GRCTC may cater to such service recipients who are persons resident in India provided that any transactions with such service recipients shall be undertaken in compliance with the provisions of the Foreign Exchange Management Act, 1999.

## **7. Owned Fund Requirements:**

- (1) A GRCTC shall have and maintain owned fund of USD 0.2 million at all times.

*Provided that* in case a GRCTC is set up in the form of a branch, it shall maintain the owned fund at the parent level.

## **8. Issuance of provisional registration**

- (1) After considering an application for registration, if the Authority is satisfied that the said application, *prima facie*, satisfies the conditions for granting registration, the Authority may issue a provisional registration to the Applicant and shall require the Applicant to satisfy such conditions and within such time as may be specified by the Authority in the provisional registration before grant of registration.
- (2) Grant of registration to an Applicant who has been issued provisional registration shall be at the sole discretion of the Authority and the issue of provisional registration by the Authority shall not automatically entitle the Applicant to be granted a registration under the FC Regulations.
- (3) The Applicant shall intimate to the Authority about any change of ownership or control of the Applicant during the period when a provisional registration is in force.
- (4) The Authority, after receipt of intimation under sub-clause (3) above, or when it otherwise becomes aware of any change of ownership or control of the Applicant to whom a provisional registration has been issued, may undertake a review of its decision of grant of provisional registration to the applicant.
- (5) The outcome of the review undertaken at sub-clause (4) above shall be communicated to the Applicant.
- (6) If as a result of the review under sub-clause (4), the Authority decides to revoke the provisional registration granted to the Applicant, the Authority shall provide a reasonable opportunity of hearing to the Applicant before taking a final decision in the matter.

## **9. Grant of Registration**

- (1) The Authority may, on being satisfied that the Applicant has complied with the conditions laid down in this Framework and those in the provisional registration, shall grant a Certificate of Registration to the Applicant subject to such conditions as the Authority may deem fit.

(2) The Certificate of Registration shall be valid unless revoked by the Authority or surrendered by the GRCTC.

(3) The GRCTC shall, at any time after the grant of registration intimate to the Authority of any material change in the information or particulars previously furnished.

#### **10. Permissible activities/services**

(1) An entity registered as a GRCTC shall provide such activities and/or services to its service recipients as specified below:

- a. Borrowing;
- b. Credit arrangement;
- c. Transacting or investing in securities;
- d. Buy and sell of derivatives as a client;
- e. Foreign exchange transactions, in such currencies as specified by the Authority;
- f. Factoring and Forfaiting;
- g. Re-invoicing;
- h. Liquidity management;
- i. Maintaining relationships with financial counterparties;
- j. Management of obligations of its service recipients towards insurance and pension related commitment;
- k. Advisory service related to activities specified in sub-clause (a) to (j) above, and related to:
  - i. financial management including financial risk management;
  - ii. funding and capital market activities;
- l. Account-keeping, Accounting, Taxation and Financial Crime Compliance Services (BATF services);

*Provided that* apart from conditions applicable to permissible activities by GRCTCs such BATF services shall be provided in adherence to the provisions contained in Notification No. S.O. 291(E) dated January 18, 2024, issued by the Ministry of Finance and published in the Gazette of India.
- m. Acting as a holding company;
- n. Any other permissible activity or service as specified by the Authority.

(2) The activities/services at clause (1) above, shall be undertaken in compliance with such directions/ guidelines as may be issued by the Authority from time to time.

#### **11. Commencement of operations**

(1) The GRCTC shall commence its operations within six months from the date of issuance of Certificate of Registration.

(2) The GRCTC shall deploy resources, located in and operating from IFSC, that is commensurate to the volume and nature of activities being undertaken.

- (3) The GRCTC may submit an application for extension of time for commencing operations, if the decision to submit such an application is passed by a resolution of its board of directors or the board of directors of the parent in the case of a branch, at least two months prior to the last date of commencement as stipulated under sub-clause (1) above.
- (4) Any application under sub-clause (3) above shall, *inter-alia*, include complete details of the reasons behind the request for extension, duration of extension sought, steps being undertaken to overcome the delay and any other information which, in the opinion of the GRCTC, is relevant to the request for extension.
- (5) On receipt of the application under sub-clause (3) above, if the Authority is satisfied that GRCTC cannot commence its operation within stipulated time period, it may extend the time period by such further period, as it thinks fit, but not exceeding three (3) months:

### **Chapter III**

#### **Governance Requirements**

##### **12. Corporate Governance**

- (1) Every GRCTC shall have a Board approved corporate governance policy.
- (2) The policy shall comprehensively and clearly document its governance arrangements i.e., the framework under which its Board and senior management shall function.
- (3) The GRCTC shall develop a risk management policy. This policy shall include the procedures and systems that enable it to identify, measure, monitor and manage the range of risks that arise in or are borne by it while providing permissible activities/services.
- (4) The risk management policy of the GRCTC shall be subject to periodic review by its Board.

Provided that, in case of a GRCTC set up as a branch, the parent shall appoint a governing body, composed of officials with sufficient experience in the types of operations proposed to be carried out by the GRCTC, for:

- a. overseeing the activities of the GRCTC;
- b. ensuring compliance with the requirements of sub-clauses (1) to (4) above.

##### **13. Fit and Proper**

- (1) The GRCTC shall ensure that its Relevant Person(s) satisfy the 'Fit and Proper requirements' (FPR) specified in Schedule II of the Framework.
- (2) The Authority may undertake an evaluation of any Relevant Person(s) under the FPR during the time of registration and any time thereafter.

### **Chapter IV**

#### **Miscellaneous**

##### **14. Currency of Operations**

- (1) The GRCTC shall carry out its transaction in IFSC in any currency as specified in the first schedule to the IFSCA (Banking Regulations), 2020.
- (2) The GRCTC may carry out transactions in currencies other than in those specified in clause (1) above, so long as such transactions are settled outside IFSC.



- (3) The GRCTC may open INR account under the provisions of Schedule 4 of the Foreign Exchange Management (Deposit) Regulations, 2016, as amended from time to time.
- (4) The GRCTC may transact in derivatives on INR or on interest rates on INR provided that they are settled in a specified foreign currency.
- (5) The GRCTCs may undertake transactions with authorised dealers in line with the extant guidelines of the Reserve Bank of India.

#### **15. Payment of Fees**

- (1) The GRCTC shall be subject to the following fees, at the time of registration and any other fees as may be prescribed by the Authority from time to time.
  - a. Application Fee: USD 1000 (one time)
  - b. Registration Fee: USD 25000 (one time)
  - c. Recurring Fee: USD 25000
- (2) The said fees shall be paid as per the provisions outlined in the IFSCA Circular titled 'Fee Structure for the entities undertaking or intending to undertake permissible activities in the IFSC' (No. 865/ IFSCA/ Banking/ Fee Revision/ 2022-23) dated May 17, 2023.

#### **16. Repeal and Savings**

- (1) From the date of issuance of this Framework, the IFSCA Circular titled 'Framework for undertaking Global/Regional Corporate Treasury Centres activities by Finance Company/Finance Unit in IFSC' issued by the Authority on June 25, 2021, shall cease to apply.
- (2) From the date of issuance of this Framework, the IFSCA Circular titled 'Guidelines on Corporate Governance and Disclosure Requirements for a Finance Company' (No. 172/ IFSCA/Finance Company Regulations/ 2021-22/9) dated August 09, 2021, shall cease to apply to a GRCTC.
- (3) Notwithstanding anything in sub-clause (1) above, any action taken or purported to have been taken under the erstwhile 'Framework for undertaking Global/ Regional Corporate Treasury Centres Activities by Finance Company/ unit in IFSC' dated June 25,2021 shall be deemed to have been taken under the corresponding provisions of this Framework.

Riddhi Bhandari  
**(General Manager)**

**Authorisation requirements**

**PART- A**

**(see the explanation to para (i) of sub-clause 2 of clause 3 of the Framework)**

1. (a) Workforce Requirement: The number of employees transferred/ relocated from any of its service recipients in India as at the end of the financial year do not exceed 20% of the total employees employed with the service recipients of the GRCTC

Note:

- (i) An employee shall be treated as a new employee if he was not employed in any of its service recipients in India for a period of twelve (12) months immediately preceding his date of employment with the Corporate Treasury Centre.
- (ii) The condition(s) specified above shall be complied with every year for ten (10) consecutive financial years from the date of issuance of certificate of authorisation. The first such compliance shall be examined at the end of the first full financial year.

(b) Asset Requirement: There should not be any transfer of assets from any of the service recipients in India to the BATF Service Provider.

**PART-B**

**(see the explanation to para (ii) of sub-clause 2 of clause 3 of the Framework)**

2. Contracts or work arrangement of GRCTC with its service recipients shall be construed as “transferring or receiving of existing contracts or work agreements from its service recipients in India “in the following scenarios –

(a) Transferring of existing contracts or work arrangements in India: When an existing contract or work arrangement, by whatever name called, between any of the service recipients in India is shifted or transferred to the GRCTC in IFSC during the subsistence of such contract or work arrangement.

(b) Termination of existing contracts or work arrangements in India: When an existing contract or work arrangement, by whatever name called, between any of its service recipients in India, is prematurely terminated and a new contract or a work arrangement is signed between the GRCTC with the same service recipient, directly or indirectly.

(c) Other scenarios, as may be specified by the Authority, from time to time.

**Fit and Proper Criteria**

(see clause 13 of the Framework)

For the purpose of Fit and proper criteria as given here, the term 'functionaries' include (but are not limited to) the following officials of the applicant. Separate form should be submitted by each functionary, as applicable. For, all the questions below, provide details for the past 8 years.

- Promoters
- Founders
- Directors/Partners/Designated Partners
- Key Managerial Personnel
- Principal Officers
- Persons /Shareholders having 10% and above share/voting rights/ distributable dividend
- Trustees
- Authorised Representatives
- Any other person, as maybe specified.

Sr. No.	Particulars	Comments/Remarks
1	<p>Whether any of the functionaries or any of the entities associated with<sup>9</sup> the functionary have been refused a Registration/ Authorization/ License by the IFSCA or any other regulatory authority or their Registration/ Authorization/ License has been suspended at any time prior to this application.</p> <p>(If Yes, provide details. If No, enclose a declaration to that effect).</p> <p><sup>9</sup>for this Section, a person is said to be 'associated with' an entity if he/she is/ was a functionary of the entity</p>	
2	<p>Whether the functionary or any of the companies/ entities in which the functionary is/ was associated with<sup>9</sup>, is in default or have defaulted in the past in respect of credit facilities obtained from any entity or bank?</p> <p>(If yes, please furnish information about the default and the name of the lending institution)</p>	
3	<p>Whether any of the functionaries have been disqualified to act as promoter/ director/ key managerial personnel under any law in any jurisdiction where the applicant entity or the</p>	

	<p>group companies of the applicant entity are operating?</p> <p>If yes, please furnish details.</p>	
<b>4</b>	<p>Name/s of the companies, firms, partnership firms, in which any of the functionaries hold substantial interest.</p>	
<b>5</b>	<p>Whether the Applicant/Group<sup>4</sup> or any of the functionaries are/ were undergoing/ involved in any investigation/ disciplinary action/ legal or regulatory violations/ criminal case by any law enforcement/ regulatory agencies?</p> <p>If yes, please furnish details.</p>	
<b>6</b>	<p>Whether any order has been passed by any bankruptcy/ resolution authority against any company/ entity with which any of the functionaries are/ were associated<sup>9</sup>?</p> <p>If yes, please furnish details.</p>	
<b>7</b>	<p>Whether any of the functionaries have been convicted by a court for any offence involving moral turpitude or any economic offence or any offence against securities laws?</p> <p>If yes, please furnish details.</p>	
<b>8</b>	<p>Whether a recovery proceeding has been initiated against any of the functionaries by a financial regulatory authority and is pending?</p> <p>If yes, please furnish details.</p>	

<b>9</b>	<p>Whether an order for winding up has been passed against any of the functionaries for malfeasance?</p> <p>If yes, please furnish details.</p>	
<b>10</b>	<p>Whether an order restraining, prohibiting or debarring any of the functionaries from accessing or dealing in financial products or financial services, has been passed by any regulatory authority/ courts, and a period of five years from the date of the expiry of the period specified in the order has not elapsed?</p> <p>If yes, please furnish details.</p>	
<b>11</b>	<p>Whether any other order against any of the functionaries, which has a bearing on the securities market, has been passed by any regulatory authority, and a period of five years from the date of the order has not elapsed?</p> <p>If yes, please furnish details.</p>	
<b>12</b>	<p>Whether any of the functionaries</p> <p>i) have been declared insolvent and not discharged?</p> <p>If yes, please furnish details.</p>	
	<p>ii) have been found to be of unsound mind by a court of competent jurisdiction and the finding is in force?</p> <p>If yes, please furnish details.</p>	
	<p>iii) are financially not sound or have been categorized as a wilful defaulter?</p>	

	If yes, please furnish details.	
	iv) have been declared a fugitive economic offender?	
	If yes, please furnish details.	
We declare that all the functionaries have a record of fairness and integrity, including but not limited to financial integrity, good reputation, character and honesty.		
We undertake to bring to the notice of IFSCA within one week, if any of the above actions is initiated against any of the functionaries in future.		
	<b>Signature:</b>	
	<b>Name:</b>	
	<b>Designation</b>	
	<b>Seal / Stamp</b>	
	<b>Date:</b>	<b>Place:</b>

### Permissible activities by Global/ Regional Corporate Treasury Centre

(see clause 10 of the Framework)

No.	Clause	Activity Type	Guidelines
1.	10(1)(a)	Borrowing	<p>(i) GRCTCs may borrow funds/raise debt either in its own name or in the name of its service recipients.</p> <p>(ii) Such borrowing may be from their service recipients (intra-company) and/ or from external entities.</p> <p>(iii) Terms of such borrowing including tenor, cost etc. may be determined by the GRCTC either by itself or in consultation with or on the advice of the service recipient/s,</p>
2.	10(1)(b)	Credit arrangements	This includes providing loans, guarantees, performance bonds and any other credit facility.
3.	10(1)(c)	Transacting or investing in securities	“securities” include stocks, shares, bonds, or other financial instrument for the purpose of managing cash and liquidity position or for the purpose of trading.
4.	10(1)(d)	Buy and sell of derivatives as a client.	A GRCTC shall be classified as a “Professional client” under the module on OTC derivatives (OTDE) of the Conduct of Business (COB) Guidelines of the IFSCA Banking Handbook.
5.	10(1)(f)	Factoring and Forfaiting	GRCTC shall seek registration as a Factor under the Factoring Regulation Act, 2011.
6.	10(1)(g)	Re-invoicing	<p>Re-invoicing activities shall include the following:</p> <p>(a) facilitating the aggregation and netting of liquidity flows and financial risk on behalf of its service recipients.</p> <p>(b) Financing the purchase and sale of goods on behalf of the service recipients of the treasury centre, provided that the GRCTC does not take possession of goods purchased.</p>
7.	10(1)(h)	Liquidity Management	<p>This includes:</p> <p>(i) Pooling of funds Explanation: In the case of pooling transactions, the header or master account shall be maintained by the global treasury centre with an IBU or IBC.</p> <p>(ii) Optimising commercial cash flows, interest payments, working capital and tax payments through netting and cash concentration.</p> <p>(iii) Confirmation and reconciliation of receipts</p>

			<ul style="list-style-type: none"> <li>(iv) Processing payments to the vendors or suppliers of the service recipients</li> <li>(v) Managing supplier relationships</li> <li>(vi) Managing liquidity of the group and investing surplus funds</li> <li>(vii) Conceptualisation, development and negotiation of pooling mechanisms with IBUs</li> </ul>
8.	10(1)(i)	Maintaining relationships with financial counterparties	<p>This includes:</p> <ul style="list-style-type: none"> <li>(i) Providing performance and risk analytics to Board</li> <li>(ii) Managing relationship with banks, credit rating agencies or any other financial counterparties.</li> <li>(iii) Ensuring accurate valuation of financial instruments</li> <li>(iv) Ensuring accurate accounting of Treasury transactions</li> <li>(v) Implementing and manage treasury and financial risk policies and procedures</li> <li>(vi) Provision of covenant tests and information to investors</li> <li>(vii) Provision of compliance information to regulators</li> <li>(viii) Ensuring accurate transaction history and audit trail</li> <li>(ix) Working with internal and external auditors</li> </ul>
9.	10(1)(j)	Management of obligations on behalf of service recipients towards insurance and pension related commitment;	<p>This includes:</p> <ul style="list-style-type: none"> <li>(i) Negotiating, managing and monitoring pension/ insurance structures</li> <li>(ii) Managing relationships with internal and external pension/insurance providers</li> <li>(iii) Pension Planning</li> </ul>
10.	10(1)(k)(i)	Providing advice relating to financial management, including financial risk management	<ul style="list-style-type: none"> <li>(a) The activity of providing advice relating to financial management includes: <ul style="list-style-type: none"> <li>(i) Cash flow forecasting</li> <li>(ii) Subsidiary and Group financial management Investment appraisal</li> <li>(iii) Tax planning</li> <li>(iv) Operational risk management</li> <li>(v) Efficiency gains</li> </ul> </li> <li>(b) The activity of providing advice relating to financial risk management includes: <ul style="list-style-type: none"> <li>(i) Identifying natural hedges and offsets within the business</li> <li>(ii) Interest Rate risk management</li> </ul> </li> </ul>



			<ul style="list-style-type: none"> <li>(iii) Risk management relating to foreign exchange, Commodities, Counterparties, Credit and Liquidity</li> <li>(iv) De-risking contracts and avoiding bad debts.</li> <li>(v) Advising on hedging strategies</li> <li>(vi) Monitoring financial risk positions</li> </ul>
11.	10(1)(k)(ii)	Providing advice relating to funding and capital market activities	<p>The activity of providing advice relating to funding and capital markets includes:</p> <ul style="list-style-type: none"> <li>(i) Optimisation of capital structure</li> <li>(ii) Managing short, medium and long-term investments in different asset classes and special purpose vehicles (SPVs).</li> <li>(iii) Ensuring adequate liquidity to support the business operations</li> <li>(iv) Ensuring market competitiveness for global market operations</li> <li>(v) Diversifying sources of capital, partners and maturities</li> <li>(vi) Monitoring and managing credit ratings</li> <li>(vii) Portfolio management of debt, derivatives and investments</li> <li>(viii) Negotiating, executing and managing funding from sale of receivables or payable solution with external parties</li> </ul>
12.	10(1)(m)	Acting as a holding company	To act as a parent company to own the shares of group companies.

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