

AIFs are now making a beeline for GIFT IFSC

20 Registered, To Manage ₹40,000Cr; 25-30 Proposals Waiting For Approval

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Ahmedabad: An ecosystem for funds in India's maiden International Financial Services Centre (IFSC) at Gujarat International Finance Tec-City (GIFT City) is taking shape with more than 20 Alternative Investment Funds (AIFs) now registered with the IFSC Authority, the unified regulator for IFSCs in India.

These 20 AIFs are looking to manage funds of Rs 40,000 crore at GIFT City in Gandhinagar which would have otherwise landed up at international finance centres in Singapore or Mauritius, said an official close to the deve-



A view of Gujarat International Finance Tec-City (GIFT City)

lopment.

Another 25-30 such proposals for AIFs are waiting for clearance from the IFSC regu-

lator, according to the official.

"In less than two years from the time the IFSC regulator was established, about 45 funds have come calling to GIFT City," he further said.

The latest to get IFSC approval is Aditya Birla Sun Life AMC Limited (ABSLAMC) which was granted approval by IFSCA on January 20 to carry out Portfolio Management Services through a branch office in International Financial Services Centre (IFSC) in India.

ABSLAMC's move to set up new unit at the Gujarat International Finance Tec-City (GIFT City) is a strategic step towards growth of its interna-

tional business to expand its reach and service global clients, including NRIs for investing in India, the company said in an announcement.

"This is a significant development considering, Aditya Birla would carry out these operations from IFSC instead of Singapore. The government of India's objective of onshoring the offshore through IFSC is gaining substantial momentum with the establishment of IFSCA as the unified financial regulator," said an industry expert aware of the development.

ABSLAMC is the fourth largest asset manager in the country with presence in over

280 locations pan-India and already has a presence in international markets such as Dubai, Singapore and Mauritius.

"We are seeing great momentum for setting up AIFs in IFSC, the fund eco-system at IFSC now covers AIFs, fund managers, PMS, IAs and Fund administrators. Enabling regulatory framework, competitive tax regime and low cost of operations are attracting global fund structures at GIFT IFSC" said Dipesh Shah, Executive Director (Development) at International Financial Services Centres Authority (IFSCA).

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