



## **PRESS RELEASE**

### **Hon'ble Prime Minister Shri Narendra Modi lays foundation stone of IFSCA**

#### **Headquarters Building**

**&**

#### **Launches India International Bullion Exchange (IIBX) and NSE IFSC-SGX Connect**

Hon'ble Prime Minister Shri Narendra Modi today visited India's maiden International Financial Services Centre (IFSC) in Gujarat International Finance Tec-City (GIFT City) and presided over an event organised by International Financial Services Centres Authority (IFSCA), the unified statutory regulator for the development and regulation of financial products, financial services and financial institutions in International Financial Services Centres in India.

Speaking on the occasion, the Hon'ble Prime Minister said, "*The IFSCA will become an enabler, it will support innovation and also become a catalyst for growth opportunities.*"

The Hon'ble Prime Minister also said that "*GIFT-city is an important gateway to get connected with India as well as global opportunities. When you get integrated with GIFT-city, you get integrated with the entire world.*"

Also present on the occasion were Shri Bhupendra Patel, Hon'ble Chief Minister of Gujarat; Smt. Nirmala Sitharaman, Hon'ble Union Minister of Finance and Corporate Affairs; Shri Pankaj Chaudhary, Hon'ble Union Minister of State for Finance; Dr. Bhagwat Kishanrao Karad, Hon'ble Union Minister of State for Finance and Shri Kanubhai Desai, Hon'ble Minister of Finance and Energy, Government of Gujarat.

#### **Foundation Stone laying of the Headquarters Building of IFSCA**

The Hon'ble Prime Minister laid the foundation stone of the Headquarters Building of IFSCA. Conceptualised as an iconic structure, reflective of the growing prominence and stature of GIFT-IFSC as a leading international financial centre, the "IFSCA Tower" is planned to have a built-up area of 3,00,000 square feet spread across 27 floors with best-in-class modern amenities and a magnificent panoramic view. In keeping with the Smart City concept of GIFT City, the IFSCA Tower has been designed to be a platinum rated green building with a highly efficient and sustainable structure. Estimated to be constructed at an estimated cost of INR 200 Crores, when completed in 2024, the IFSCA Tower will emerge as a monumental edifice in GIFT City and symbolise the dreams and aspirations of a New and *Aatma Nirbhar Bharat*.

The Hon'ble Prime Minister said, "*Today, in GIFT City, the foundation stone of the International Financial Services Centers Authority - IFSCA headquarters building, has been laid. I believe,*



*as grand as this building is in its architecture, it will also create unlimited opportunities to make India an economic superpower”.*

### **Launch of India International Bullion Exchange (IIBX)**

The Hon’ble Prime Minister launched India International Bullion Exchange (IIBX), India’s first International Bullion Exchange in GIFT-IFSC. Established with the vision of making India an influencer of the global bullion prices, the IIBX will facilitate efficient price discovery and ensure standardisation, quality assurance and sourcing integrity in addition to providing impetus to financialisation of gold in India. This initiative shall empower India to gain its rightful place in global bullion market and serve the global value chain with integrity and quality. This also reinforces commitment of the Government towards enabling India to influence global gold prices as one of its principal consumer. Only the 3<sup>rd</sup> exchange of its kind in the world, IIBX, with its technology-driven solutions, will facilitate transition of Indian bullion market towards a more organised structure by granting Qualified Jewellers a direct access to import gold directly through the exchange mechanism.

The Hon’ble Prime Minister said that India’s identity should not be limited to just a big bullion market but it should be recognised as a ‘market maker’. The Hon’ble PM further mentioned that *“we need institutions that can cater to our present and enhanced future role in the global economy. IIBX is a crucial step in this direction.”*

### **Launch of NSE IFSC – SGX Connect**

Hon’ble Prime Minister Narendra Modi launched NSE IFSC-SGX Connect. Under this Connect, all orders for NIFTY derivatives placed by members of Singapore Exchange Limited (SGX) will be routed to and matched on the NSE-IFSC order matching and trading platform. The Connect will deepen liquidity in derivative markets at GIFT-IFSC, bringing in more international participants and creating positive impact on the financial ecosystem. Currently, the average daily volume in NIFTY Futures at SGX is 1.09 lakh contracts valued worth approximately USD 3.65 billion. This volume is expected to move to NSE-IFSC once the Connect is fully implemented, pursuant to a transition period of 4-5 months. Broker-Dealers from India and across international jurisdictions are expected trade derivatives through the Connect in large numbers.

### **Exchange of MoUs by IFSCA with foreign regulatory authorities & Department of Space**

Memorandums of Understanding (MoU) were exchanged by IFSCA with foreign regulatory authorities, namely, Monetary Authority of Singapore; Commission de Surveillance du Secteur Financier, Luxembourg; Qatar Financial Centre Authority, and Finansinspektionen, Sweden.



The MoUs will promote greater collaboration and partnerships between IFSCA and these regulatory authorities through, *inter alia*, exchange of information, sharing of best practices and capacity building.

Further, IFSCA also exchanged a MoU with the Department of Space (DoS), Government of India, to unlock the enormous opportunity of convergence between FinTech and SpaceTech. IFSCA has enabled a regulatory framework for entities working in the areas of SpaceTech to be authorised as FinTech Entities under IFSCA. The MoU will enable IFSCA to leverage the technical expertise of DoS for evaluating applications of SpaceTech entities while also facilitating the access of space-related datasets of DoS to these entities for testing of their models.

**Other important milestones announced during the occasion included:**

1. Setting up of Indian Regional Office (IRO) by New Development Bank (NDB),
2. Inauguration of International Banking Units (IBUs) of three Foreign Banks,
3. Expansion of capacity of Global In-house Centre (GIC) of Bank of America,
4. Operationalisation of four International Trade Finance Services (ITFS) Platforms,
5. Grant of Authorisation Certificates to five FinTech firms in GIFT-IFSC,
6. Submission of a joint letter of intent by Association of National Exchanges Members of India (ANMI) and Commodity Participants Association of India (CPAI) on behalf of 100+ Broker-Dealers for setting up operations in GIFT-IFSC,
7. 75<sup>th</sup> listing of bonds on India INX in celebration of *Azadi ka Amrit Mahotsav*, and
8. Launch of International Sustainability Platform (ISX).

The details regarding these milestones will be provided by IFSCA through a separate Press Release.

The historic reforms and initiatives taken by the IFSCA have the potential to catapult India as a leading financial services provider in the regional and global landscape. In recognition to IFSCA's approach of regulatory reforms and strong emphasis on ensuring ease of doing business, the Global Financial Centres Index, London, in their latest report, has rated GIFT-IFSC among the top 15 centres globally, which are likely to become more significant over the next 2 to 3 years.

July 29, 2022

Gandhinagar