FINANCIAL MARKETS

# GIFT-IFSC: An Analytical Study of India's Emerging International Financial Centre

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**Abstract**

The Gujarat International Finance Tec-City International Financial Services Centre (GIFT-IFSC) is a central part of India's effort to build a globally connected financial-services ecosystem within the country. This study examines the development of GIFT-IFSC as an emerging international financial centre, with particular emphasis on its regulatory framework and its fund-management ecosystem. The study adopts a descriptive and analytical research design, combining qualitative interpretation of regulatory and institutional developments with quantitative analysis of secondary data. Data were drawn from IFSCA publications and statistics, GIFT City sources, academic literature, industry reports and fund disclosures. The analysis uses tables, percentages and comparative charts to examine ecosystem-level growth and the characteristics of selected inbound and outbound funds, including assets under management, returns, benchmark-relative performance, asset allocation, market-capitalisation exposure and sector composition.

The findings show considerable growth in the ecosystem. Between 31 March and 30 June 2025, Fund Management Entities rose from 162 to 177 and schemes from 229 to 272, while cumulative commitments increased by about 40.5%, from USD 15.74 billion to USD 22.11 billion. Funds raised and investments made also increased. At the fund level, the selected inbound funds are predominantly equity-oriented, but they differ widely in scale, returns, market-capitalisation and sector exposure, and benchmark outperformance. The coexistence of inbound and outbound structures indicates an emerging two-way cross-border investment function. The study also notes limitations, including the relative youth of GIFT-IFSC, a limited sample and inconsistent fund-level disclosure. Its further development will depend on continued capital mobilisation, product diversity, international participation, regulatory consistency and greater transparency.

**Keywords:** GIFT City; GIFT-IFSC; International Financial Centre; Fund Management; Offshore Funds; IFSCA; Alternative Investment Funds; International Finance

## 1 Introduction

The financial sector plays an important role in the growth and development of an economy. As countries become increasingly connected through international trade, investment, and financial markets, the need for well-developed financial centres has also increased. International financial centres act as important platforms through which capital, financial services, businesses, and investors from different parts of the world can connect. In this changing financial environment, India has been working towards strengthening its position in the global financial system. One of the most significant steps in this direction has been the development of the Gujarat International Finance Tec-City (GIFT City) and, within it, the Gujarat International Finance Tec-City International Financial Services Centre (GIFT-IFSC).

GIFT City, located in Gujarat, was developed with the broader objective of creating a modern financial and business ecosystem in India [5]. GIFT-IFSC represents the international financial services component of this development and provides a framework for conducting a range of financial activities with an international orientation [5]. The establishment of GIFT-IFSC reflects India's effort to create an environment where financial institutions, fund managers, investors, banks, insurance companies, and other financial-service providers can undertake international financial activities from within India.

The development of GIFT-IFSC is particularly significant because India has traditionally relied on several international financial centres outside the country for certain cross-border financial activities. By creating an internationally oriented financial centre within India, GIFT-IFSC seeks to provide an alternative platform for such activities while supporting the development of India's domestic financial ecosystem. It also aims to attract international businesses and capital by offering a specialized regulatory and operating environment designed for international financial services.

A key institution in the development and regulation of GIFT-IFSC is the International Financial Services Centres Authority (IFSCA). Established as a unified regulatory authority for financial products, financial services, and financial institutions operating in India's International Financial Services Centres, IFSCA plays an important role in shaping the regulatory environment of GIFT-IFSC [3], [6]. The presence of a dedicated regulator is intended to create a more coordinated framework for financial activities while maintaining appropriate standards of supervision and compliance.

One of the important areas of development within GIFT-IFSC is fund management. The centre has emerged as a platform for various investment and fund-management activities, including alternative investment funds and other internationally oriented investment structures [2], [7]. The growth of this ecosystem is relevant not only for financial institutions and professional investors but also for India's broader ambition to develop sophisticated financial-market infrastructure. The expansion of fund-management activities can contribute to greater participation in international investment flows and create opportunities for financial professionals and institutions operating in India.

Beyond fund management, GIFT-IFSC has gradually developed an ecosystem covering several areas of international finance. These include banking, capital markets, insurance, investment management, financial technology, leasing, and other financial services [3], [5]. The development of these activities is supported by financial infrastructure, regulatory mechanisms, and a growing network of institutions operating within GIFT City. Together, these elements contribute to the evolution of GIFT-IFSC as a specialized financial centre.

The growth of GIFT-IFSC also needs to be viewed in the context of India's changing financial and economic landscape. India has witnessed increasing participation in capital markets, greater institutional investment, expanding financial technology, and growing integration with international markets. These developments have created a need for financial infrastructure that can support increasingly complex and international financial activities. GIFT-IFSC is therefore not simply a physical financial district; it represents a broader attempt to build an ecosystem capable of supporting India's evolving financial requirements.

At the same time, the development of an international financial centre involves several challenges. Competition from established financial centres, the need to attract global financial institutions, regulatory requirements, market depth, international investor confidence, and the availability of skilled financial professionals are important considerations [9]. The success of GIFT-IFSC therefore

depends not only on policy support and regulatory incentives but also on its ability to develop a sustainable and competitive financial ecosystem.

The study of GIFT-IFSC is consequently important from both an academic and practical perspective. Understanding its development provides insights into how India is attempting to strengthen its position in international financial services and create a financial ecosystem with greater global connectivity. It also provides an opportunity to examine the regulatory framework, financial activities, investment ecosystem, growth opportunities, and challenges associated with the development of an international financial centre in India.

This research paper, titled "GIFT-IFSC: An Analytical Study of India's Emerging International Financial Centre," focuses on the evolution and development of GIFT-IFSC and examines its major components and financial activities. The study explores the institutional and regulatory framework, the fund-management ecosystem, investment flows, opportunities and challenges, and the overall development of GIFT-IFSC. Through an analytical approach, the research seeks to understand the role that GIFT-IFSC is playing in India's financial landscape and the factors that may influence its continued development as an international financial centre.

Overall, GIFT-IFSC represents an important development in India's financial-services sector. Its progress reflects India's broader efforts to build modern financial infrastructure, encourage international financial activity, and create an environment capable of serving both domestic and international market participants. Examining its development provides a useful perspective on the changing structure of India's financial ecosystem and the country's efforts to establish a stronger presence in international financial services.

## 2 Literature review

The development of International Financial Services Centres (IFSCs) has received increasing attention in discussions on financial globalisation, cross-border capital flows, and the internationalization of financial services. Existing literature generally highlights the importance of regulatory efficiency, tax competitiveness, financial infrastructure, skilled human resources and international connectivity in determining the success of an international financial centre [9], [10]. Established centres such as Singapore, Dubai and London demonstrate that the development of a competitive

financial ecosystem requires not only favourable regulations but also strong institutions, market depth and sustained participation from international investors [9].

In the Indian context, the establishment of GIFT-IFSC represents an attempt to develop a globally competitive financial centre within India. The regulatory development of GIFT-IFSC has been an important area of policy and industry research. IFSCA's regulatory framework has progressively sought to create a unified and globally benchmarked environment for financial services [3], [6]. The review of the Fund Management Regulations highlighted the need for a regulatory structure that could accommodate different investment activities and align the Indian IFSC with practices followed by established international financial centres [4].

The literature and institutional reports also indicate that fund management has emerged as one of the major areas of development within GIFT-IFSC. IFSCA's analysis reported substantial growth in Fund Management Entities (FMEs), schemes and fund commitments following the introduction of the Fund Management Regulations [2]. This indicates increasing participation by domestic and interna-

tional financial institutions and suggests that GIFT-IFSC is gradually developing beyond its initial stage of establishment.

Another important area identified in the existing literature is the role of regulatory and tax structures in attracting fund managers and investors. Research and professional studies on GIFT City have examined the legal, regulatory and tax framework governing fund formation, investment structures and cross-border transactions [7], [8]. Recent analysis also highlights the evolution from the earlier 2022 Fund Management Regulations to the 2025 framework, reflecting the continuing effort to make GIFT-IFSC more flexible and internationally competitive [1], [8].

Existing studies further suggest that GIFT-IFSC has the potential to facilitate the movement of international financial activity towards India. The centre provides a platform for different investment structures, including alternative investment funds, feeder structures and other pooled investment vehicles [7], [8]. Such structures can support both international investment into India and overseas investment by Indian investors. The growing diversity of fund-management activities therefore indicates the potential of GIFT-IFSC to function as a link between Indian and global capital markets.

The comparative perspective is also significant. International financial centres such as Singapore, Dubai and London have developed over several decades and possess established ecosystems of financial institutions, professional services, investors and global connectivity [9], [10]. GIFT-IFSC, in comparison, is a relatively new centre and therefore faces challenges relating to international recognition, market depth, specialised talent and global investor participation. Existing policy research consequently emphasises the importance of benchmarking GIFT-IFSC against established financial centres while identifying areas where India can develop a distinct competitive advantage.

IFSCA itself has recognised the need for empirical research on the broader impact of IFSC development. Its research framework has called for studies examining the impact of IFSCs on international financial-services business, benchmarking international financial centres and assessing the extent to which GIFT-IFSC can contribute to bringing international financial activity to India. This indicates that the long-term economic and financial impact of GIFT-IFSC remains an important area for further investigation.

### 2.1 Research gap

The existing literature provides considerable information on the regulatory framework, policy initiatives, and institutional development of GIFT-IFSC. However, comparatively less attention has been given to examining the offshore fund-management ecosystem as an integrated system covering fund structures, institutional participation, investment activity, supporting financial services and competitive positioning against established international financial centres. Much of the available material is also institutional or industry-oriented rather than based on a consolidated analytical assessment.

The present study addresses this gap by examining the development of the fund-management ecosystem in GIFT-IFSC through selected fund-management cases, quantitative indicators, SWOT analysis and comparison with Singapore, Dubai and London. The study therefore seeks to move beyond examining regulatory development alone and evaluates whether GIFT-IFSC is developing the ecosystem and institutional capabilities required to emerge as a sustainable India-focused international financial centre.

# 3 Research methodology

## 3.1 Research design

This study adopts an analytical and descriptive research design to examine GIFT-IFSC as an emerging international financial centre in India. The descriptive approach is used to understand the development, structure, regulatory framework, and major financial activities of the GIFT-IFSC. The analytical approach is used to examine available financial and institutional data in order to identify trends, patterns, opportunities, and challenges associated with its development.

The study particularly focuses on the fund-management ecosystem of GIFT-IFSC, including Alternative Investment Funds (AIFs), Portfolio Management Services (PMS), investment products, and inbound and outbound investment activities. The research combines qualitative interpretation with quantitative analysis to develop a comprehensive understanding of the evolving financial ecosystem.

## 3.2 Nature of the study

The study is primarily based on secondary data and follows a combination of qualitative and quantitative approaches.

Qualitative information is used to examine the regulatory framework, institutional structure, policy initiatives, investment environment, opportunities, and challenges associated with GIFT-IFSC. Quantitative information is used wherever numerical data is available to analyse fund performance, investment flows, risk indicators, product-level characteristics, and other measurable parameters.

The combination of these approaches enables the study to describe the development of GIFT-IFSC while also analysing the financial and operational trends observed within its ecosystem.

## 3.3 Data collection

The study is based primarily on secondary sources of data. Relevant information was collected from reliable and credible sources to examine the development and functioning of GIFT-IFSC and its fund-management ecosystem.

The major sources of secondary data include official publications, reports, regulations, circulars, and other documents issued by IFSCA, along with information available through GIFT City, government institutions, and financial regulators [1]–[5]. Relevant information was also collected from academic research papers, journals, books, industry reports, annual reports, financial databases, company and fund disclosures, and other credible financial sources [6]–[10].

The collected data covers regulatory developments, fund-management activities, investment flows, fund strategies, performance indicators, risk-related information, and other factors relevant to the objectives of the study. Multiple sources were considered wherever possible to improve the reliability and consistency of the information used for analysis.

## 3.4 Scope of data

The study focuses on GIFT-IFSC and its development as an emerging international financial centre, with particular emphasis on its fund-management and investment ecosystem.

The scope of the data includes the study of the GIFT-IFSC regulatory framework, IFSCA, AIFs, PMS, inbound and outbound investment flows, fund strategies, performance indicators, risk-related parameters, and the overall investment ecosystem.

For the financial analysis, selected funds and investment products operating within the GIFT-IFSC ecosystem were examined based on the availability of relevant data. The study considers parameters such as fund category, investment strategy, historical performance, returns, risk ratios, portfolio characteristics, and other relevant indicators.

The scope also includes the examination of the opportunities and challenges associated with GIFT-IFSC and its potential role in strengthening India's position in international financial services.

### 3.5 Data analysis

The collected data was systematically organised and analysed using tables, percentages, graphs, charts, and comparative analysis. The analysis was carried out to identify important trends and patterns within the GIFT-IFSC ecosystem and to interpret their relevance to the objectives of the study.

The financial analysis includes the presentation of fund-level comparisons, where selected AIFs and PMS products are compared on the basis of available performance and risk indicators. Bar graphs and comparative charts are used to highlight differences across funds and investment products, while percentage-based analysis is used to present the distribution and composition of relevant financial data.

The study also analyses inbound and outbound investment-fund data to understand the movement and nature of investment activity associated with GIFT-IFSC. Tables and graphical representations are used to present the data in a structured manner and identify major patterns.

Where historical or period-wise information is available, trend graphs and charts are used to examine changes in fund performance, investment activity, and other relevant indicators over time. The analysis also includes comparisons of different fund strategies and product categories to understand variations in performance and positioning.

In addition to quantitative analysis, the study uses qualitative interpretation of regulatory developments, policy measures, institutional initiatives, and market conditions. The findings from the numerical analysis are therefore interpreted together with the regulatory and institutional developments of GIFT-IFSC.

The results are presented through tables, bar graphs, percentage charts, trend graphs, comparative charts, and other data visualisations to make the analysis clear and facilitate interpretation of the major findings of the study.

## 4 Findings and discussion

### 4.1 Findings

The analysis of the selected GIFT-IFSC fund data, supported by broader ecosystem indicators, produced the following major findings.

#### *4.1.1 Growth of the fund-management ecosystem*

GIFT-IFSC has experienced notable growth in its fund-management ecosystem [2]. Between 31 March 2025 and 30 June 2025, Fund Management Entities increased from 162 to 177, while the number of funds or schemes increased from 229 to 272 (Figure 1). During the same period, cumulative commit-

ments increased from USD 15.74 billion to USD 22.11 billion, representing approximately 40.5% growth [2].

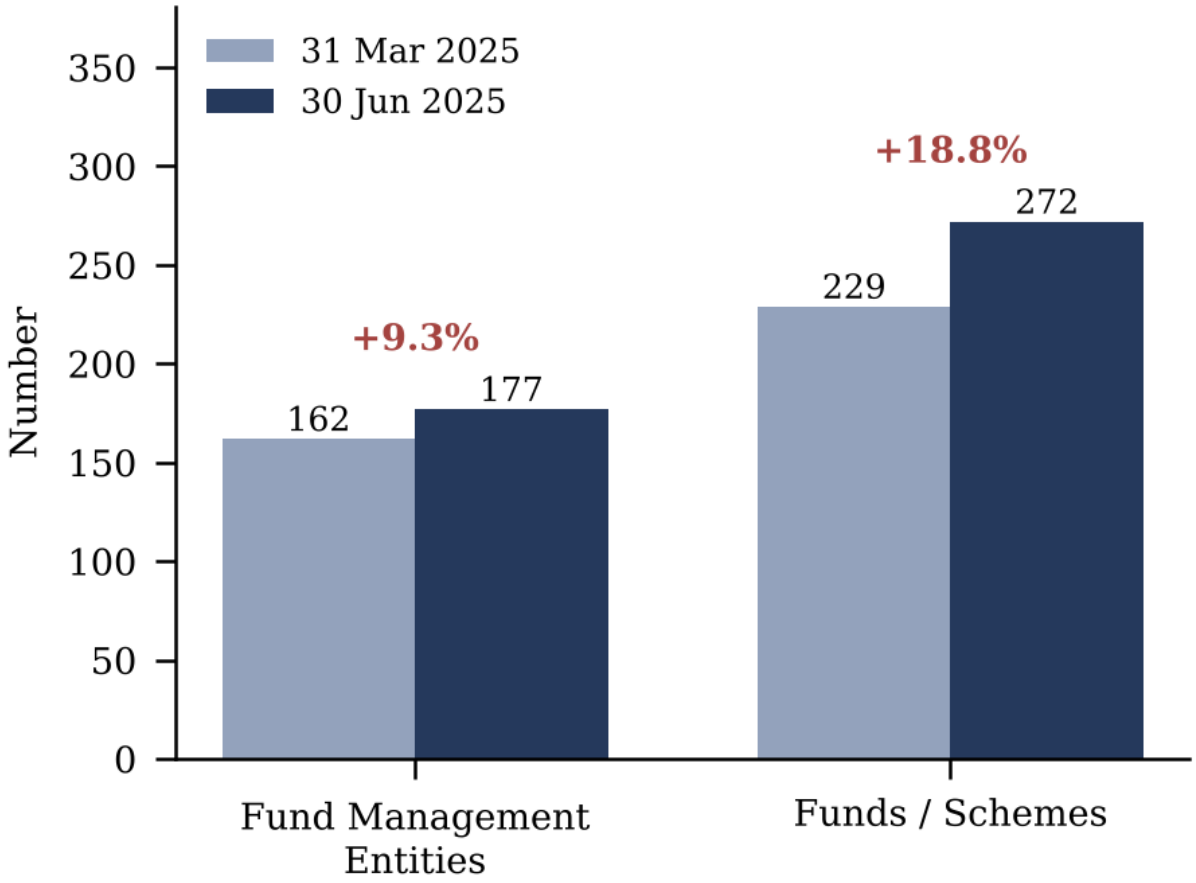


**Figure 1.** Fund Management Entities and Schemes in GIFT-IFSC, 31 March and 30 June 2025 Source: IFSCA statistics.

Cumulative funds raised increased from USD 7.96 billion to USD 10.49 billion, while cumulative investments made increased from USD 8.08 billion to USD 11.28 billion. These figures indicate an increase not only in the number of participants but also in the scale of capital mobilisation and deployment within the ecosystem [2] (Figure 2).

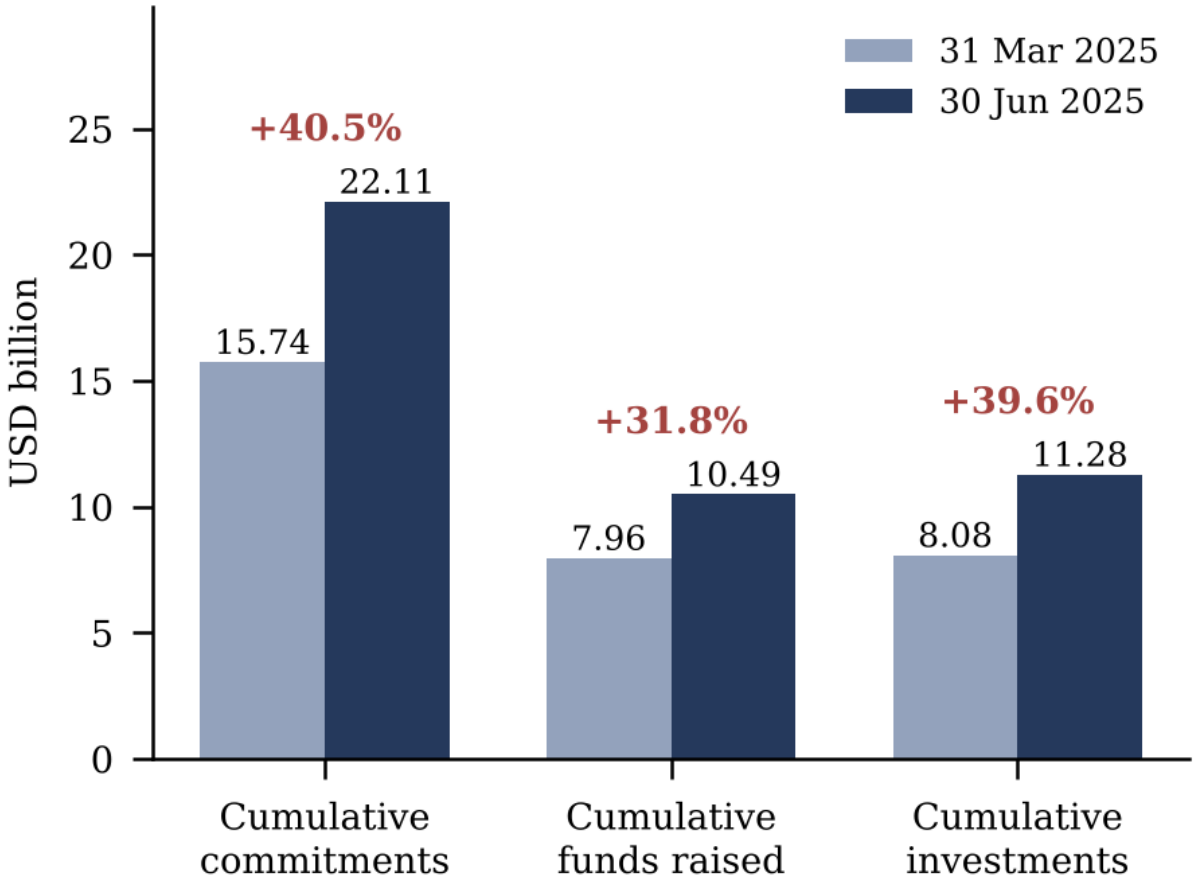


**Figure 2.** Cumulative Commitments, Funds Raised and Investments Made (USD billion) Source: IFSCA statistics.

#### *4.1.2 AUM of selected inbound funds*

The selected inbound dataset contains six funds with reported AUM, together accounting for approximately USD 289.78 million. Motilal Oswal Alternative Investment Trust recorded the highest reported AUM at USD 136 million, followed by Motilal Oswal Giftcity India Equity at USD 78 million and SBI Focused Fund Feeder at USD 55.8 million (Figure 3).

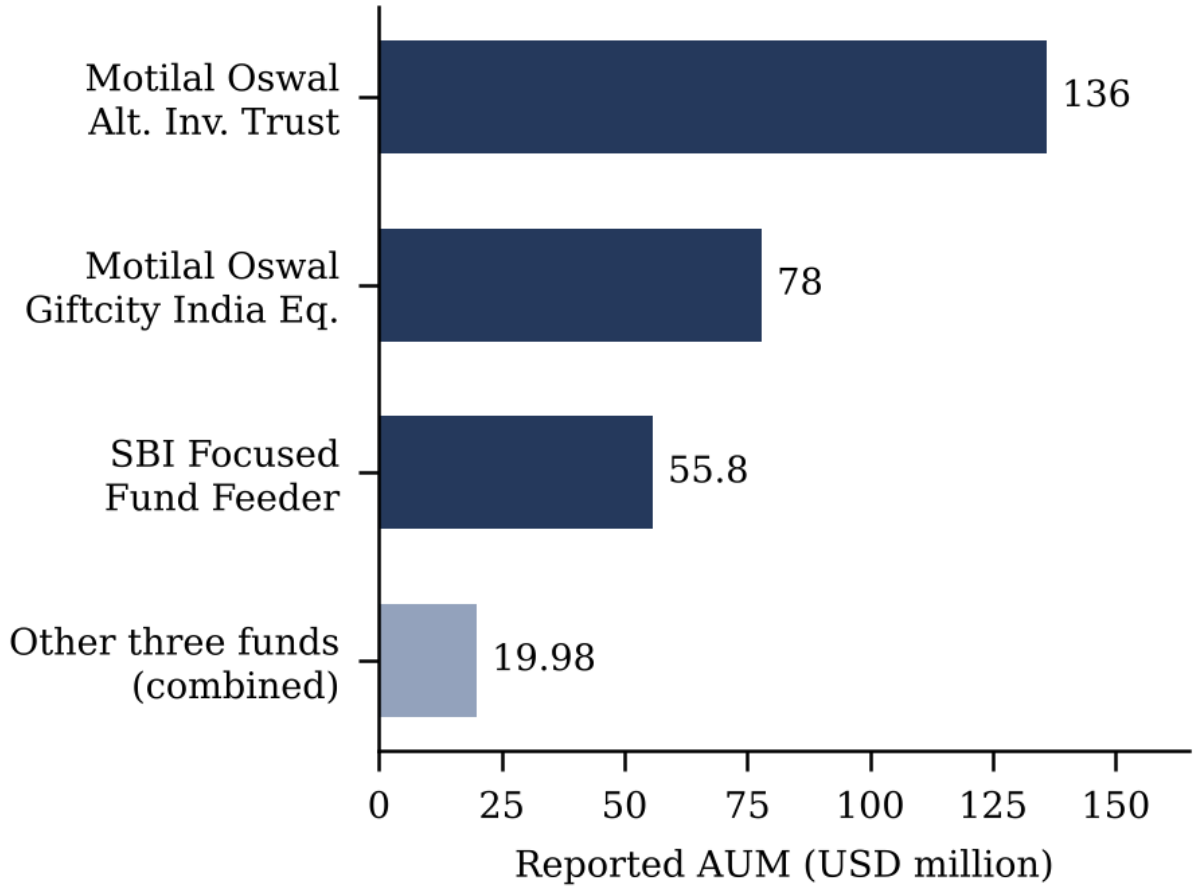


**Figure 3.** Reported AUM of Selected Inbound Funds (USD million) Source: Author's compilation from selected fund data.

The three largest funds account for approximately 93.2% of the reported AUM within the selected sample. The remaining reported AUM is distributed among SBI Investment Opportunities Fund, Sundaram Mid Cap, and Tata India Dynamic Equity.

#### *4.1.3 Fund return performance*

The average reported returns across the selected inbound funds were 4.28% over one month, 4.13% over three months, 0.36% over six months, 4.64% over one year, and 5.38% since inception (Figure 4).

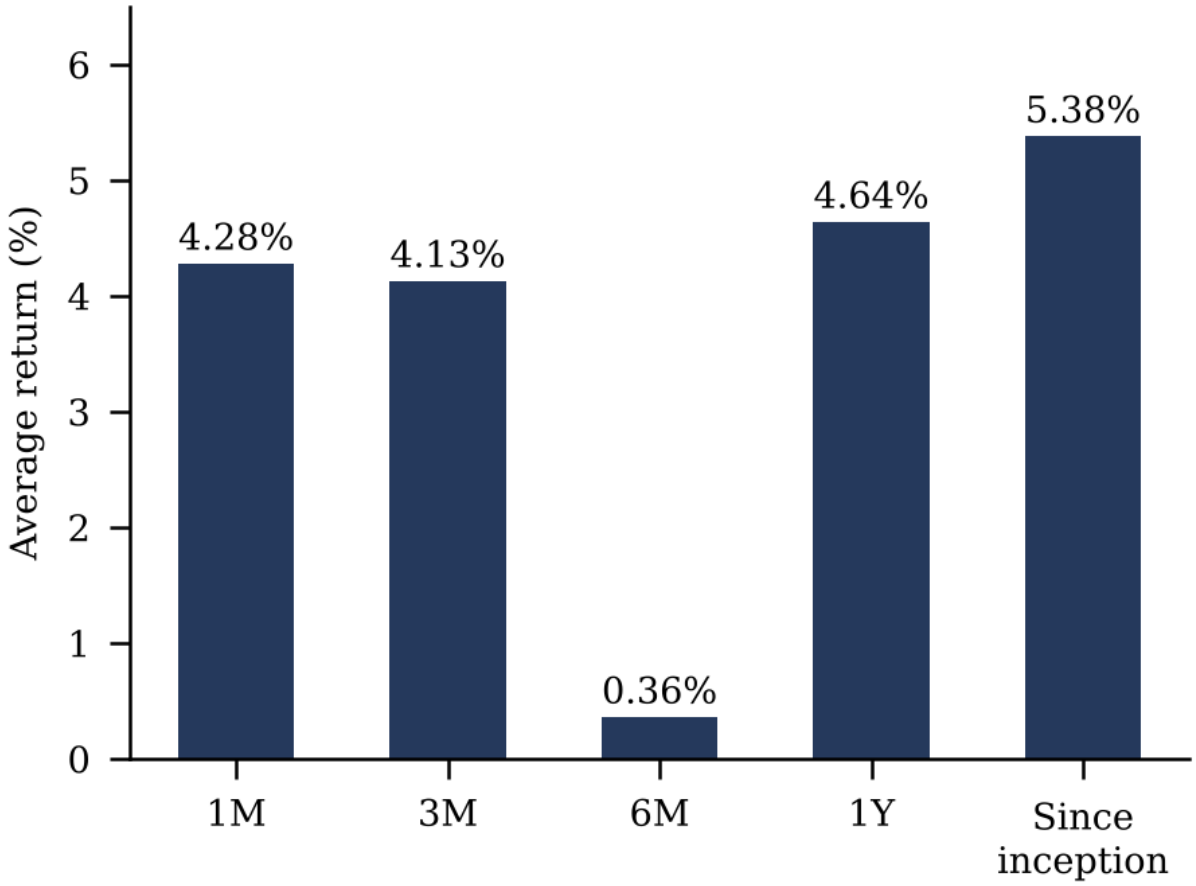


**Figure 4.** Average Reported Returns of Selected Inbound Funds Source: Author's compilation from selected fund data.

All ten funds with one-month data recorded positive returns, while seven of ten funds recorded positive three-month returns. Only one of eight funds recorded a positive six-month return, while one of nine funds recorded a positive one-year return. Since inception, five of nine funds recorded positive returns (Figure 5).

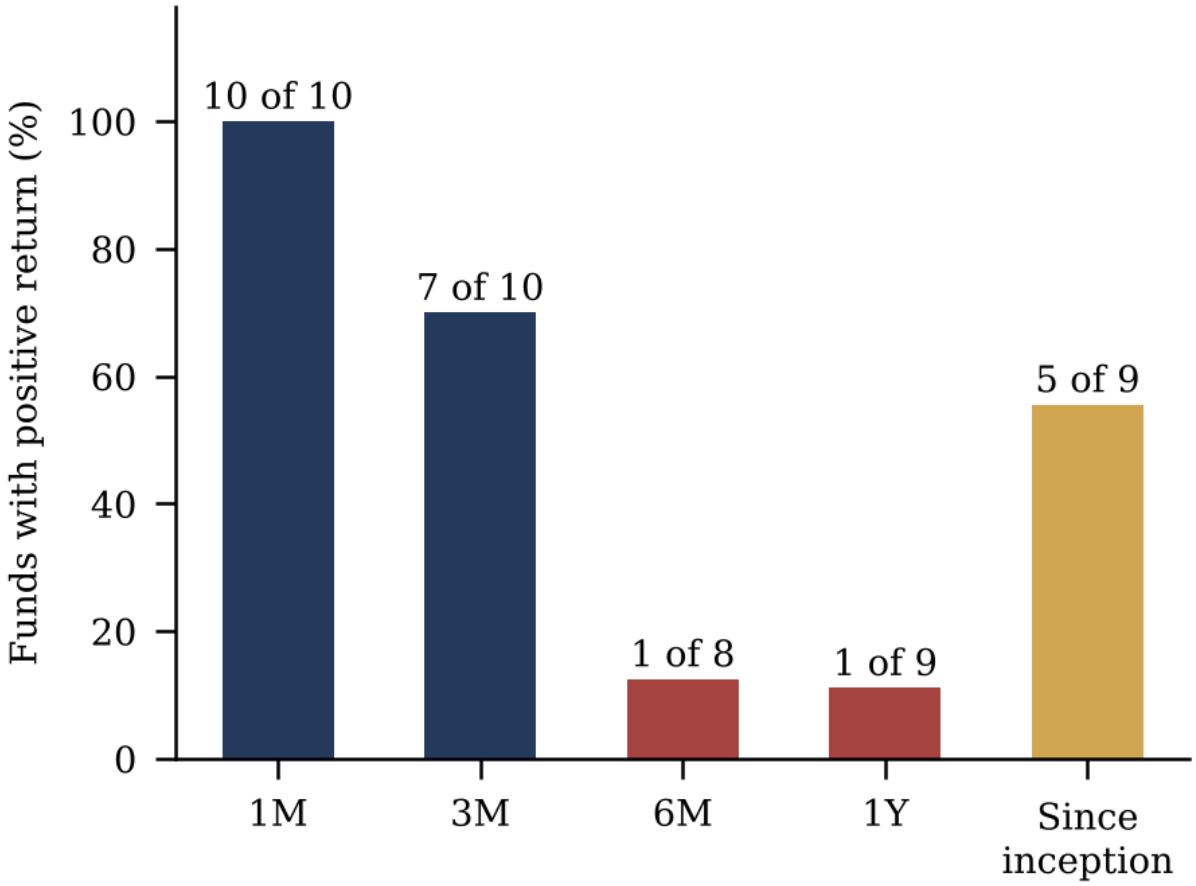


**Figure 5.** Share of Funds Recording Positive Returns by Period Source: Author's compilation from selected fund data.

The highest reported one-year return was 83.67% for Mirae Asset Global Advantage Fund, while the lowest reported one-year return among available observations was -9.40%.

#### *4.1.4 Benchmark-relative performance*

The benchmark analysis shows variation in relative performance across the selected funds. SBI Investment Opportunities Fund recorded approximately 9.71 percentage points of outperformance against its stated benchmark, while Alchemy India Long Term Fund recorded approximately 9.72 percentage points of relative outperformance.

Carnelian Bharat Amritkal and Motilal Oswal Giftcity India Equity also recorded positive relative performance, whereas ABSL India Flexi Cap Fund underperformed its benchmark by approximately 6.97 percentage points (Figure 6).

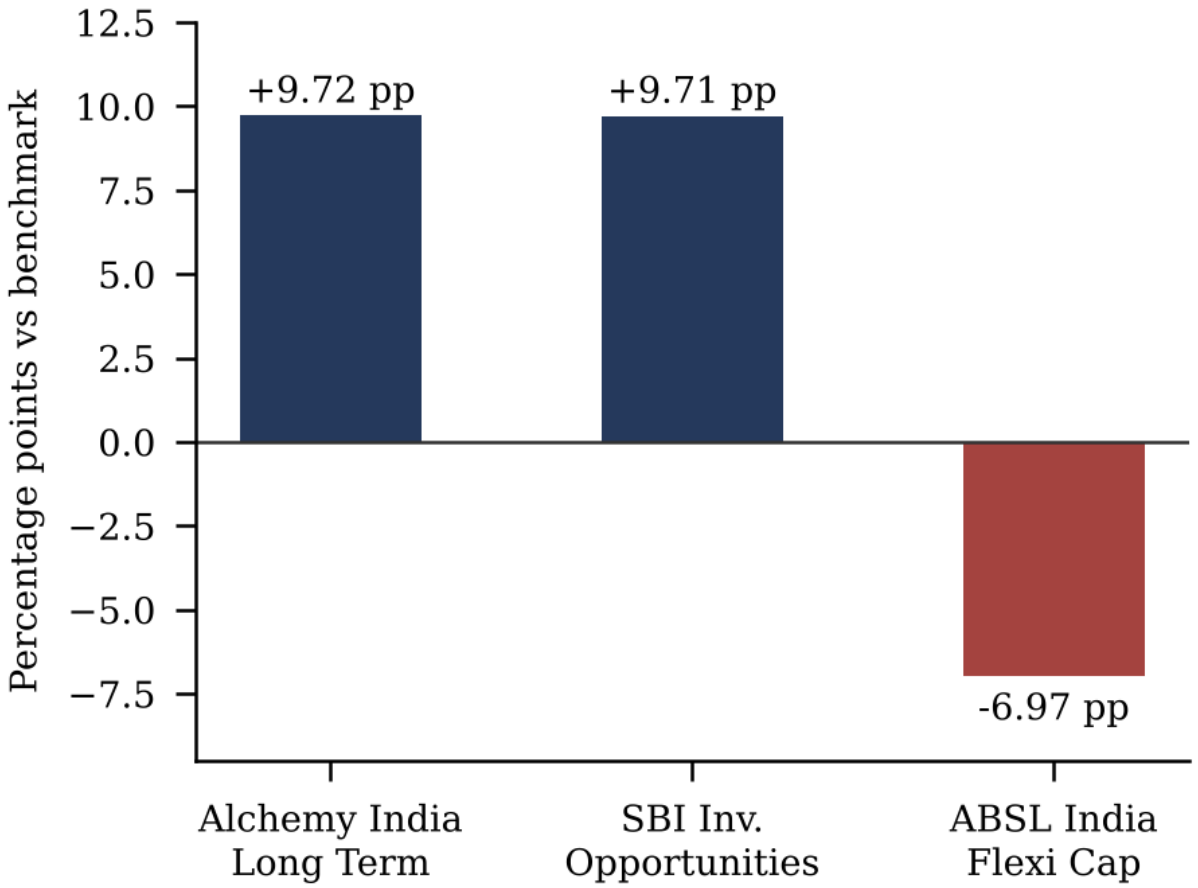


**Figure 6.** Benchmark-Relative Performance of Selected Funds Source: Author's compilation from selected fund data.

#### *4.1.5 Asset allocation*

The selected inbound funds are predominantly equity-oriented. Of the nine funds with reported direct-equity allocation, eight funds, or 88.9%, have at least 95% equity exposure.

Several funds report 100% equity exposure, while SBI Investment Opportunities Fund has 74% equity and 26% debt. ABSL India Flexi Cap Fund reports 95% equity and 5% debt, while Tata India Dynamic Equity reports 97.31% equity and 2.69% debt (Figure 7).

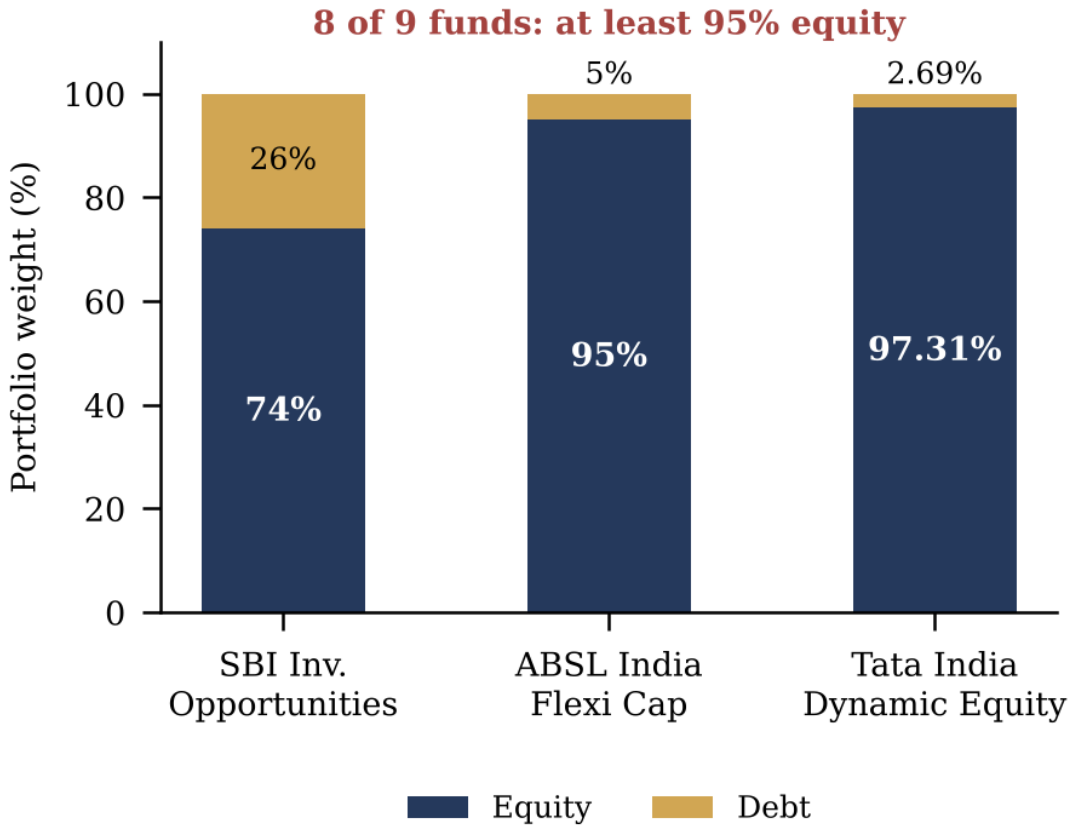


**Figure 7.** Equity and Debt Allocation of Selected Inbound Funds Source: Author's compilation from selected fund data.

#### *4.1.6 Market-capitalisation allocation*

The selected funds demonstrate considerable variation in market-capitalisation exposure. Nippon India Large Cap Fund has the strongest large-cap orientation at approximately 83%, while Sundaram Mid Cap reports approximately 71.7% mid-cap exposure. Alchemy India Long Term Fund has approximately 42.59% small-cap exposure (Figure 8).

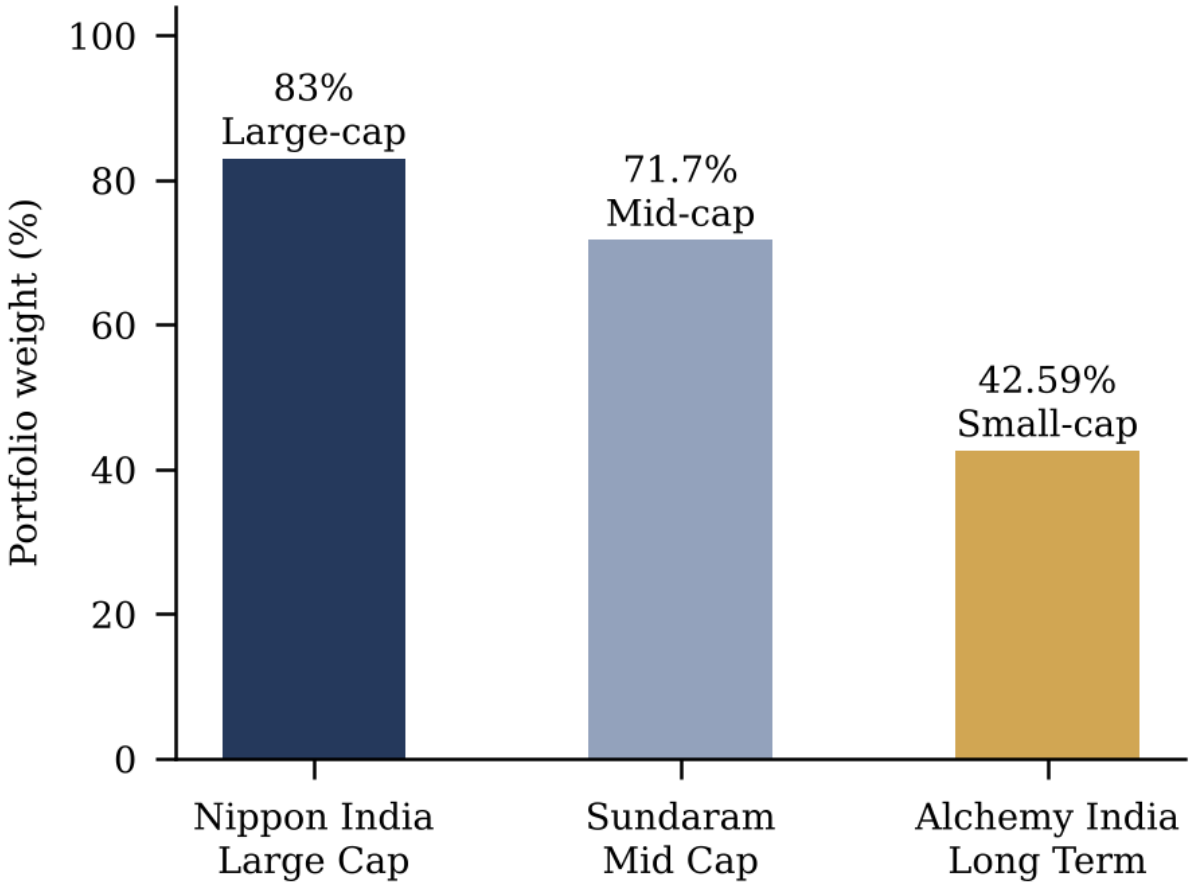


**Figure 8.** Most Prominent Market-Cap Exposure in Selected Funds Source: Author's compilation from selected fund data.

Other funds maintain combinations of large-, mid-, and small-cap stocks, resulting in different portfolio structures across the selected sample.

#### *4.1.7 Sector exposure*

The selected fund portfolios show exposure to several major sectors, including financial services, automobile, information technology, capital goods and engineering, renewable energy, manufacturing, banking, and consumption.

Financial services is particularly prominent in several portfolios. For example, ABSL India Flexi Cap Fund reports approximately 33.9% exposure to Financial Services, while other selected funds show notable exposure to manufacturing, BFSI, capital goods, renewable energy, and banking.

#### *4.1.8 Inbound and outbound fund activity*

The selected inbound observations report approximately USD 289.78 million of AUM, while the selected outbound observations report approximately USD 415.43 million (Figure 9).

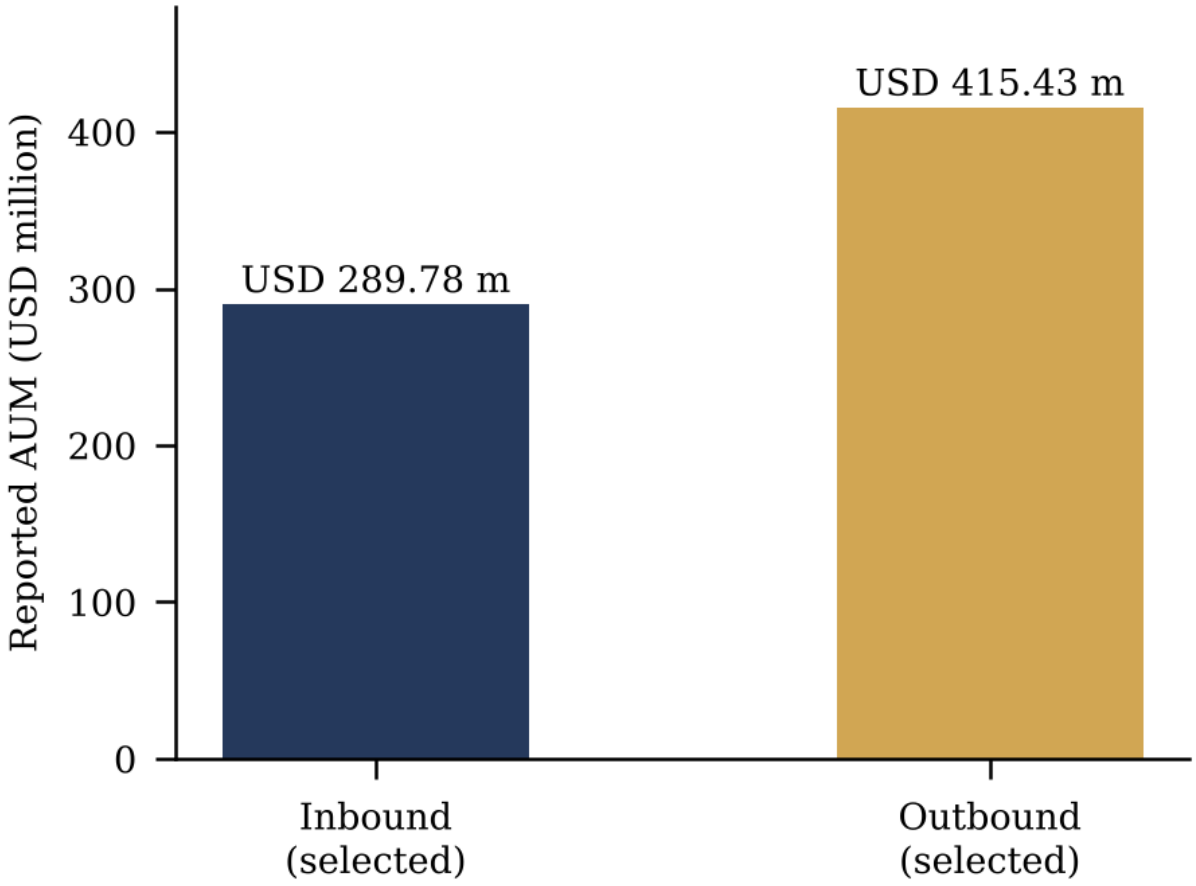


**Figure 9.** Reported AUM of Selected Inbound and Outbound Funds (USD million) Source: Author's compilation from selected fund data.

The outbound segment contains structures providing exposure to international markets, including the United States, China, Taiwan, Europe, and global markets. The dataset therefore contains both India-focused inbound products and internationally oriented outbound products.

### 4.2 Discussion

The findings collectively indicate that GIFT-IFSC is developing as an increasingly active and diversified fund-management ecosystem. The growth in Fund Management Entities, funds, cumulative commitments, funds raised, and investments made indicates increasing institutional participation and capital mobilisation. The particularly strong growth in cumulative commitments between March and June 2025 [2] suggests that development within the ecosystem is increasingly being accompanied by mobilisation of capital rather than being limited to the registration of financial entities and products. At the fund level, however, the findings show considerable variation in AUM, investment performance, asset allocation, market-cap exposure, and sector positioning. The concentration of reported AUM among the three largest funds demonstrates differences in the scale of individual products, although this result cannot be generalised to the entire GIFT-IFSC market because AUM information is not uniformly available across all funds. Similarly, the return analysis demonstrates that investment performance varies significantly across time horizons. The difference between short-term and longer-term results, together with the influence of the exceptionally high reported one-year return of Mirae Asset Global Advantage Fund, indicates that average returns should be interpreted alongside fund mandates and individual observations rather than in isolation. Benchmark-relative analysis further shows that selected funds have both outperformed and underperformed their stated

benchmarks, reinforcing the importance of strategy, market conditions, and portfolio construction in determining performance outcomes.

The portfolio analysis indicates a strong equity orientation within the selected inbound sample, with most funds maintaining high equity exposure. At the same time, differences in market-capitalisation and sector allocation demonstrate that funds within the same GIFT-IFSC environment can follow significantly different investment approaches. Large-cap, mid-cap, and small-cap exposures vary considerably, while sectors such as financial services, manufacturing, technology, banking, and capital goods form important components of selected portfolios. These differences suggest that the GIFT-IFSC ecosystem accommodates a range of investment strategies rather than a single standardised model. The presence of both inbound and outbound funds also highlights the international dimension of the platform. Inbound structures provide access to Indian investment opportunities, whereas outbound structures provide access to international markets, creating two-way investment functionality within the IFSC. Although the reported outbound AUM in the selected sample is higher than the reported inbound AUM, this difference should not be interpreted as evidence of the relative size of the complete inbound and outbound markets because reporting is incomplete across products.

Overall, the findings suggest that GIFT-IFSC has progressed from an institutional and regulatory initiative towards a more diversified financial ecosystem with growing fund-management activity, capital mobilisation, and cross-border investment structures. At the same time, the evidence indicates that the ecosystem remains in a development phase, with differences in product scale, fund performance, portfolio construction, and data availability. The results therefore support a balanced assessment in which the growth of the overall ecosystem is recognised alongside the variability observed at the individual fund level. Continued development in capital mobilisation, product diversity, international participation, regulatory consistency, and transparency of fund-level information will remain relevant to the further evolution of GIFT-IFSC as an international financial centre.

## 5 Conclusion

GIFT-IFSC has emerged as an important part of India's broader strategy to establish a globally connected financial-services ecosystem within the country. The present study, titled "GIFT-IFSC: An Analytical Study of India's Emerging International Financial Centre," examined the development of GIFT-IFSC with particular emphasis on its regulatory framework, fund-management ecosystem, investment structures, financial performance, and cross-border investment activity. The study combined qualitative examination of the institutional and regulatory environment with quantitative analysis of selected fund-level data.

The findings indicate that GIFT-IFSC has experienced significant development in its fund-management ecosystem. The growth in Fund Management Entities, funds and schemes, cumulative commitments, funds raised, and investments made reflects increasing institutional participation and capital mobilisation. The increase in commitments and investments also indicates that the ecosystem is progressing beyond the establishment of financial entities towards greater mobilisation and deployment of capital.

The fund-level analysis provides further insight into the nature of this development. The selected inbound funds demonstrate considerable differences in assets under management, investment performance, benchmark-relative returns, asset allocation, market-capitalisation exposure, and sector composition. The analysis indicates a strong equity orientation within the selected inbound sample,

while variations in market-capitalisation and sector allocation reveal the presence of different investment strategies. The performance analysis also shows that returns vary considerably across investment periods and across individual funds. This suggests that fund performance is influenced by the specific mandate, investment strategy, portfolio construction, benchmark, and prevailing market conditions rather than by the location of the fund within GIFT-IFSC alone.

The study also highlights the importance of analysing performance on a benchmark-relative basis. The selected funds recorded both outperformance and underperformance relative to their stated benchmarks. This demonstrates that absolute returns provide only part of the picture and that the effectiveness of fund management is better understood when performance is considered in relation to an appropriate benchmark and investment objective.

Another significant finding is the development of both inbound and outbound investment structures within GIFT-IFSC. Inbound products provide access to Indian investment opportunities, while outbound products provide exposure to international markets. The coexistence of these two directions highlights the emerging international character of the platform and its ability to facilitate cross-border investment activity in both directions. Rather than being limited to attracting foreign capital into India, GIFT-IFSC is also developing mechanisms that enable investors to access global markets through structures established within the IFSC.

At the same time, the study identifies certain limitations in the present ecosystem and in the available data. GIFT-IFSC is still relatively young compared with established international financial centres, which limits the availability of long-term historical data. Fund-level information is also not consistently disclosed across all products, making direct comparison difficult in some cases. Differences in fund mandates, benchmarks, reporting periods, portfolio structures, and disclosure practices further require careful interpretation of the results. Consequently, the findings of the study should be understood within the scope of the selected sample and available secondary information rather than being treated as a complete representation of the entire GIFT-IFSC market.

From an overall perspective, the study finds that GIFT-IFSC has developed a growing, diversified, and increasingly international-oriented financial ecosystem, with fund management forming an important component of its development. The evidence suggests that the centre has established the institutional foundation required to support a broader range of international financial activities, while its expanding fund ecosystem demonstrates increasing participation and capital mobilisation.

However, the long-term development of GIFT-IFSC will depend on its ability to deepen the financial ecosystem through continued capital mobilisation, wider product development, greater participation by international institutions, strong regulatory consistency, enhanced market connectivity, and improved transparency and availability of fund-level information. Continued development of these areas would strengthen the ability of GIFT-IFSC to support India's international financial-services ambitions.

In conclusion, GIFT-IFSC represents an evolving institutional development in India’s financial sector. Its progress can already be observed through increasing fund-management activity, diversified investment structures, and the emergence of two-way cross-border investment functionality. While the centre is still in a developmental stage and requires further maturation, the evidence examined in this study demonstrates that GIFT-IFSC has established a significant foundation for the continued development of India’s international financial-services ecosystem. Future research using longer time-series data, a broader set of funds, and more comprehensive international comparisons can provide further insight into the evolution and long-term role of GIFT-IFSC.

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