

Infusing vibrance into the Bullion ecosystem at GIFT IFSC



1. The Government of India established the International Financial Services Centres Authority (IFSCA) with a mandate to develop and regulate financial services, financial institutions and financial products in the International Financial Services Centres (IFSC) in India. GIFT IFSC at Gandhinagar, Gujarat, is the maiden IFSC in the country.
2. To meet its mandate, IFSCA has been actively undertaking initiatives to enhance the business environment. One such initiative is the setting up of a bullion exchange in the GIFT IFSC, viz. India International Bullion Exchange (IFSC) Ltd. [IIBX]. IIBX was inaugurated by the Hon'ble Prime Minister Shri Narendra Modi on July 29, 2022. Since its inauguration, more than 101 tonnes of gold and 1,100 tonnes of silver have been imported through the IIBX.
3. In a significant move, IFSCA recently notified the IFSCA (Bullion Market Regulations), 2025, aimed at improving price discovery, streamlining operations, enhancing participation, governance and safeguarding consumer interests in the bullion ecosystem within the IFSC.
4. As part of its ongoing efforts to foster market vibrancy, liquidity and ease of doing business, IIBX has now been granted permission to extend its trading hours for spot contracts by 3 hours. The revised trading hours on IIBX for these contracts shall be 9 AM to 9:30 PM from the date of such notification by the IIBX.
5. The extended trading hours are expected to significantly benefit the bullion market ecosystem by enabling Qualified Suppliers to place sell orders and Qualified Jewellers/valid India-UAE CEPA TRQ holders to place buy orders on the same day of creation of Bullion Depository Receipts (BDRs) and receipt of funds, respectively, even when such creation and receipt take place late in the evening. This will result in the optimal and timely utilization of bullion and funds, enhancing the costeffectiveness of trading of bullion through the IIBX.
6. Additionally, IFSCA has dispensed with the net worth requirements for various classes of 'Customers' eligible to trade/invest on the IIBX, with the exception of Qualified Jewellers/Qualified Suppliers for whom eligibility criteria has been prescribed separately. This will broad base participation across various products offered on IIBX. This will also remove entry barriers and make it easier to access the investment products proposed to be offered by IIBX in near future, thus, encouraging prospective participants, including retail investors, to choose IIBX for their bullion and bullion-related investments.
7. These measures are expected to strengthen GIFT IFSC's position as a globally competitive bullion trading hub and reflect IFSCA's commitment to fostering a robust and efficient financial ecosystem.