



PRESS RELEASE

Constitution of an Expert Committee on positioning GIFT IFSC as Global Commodity Trading Hub

1. The Government of India has 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. The mandate of IFSCA is to develop a world-class regulatory ecosystem for financial products and services, with a focus on on-shoring Indian businesses, that have gone offshore, through establishing a globally competitive ecosystem by enabling regulations and through ease of doing business.
3. Commodity trading is a dynamic and essential component of the global financial landscape, including the physical buying and selling of various raw materials and intermediate goods. It is a vast and intricate market that plays a significant role in supporting economic activities and ensuring the availability of vital resources. Trading of goods involves financial aspect, and this industry thrives as much on the financial supply chain as it does on logistics. Increasingly, many investors and hedge funds are also actively participating in the commodity market.
4. Switzerland, Singapore, London, Chicago, Dubai, Shanghai, and Rotterdam are international commodity trading hubs. These hubs stand out significantly on account of their position as financial services center, strategic location, tax privileges, and the availability of a skilled workforce. These global centres have emerged as strong International Financial Centres owing to the significant synergies between financial services and commodity trading.
5. Although India is one of the largest consumption markets and largest importers for many commodities, majority of the commodity traders are executing trades from

other financial centres rather than from India. Indian enterprises have established bases in the afore-mentioned trading hubs for a variety of reasons, including favourable tax and regulatory considerations, access to global markets, robust financial infrastructure and an internationally aligned legal ecosystem.

6. Enabling commodity trading in IFSC will facilitate business integration of IFSC financial ecosystem with global trade flows, capitalize on integration opportunities with major commodity hubs and attract global investment flows into IFSC, thereby helping IFSC grow competitively.
7. Considering the above, the IFSCA has set up an **“Expert Committee on positioning GIFT IFSC as Global Commodity Trading Hub”**.
8. The Expert Committee will be chaired by Mr. Rajeev Kher, former Commerce Secretary. The composition of the Expert Committee is as under:

Sr. No.	Details of Committee Members	Capacity
1.	Mr. Rajeev Kher Former Commerce Secretary, Government of India Former Member, Competition Appellate Tribunal	Chairperson
2.	Mr. Subhash Chandra Agarwal, IRS Additional Director General, Directorate General of Foreign Trade (DGFT) Development Commissioner, GIFT City - SEZ	Member
3.	Mr. Sanjay Kumar Executive Director and Chief Marketing Officer, Oil and Natural Gas Corporation Ltd. (ONGC)	Member
4.	Mr. R V N Vishweshwar Executive Director (Corporate Finance and Treasury), Indian Oil Corporation Ltd. (IOCL)	Member
5.	Ms. P Shanthi General Manager (Commercial), National Mineral Development Corporation (NMDC)	Member
6.	Mr. Rajesh Somani MD & CEO, Global Smart Comtrade Pte Ltd., Singapore	Member
7.	Mr. Ashok Gautam MD & CEO, India International Bullion Exchange IFSC Ltd. (IIBX)	Member
8.	Mr. Kaveesh Syal Head of Operations, OVL Overseas IFSC Ltd.	Member

9.	Mr. Bharat Gupta Senior Vice President & Head - Trade and Structured Finance, Asia, Europe, Middle East and Africa, Olam Global Agri Pte Ltd.	Member
10.	Mr. Girish Bajaj Chief Treasury & Insurance, Tata Steel Ltd.	Member
11.	Mr. Srinivas Tuttagunta Chief Operating Officer, Reliance Industries Ltd.	Member
12.	Mr. Michael Skinner Global Head of Metals, StoneX	Member
13.	Mr. Sachin Gupta Country Head & CEO, Trafigura India Pvt Ltd.	Member
14.	Mr. Raman Walia Executive Director, Head of Commodities Sales, APAC, J P Morgan Chase Bank N.A., Singapore	Member
15.	Mr. Manish Goel Head – Bullion Desk, ICICI Bank	Member
16.	Mr. Jayesh K Shah Director and Chief Financial Officer, Arvind Ltd.	Member
17.	Mr. V Lakshmikumaran Founder and Managing Partner, Lakshmikumaran & Sridharan Attorneys	Member
18.	Mr. Suresh Swamy Partner, Price Waterhouse & Co LLP, GIFT City	Member
19.	Representative from GIFT City CL	Member
20.	Mr. Pradeep Ramakrishnan Executive Director	IFSCA
21.	Mr. Ashutosh Sharma Chief General Manager	IFSCA
22.	Mr. Ramakrishnan Padmanabhan General Manager	IFSCA
23.	Mr. Ramaneesh Goyal Deputy General Manager, Department of Metals and Commodities, IFSCA	Member Secretary

9. The **Terms of Reference (ToR)** of the Expert Committee are as under:

- a) To explore the potential advantages that could be derived to GIFT IFSC financial ecosystem by positioning GIFT IFSC as a Global Commodity Trading Hub (includes physical trade, Merchanting Trade as well as derivatives – OTC and Exchange-traded),
- b) To study global policies, programs and policies of leading jurisdictions in this regard,

- c) To propose steps to promote GIFT IFSC as a Global Commodity Trading Hub by studying how key global commodity trading centres operate, and specially identify areas with strong synergies for the GIFT IFSC financial services industry,
- d) To explore enabling Merchanting Trades/Transactions through GIFT IFSC entities,
- e) To develop legal, regulatory and policy frameworks, as well as incentive structures, necessary to position GIFT IFSC as a Global Commodity Trading Hub,
- f) To identify key groups of commodities such as metals - precious / base / rare earth; energy / hydrocarbons; agricultural commodities, etc. that should be given higher priority for developing IFSC ecosystem, and
- g) To discuss any other matters and offer recommendations relevant to the positioning of GIFT IFSC as a hub for Global Commodity Trading.

10. The constitution and Terms of Reference of the committee may be accessed at

<https://ifsca.gov.in/IFSCACommittees>

Gandhinagar

May 22, 2024