

# GIFT City may get sovereign wealth fund office

India and the Arab nation's firms ink 53 MoUs worth \$3.5 bn

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Saudi Arabia is considering setting up an office of its sovereign wealth fund at GIFT City in Gandhinagar.

The country's Investment Minister Khalid A. Al Falih said on Monday that within the next few weeks, he would send a delegation to GIFT City to explore opportunities.

"I will match your offer and commit that we will open an office in India for investment facilitation," he added, while replying to Commerce and Industry Minister Piyush Goyal's invite to Saudi Arabia to set up an office in GIFT City.

SAUDI AND INDIA HAVE AGREED TO HAVE A STARTUP BRIDGE BETWEEN THE TWO COUNTRIES TO ENCOURAGE YOUNG ENTREPRENEURS AND INNOVATORS, HELPING THEM WITH CAPITAL AND MARKETS

**PIYUSH GOYAL**

Commerce and industry minister



Goyal said if Saudi Arabia sets up operations at GIFT City, it could give a leg up on the flow of investments to India.

GIFT City is India's tax-neutral financial services centre conceptualised by Prime Minister Narendra Modi. It is a global financial hub and India's first operational smart city.

It is home to a multi-service special economic zone (SEZ) and houses the country's first International

Financial Services Centre (IFSC).

The Saudi minister also offered to set up a digital and physical space for Indian startups in Riyadh. This will help the startups gain access to markets, partners, and funding.

"Hopefully, in the next few weeks, we will create a joint agreement between our national venture capital fund and its counterpart in India to channel funding to the startups. It will give us the oppor-

tunity to leverage both our markets," he said.

Saudi Crown Mohammed bin Salman Al Saud is currently on a state visit to India after the G20 Summit concluded on Sunday.

He is accompanied by a delegation of ministers and businesses.

Fifty-three memorandums of understanding (MoUs) worth \$3.5 billion have been inked between Indian and Saudi firms.

The Saudi minister said, "BRICS (Brazil, Russia, India, China, South Africa) is not a talking club and we realised that the centre of gravity of the global economy has already moved towards the Global South. And, Saudi Arabia is a key anchor in the Global South."

The minister also said, "We will open an office in India for investment facilitation and it will also be a facilitator for outbound investments."

According to Goyal, India will set up an investment promotion office in Riyadh in partnership with Federation of Indian Chambers of Commerce & Industry (FICCI) and Invest India.

The ministry of commerce and industry will support this initiative.

Goyal said that India and Saudi Arabia can look at doubling bilateral trade to \$100 billion in the coming years from about \$52 billion.

Earlier at the same event, Rajesh Kumar Singh, secretary, Department for Promotion of Industry and Internal Trade (DPIIT) said that the government is looking at further easing foreign direct investment (FDI) in the space sector to attract overseas players.

Currently, FDI in the space sector is allowed up to 100 per cent in the area of satellite establishment and operations, through the central government route only.