

# From Mauritius to GIFT City: Alchemy's journey in building India's financial hub

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## Synopsis

Alchemy Capital Management became the first fund house to migrate from Mauritius to GIFTCity, India, reflecting confidence in domestic fund management. The Alchemy India Long Term Fund focuses on high-conviction, India-dedicated equity strategies, leveraging regulatory clarity, growing ecosystem, and long-term growth potential to attract global investors.



[India's](#) ambition to create a world-class financial hub is taking shape in GIFT City (Gujarat International Finance Tec-City), and [Alchemy](#) Capital Management has been at the forefront of this transformation.

Speaking on the sidelines of the GIFT City [Fund](#) Conclave 2025, organised by PMSBazaar, Hiren Ved, Co-Founder, Director & CIO of Alchemy Capital Management and Partner at Alchemy [Investment](#) Management LLP, said that the transition from offshore jurisdictions like Mauritius to [GIFTCity](#) represents not only a milestone for Alchemy but also a turning point for India's financial ecosystem.

## A bold first step

Alchemy became the first fund house to migrate from Mauritius to GIFTCity. Ved acknowledged that the move invited internal debate, given how smoothly global investors had operated through Mauritius and Singapore structures for decades. But the conviction was clear: India-focused strategies deserved to be managed from India.

"Many wondered if we were becoming the bali ka bakra," Ved remarked. "But our belief was simple—an India-dedicated inbound strategy is best managed from India, by managers with feet on the ground."

## Alchemy India Long Term Fund – Anchoring GIFTCity presence

One of the flagship strategies housed at GIFTCity is the Alchemy India Long Term Fund, which embodies the firm's philosophy of investing in India's structural growth story.

The fund focuses on high-conviction, India-dedicated [equity](#) opportunities, aiming to capture value across market cycles by backing companies with strong fundamentals and scalable business models.

According to Hiren Ved, the fund reflects Alchemy's belief that long-term wealth creation lies in staying invested through India's growth phases rather

than chasing short-term market trends. "GIFTCity provides the right platform to scale such strategies for global investors who want to participate in India's transformation," he said.

"We've delivered since inception 11% net dollar returns compounded versus the BSE 500 in dollar index, which has given about 6.6% over the same period, and we've been able to deliver a very handsome 400-plus basis points of alpha compounded over 17 years," Ved highlighted.

### **Why GIFTCity matters**

According to Ved, GIFTCity has delivered on multiple fronts that make it a globally competitive platform:

- **Regulatory & tax clarity:** No GST on management fees, exemptions on certain trades, and simplified compliance compared to offshore treaty-driven structures.
- **Growing ecosystem:** A strengthening network of custodians, fund administrators, legal firms, and service providers.
- **Proactive regulation:** The International Financial Services Centres Authority (IFSCA) has adopted a consultative, adaptive approach. "This is a refreshing change from the rigid regulatory environment India has traditionally been known for," Ved observed.

These advantages, he added, are persuading global investors to increasingly trust India-based managers over those located in New York, London, or Singapore.

### **Expanding strategies**

Alchemy's plans at GIFTCity include rolling out a long-short fund and a hybrid strategy that offers exposure to both listed equities and private equity opportunities in India.

Ved also pointed out that GIFTCity can play a key role in helping Indian high-net-worth individuals (HNIs) diversify globally, adding another dimension to its relevance.

### **India as a competing market**

Positioning India in a global context, Ved stressed that the country is no longer just another emerging market. "With structural reforms, resilient domestic demand, and policy stability, India stands out as one of the very few markets capable of competing with the S&P 500 over the long run," he said.

From Mauritius to GIFTCity, Alchemy's journey is emblematic of India's broader financial evolution—where homegrown expertise and global capital converge.

As Ved highlighted at the GIFTCity Fund Conclave 2025, the rise of GIFTCity is not just about infrastructure but about confidence—confidence that India can manage and lead its own destiny in global capital markets.

"I think I see a day and time, 10 years from today, or even five years from today,

when the amount of investments that will come into India, funneled through GIFTCity, will move into billions of dollars and eventually into trillions of dollars," he added.

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