



Press Release

Consultation Paper on Proposed International Financial Services Centres Authority (Issuance and Listing of Securities) Regulations, 2021

International Financial Services Centres Authority (IFSCA) has been established as a unified regulator to develop and regulate financial products, financial services and financial institutions in the International Financial Service Centres (IFSCs) in India.

IFSCA, in its endeavour to develop a comprehensive and consistent regulatory framework based on global best practices with a special focus on ease of doing business, proposes to enact an **all-encompassing framework to facilitate issuers' access Global capital**. Towards this objective, IFSCA proposes a unified regulatory framework specifying the requirements for (i) issuance and listing of various types of securities and (ii) initial and continuous disclosures.

To ensure that capital markets in IFSCs support the financing of innovative business models especially those in the areas of Environment, Social and Governance (ESG), fin-tech, corporate restructurings, etc., the framework proposed by IFSCA also provides for issuance and listing of securities by **Start-ups, Small and Medium Enterprises (SMEs) and Special Purpose Acquisition Company (SPAC)**. Further, enabling framework has been proposed for issuance and listing of **debt securities** including those focusing on **ESG and Smart-Cities**.

The Union Budget for the financial year 2021-22, has detailed setting up of a **'world-class' fintech hub at GIFT City** in a bid to bolster innovation in the fintech industry. The proposed framework by IFSCA is expected to provide an ecosystem **for capital raising and listing by Fintech and other start-up companies**.

Globally, **Special Purpose Acquisition Companies (SPAC)** has become an important structure to raise capital through IPO **for acquiring companies or assets**. To keep pace with the evolving market environment, IFSCA is proposing a suitable framework for capital raising and listing of SPAC on the recognised stock exchanges in IFSCs.

Considering the important role of Capital markets in bridging the gap between investors and issuers of **green bonds, social bonds, sustainable bonds and sustainability linked bonds**, IFSCA aims to make IFSC at GIFT City a prominent international centre for sustainable finance. The proposed framework by IFSCA is expected to support the needs for **Environment, Social and Governance** financing.

The proposed framework shall facilitate issuers from across the jurisdictions to raise capital for variety of needs and list their securities at the international stock exchanges in IFSCs.

The draft **IFSCA (Issuance and Listing of Securities) Regulations, 2021** have been uploaded on IFSCA website at <https://ifsc.gov.in/PublicConsultation>

The comments and suggestions from public on proposed regulations may be sent latest by March 31, 2021.

Gandhinagar

March 10, 2021