



LISTING FRAMEWORK

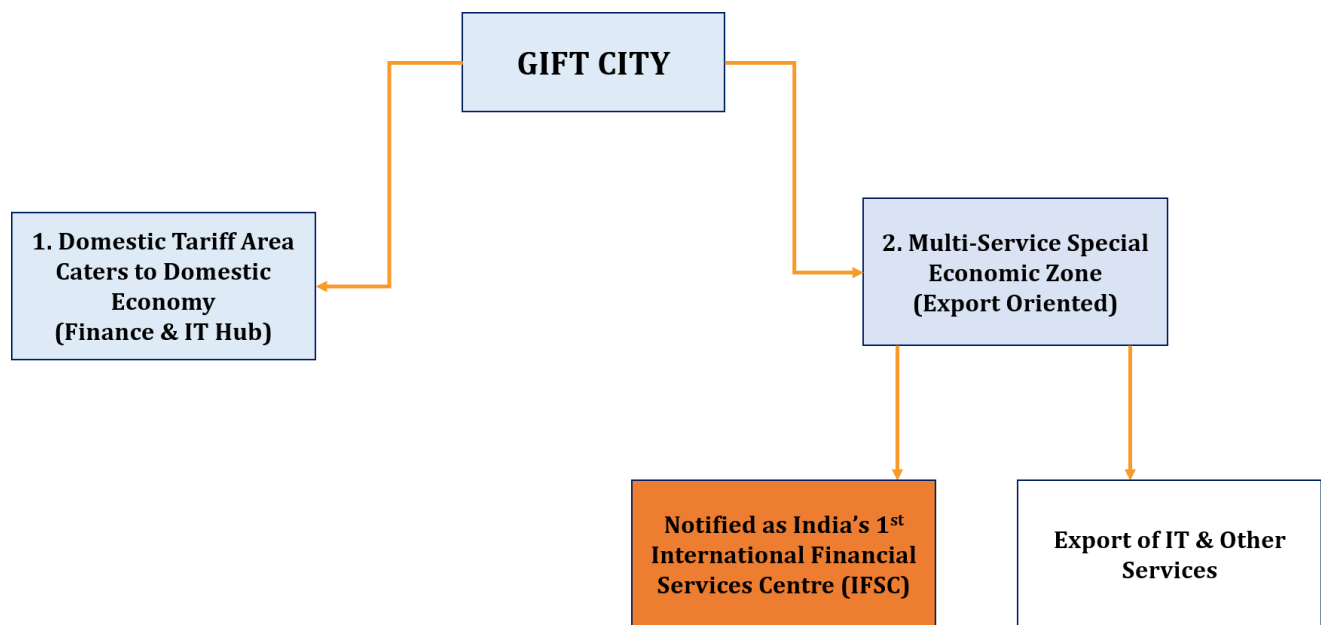
GIFT IFSC

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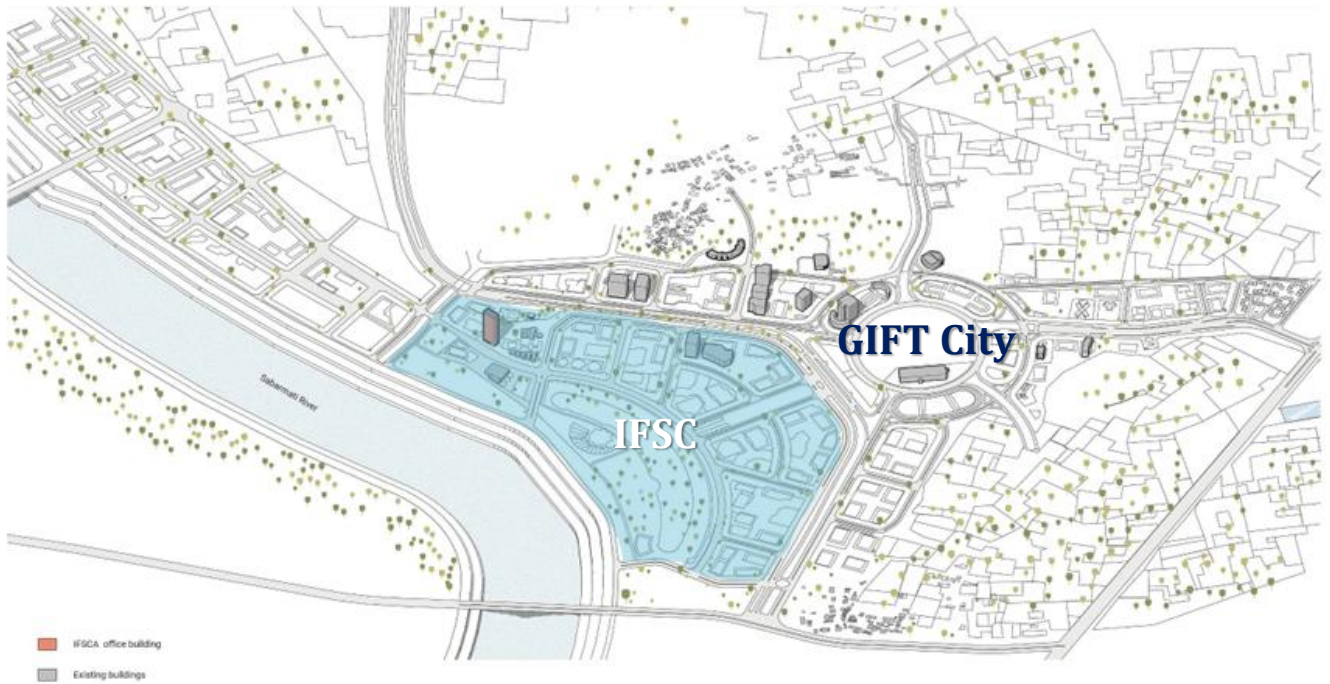
GIFT City

Spread across 886 acres, Gujarat International Finance-Tec City (GIFT) consists of a Multi-Service Special Economic Zone (SEZ), which has been notified as India's maiden International Financial Services Centre, and an exclusive Domestic Tariff Area (DTA). An area of 261 acres has been demarcated as SEZ and an additional 625 acres has been demarcated as DTA.

Conceptualized as a vertical city, GIFT city hosts state of the art infrastructure such as District Cooling System, Automated Waste Collection System, and Underground Utility Tunnel. Such high-quality infrastructure has contributed to developing GIFT City as one of the world's leading Smart City.



International Financial Services Centre (IFSC) in GIFT City, Gujarat



International Financial Services Centres Authority (IFSCA)

The Government of India established International Financial Services Centres Authority under the International Financial Services Centres Authority Act 2019 passed by the Union Parliament.

IFSCA has the statutory mandate to develop and regulate financial institutions, financial services, and financing products within the IFSCs in India.

The Government of India, with effect from October 2020, granted IFSCA the regulatory powers of four domestic regulators namely Reserve Bank of India (RBI), Securities & Exchange Board of India (SEBI), Insurance Regulatory and Development Authority of India (IRDAI) and Pension Fund Regulatory and Development Authority (PFRDA) under 16 Central Statutes for the IFSCs in India.

Overview of IFSC

IFSC Business Activities

Capital Market

- Stock Exchanges
- Clearing Corporation
- Depository
- Broker Dealers
- Investment Bankers
- Custodians
- Depository Participants
- Clearing members
- Credit Rating Agency
- Debenture Trustees

Banking

- Indian Banks
- Foreign Banks
- Global Administrative Office
- Representative offices

Insurance

- Indian & Foreign Insurer
- Indian & Foreign Reinsurer
- Insurance Intermediaries
- Insurance Web-Aggregators

Asset management

- Fund Management Entities
- Alternate Investment Funds
- Investment Advisers
- Distributors

Niche Institutions

- Bullion Exchange
- Finance Companies
- Global Treasury Centre
- ITFS Platform
- Aircraft Leasing & Financing
- Ship Leasing & Financing

Emerging businesses

- Foreign Universities
- Global Fintech Hub
- Global in-House Centres
- Ancillary Service Providers
- Payment Service Providers
- BATF Service Provider

IFSC Opportunities

- Access to large hinterland economy
- Access to international markets
- Connecting ~30 Mn strong Indian diaspora which has a combined net worth of ~USD 3 Tr to India through IFSC
- Inbound and outbound gateway for International Financial Services
- Emerging as a leading hub for Fund Management
- Poised to become a global finance and accounting hub
- Attracting global talent to the world class FinTech Hub in GIFT City



IFSC – Competitive Tax Regime

1

Tax Holiday on Business Income for 20 out of 25 years

2

Minimum Alternate Tax* @ 9%

3

No CTT**/STT**/GST**/Stamp Duty

4

Reduced Withholding Tax of 9% on interest paid on Debt Instruments

5

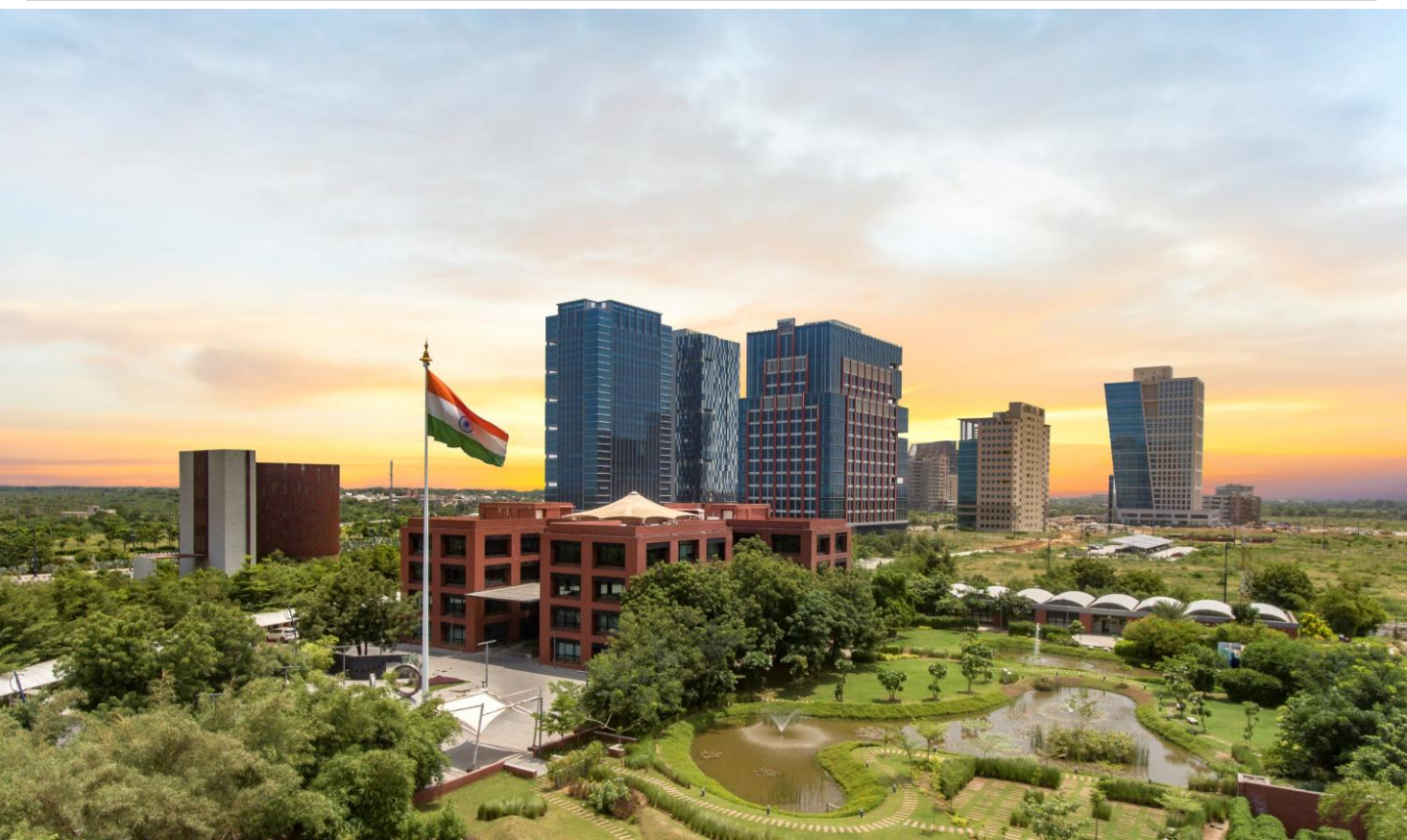
Competitive Tax Regime for Funds

6

Incentives under Gujarat IT/ITeS Policy (2022-27)

*MAT provisions not applicable for companies opting for concessional tax rate under Sec. 115 BA of Income Tax Act, 1961

**CTT- Commodity Transaction Tax, STT- Securities Transaction Tax, GST- Goods and Service Tax



IFSCA Vision

To provide world-class regulatory environment and develop IFSCs into leading Global Financial Centres with a primary focus on India's economic development apart from serving as a regional and global financial hub.



Hon'ble Prime Minister, Shri Narendra Modi

“GIFT City is an important **gateway** to connect India with global opportunities. When you integrate with GIFT City, you will integrate with the whole world”

July 29, 2022



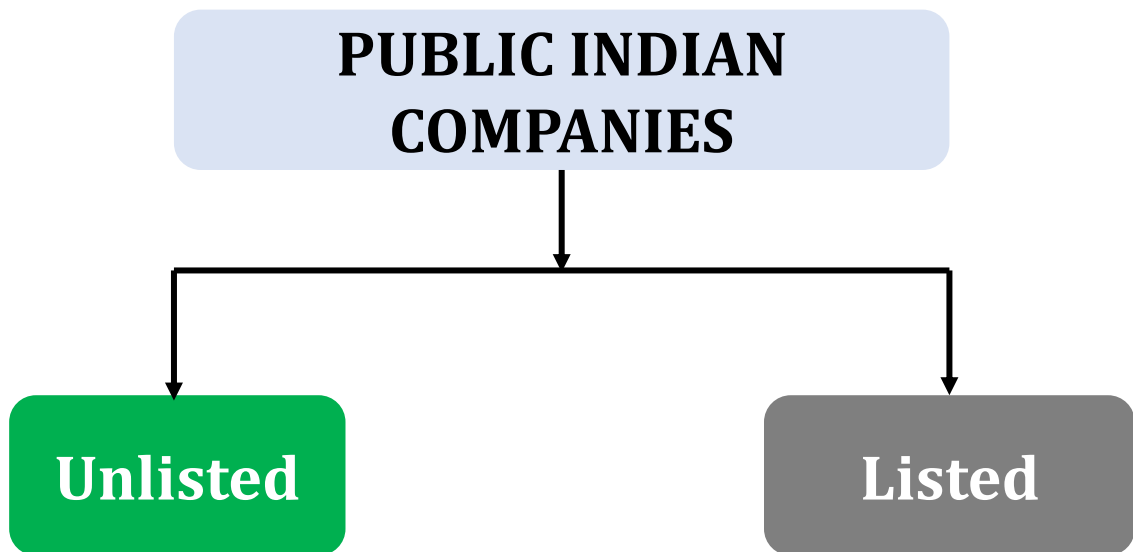
Hon'ble Finance Minister, Ms. Nirmala Sitharaman

“The Government has taken a decision to enable **direct listing** of listed/unlisted companies on IFSC exchanges, which will be operationalised shortly enabling start-ups and companies of like nature to access global market through **GIFT IFSC**. This will also facilitate access to global capital and result in better valuation for Indian companies.”

July 28, 2023

Direct Listing – Indian Companies

Listing → IPO + OFS



Direct Listing: Regulatory Framework

**The Foreign Exchange
Management (Non-debt
Instruments) Rules, 2019**

**The Companies Listing of
equity shares in permissible
jurisdictions) Rules 2024**

**IFSCA (Listing) Regulations,
2024**

FAQs on Direct Listing Scheme
(issued by Govt. of India)

Direct Listing - Indian Companies

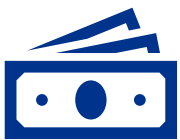
Foreign Investment Limits

- Foreign holding shall not exceed limits prescribed under Schedule I of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019
- Subject to limit specified for foreign portfolio investment under these Rules

Pricing



Unlisted public company – Issue Price for initial listing of equity shares shall be determined by a book- building process and shall not be less than the fair market value. Subsequent issuance and transfer of equity shares for the purpose of additional listing shall be as per applicable pricing norms of the international exchange and the permissible jurisdiction



Listed public company – Issue Price shall not be less than the price applicable to a corresponding mode of issuance of such equity shares, to domestic investors under the applicable laws.



Direct Listing – Indian Companies

Advantages to Issuers

- ❑ **Expanded Investor Base and Valuation:** Listing on international exchanges provides access to a broader, more diverse pool of investors, including specialized investors with industry-specific interests. This exposure can lead to a higher valuation of the company's shares.
- ❑ **Diversification and Financial Flexibility:** International listings diversify the company's funding sources and allow for raising funds in foreign currencies.
- ❑ **Global Visibility and Expansion:** Listing on reputable international exchanges enhances a company's global visibility, positions it as a global player, and facilitates expansion into international markets.
- ❑ **Exit Strategy:** This serves as an exit strategy for early investors, founders, or private equity firms seeking to monetize their investments.

Benefits to Investors



**Trading in foreign
currency**



**Extended Trading
Hours**



Tax benefits

Listing of Companies incorporated outside India

Additional Benefits



LRS Permitted
(retail Indian investors
can participate)



**Domestic Mutual
Funds**
eligible to participate

- Estimates suggest that more than 50% of Indian Unicorn startups are domiciled in offshore jurisdictions.
- United States of America, Singapore and United Kingdom are some of the most popular examples of countries to which Indian entities have 'flipped'

Opportunity to list such Foreign Companies in GIFT IFSC



IFSCA Listing Regulations

- IFSCA (Listing) Regulations, 2024 published on August 30, 2024
- Listing of various financial products enabled.
- Framework for listing of Green bonds, Social bonds, Sustainability bonds and Sustainability linked bonds specified.

IPOs and FPOs

SPACs

Secondary Listing

Depository Receipts

Debt Securities

**Other financial products like Commercial Paper,
Certificates of Deposit etc.**

IFSCA Listing Regulations enable companies incorporated in India, IFSC and FATF compliant Foreign Jurisdictions to list their securities



IFSC Listing Regulations - Parameters

IPO in GIFT IFSC

Parameters benchmarked with global jurisdictions

Eligibility Criteria

- **Revenue Test:** USD 20 million in last financial year or averaged over last three financial years (or)
- **Profit Test:** Pre-tax profit of USD 1 million in last financial year or averaged over last three financial years (or)
- **Market Capitalisation Test:** Post issue market capitalisation of USD 25 million.

Filing of Offer Document

- Issuers required to file offer document with IFSCA for observations.
- Issuers with issue size of USD 50 million or less exempted.



IFSC Listing Regulations - Parameters

Disclosures in Offer Document

- Offer document shall contain all material disclosures which are true, correct and adequate to enable the investors to take an informed investment decision.
- Financial information of the issuers shall not be older than 180 days.
- Accounting Standards: IFRS or US GAAP or Ind AS or accounting standards as applicable in its jurisdiction of incorporation.

(However, in case an issuer is preparing financial statements as per the accounting standards of its home jurisdiction, it shall be required to reconcile the same with IFRS)

- Disclosures shall include: (a) Offer Document Summary (b) Risk factors (c) Introduction of Offer (d) General Information (e) Capital Structure (f) Particulars of the issue (g) underwriting (h) Tax implication for the investors (i) About the Issuer (j) Financial Statements (k) Material related party transactions (l) Legal and other information (m) Details of major group companies (n) Regulatory and other disclosures.



IFSC Listing Regulations - Parameters

Offer Timing

- Within a period of not more than 12 months from the date of issuance of observations by IFSCA.

Offer Period

- IPO shall be kept open for at least one working day and not more than ten working day.

Pricing

- The issuer shall determine pricing in consultation with the lead manager(s) and may be through a fixed price mechanism or through book building mechanism and the same shall be suitably disclosed in the offer document.

Provided that in case of listing of equity shares by a public Indian company, the issuer shall also comply with the requirements prescribed under schedule XI of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019



IFSC Listing Regulations - Parameters

Minimum Public Offer

- **Indian Company:** In accordance with the Securities Contracts (Regulation) Rules, 1957. Minimum public offer of 10%.
- **Foreign Company:** Minimum public offer as well as minimum public shareholding of 10% of the post issue capital.

Underwriter

- May be underwritten (Adequate disclosures regarding underwriting arrangements shall be disclosed in the offer document).

Anchor Investor

- Issuer may offer a portion of the issue size for subscription by anchor investors, subject to disclosures made in the offer document such as details of anchor investors, proposed maximum limit of allotment to anchor investors, lockup (if any), pricing etc.

Monitoring Agency

- Issuer may choose to appoint a credit rating agency as a monitoring agency for monitoring the use of proceeds of the issue.

Lockup

- Pre-issue shareholding of promoters and controlling shareholders of the issuer shall be locked up for a period of 180 days from the date of allotment in the initial public offer.



IFSC Listing Regulations - Parameters

Secondary Listing

- Framework enables secondary listing of the specified securities of the company on the stock exchanges in IFSC if the securities are already listed in an FATF compliant jurisdiction.

Depository Receipts (DRs)

IPOs of DRs

- **Offer Size:** minimum USD 700,000/-
- **Minimum Subscription:** minimum USD 700,000/-
- **Secondary Listing** is permitted.



ESG Labelled Bonds



Green Bonds



Social Bonds



Sustainable Bonds



Sustainability-linked Bonds

Recognised Standards

ICMA

Climate Bonds
Standards

European Union

ASEAN

Any framework or methodology specified by IFSCA

ESG Disclosure and Obligations

Green, Social and Sustainability Bonds

✓ Pre-issuance Disclosures

- ESG objectives of the issue
- Process for evaluation and selection of projects/assets
- Proposed utilization of the proceeds
- Systems and procedures to track the deployment

✓ Annual Disclosures until full allocation

- Utilization Report
- Allocation Report
- Impact Report

Sustainability-linked bonds

✓ Pre-issuance Disclosures

- Rationale for the issuance consistent with issuer's overall sustainability strategy
- All Pre-issuance obligations in accordance with aligned International standards

✓ Annual Disclosures

- Performance of selected KPIs
- Verification Report by External Reviewer on performance against SPTs and related impact

Debt Listings at IFSC

USD 84 Bn+

Total Debt Listing on IFSC Exchanges

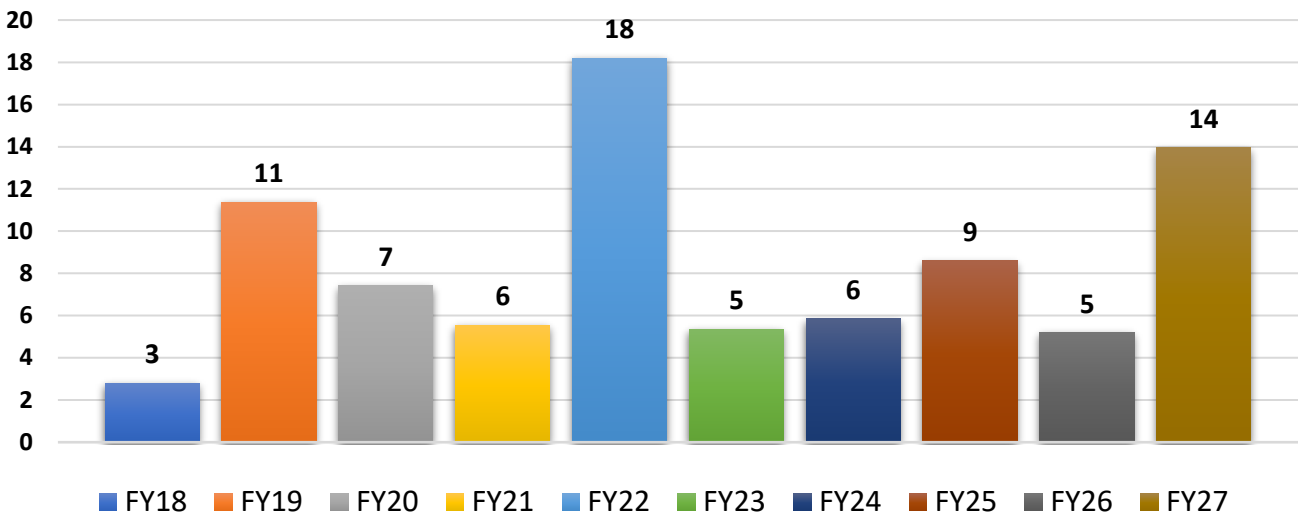
USD 18 Bn+

Total ESG-labelled Debt

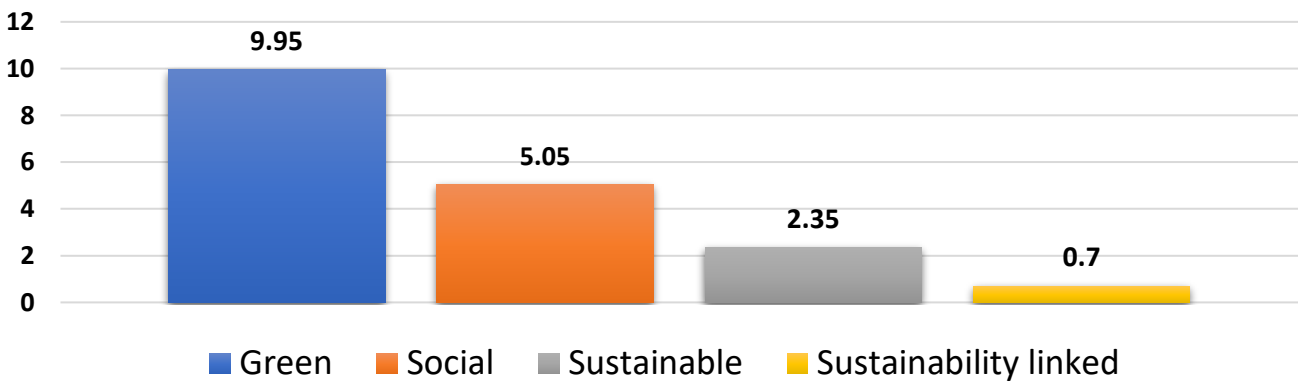
244

Total listed instruments

Total Debt Listing in USD Bn



ESG Labelled Debt Listing in USD Bn



USD 13 Bn+

Total Debt raised so far in FY27

Scan QR to access

**Debt Market at IFSC:
Landscape, Trends and
Outlook 2025-26
Report**



Listing Obligations and Disclosure Requirements

Companies with specified securities listed on stock exchanges

- **Disclosures:** Material or Price Sensitive information, Board meetings, Shareholder meetings, Change in directors and KMPs, Resignation of auditors, Adverse opinions by auditors, Details of encumbrances, Shareholding Pattern, Financial Statements, Corporate Governance, Sustainability Reporting, Whistleblower Mechanism etc.
- **Reports:** Annual report, half-yearly financial results, sustainability report

Secondary Listing of specified securities

- Maintain listing on home exchange.
- Release disclosures on IFSC exchanges at the same time as they are released at its home exchange.

Depository Receipts

Disclosures: Financial statements, material or price sensitive events, shareholding pattern, corporate governance, change of depository, corporate actions and other compliances, etc.

Debt Securities

Disclosures: Material or Price Sensitive events, financial statements, annual report, revision in credit rating, etc.



Scan QR Code to access IFSCA (Listing) Regulations, 2024



Disclaimer: The information contained in this brochure is to give holistic view on financial services markets in GIFT IFSC. While all efforts have been taken to make this brochure as accurate as possible, please refer the print versions, notified Gazette copies of Acts/ Rules/ Regulations/ Circulars/FAQs issued by the IFSCA or Government of India. The IFSCA shall not be responsible for any loss to any person/entity caused by any defect or inaccuracy inadvertently or otherwise stated in this brochure.



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