



N. A. SHAH ADVISORS LLP

BULLETIN

FOREIGN EXCHANGE BULLETIN FEBRUARY 2024

DIRECT LISTING OF INDIAN COMPANIES IN IFSC

◆ **Framework:**

An Indian public company may list their equity shares on specified international exchanges in IFSC subject to the following conditions:

- Such issuance or offer shall be permitted and such equity shares shall be listed on any of the specified international exchanges.
- Such issuance or offer shall be subject to prohibited activities and sectoral caps as prescribed in Schedule I to the Non-Debt Instruments Rules.
- Such equity shares shall be in dematerialised form and rank pari passu with other equity shares listed on a recognised stock exchange in India
- Prior Government approval, wherever applicable, shall be obtained.

◆ **Permissible Holders:**

- The new norms allow the permissible holder to purchase or sell equity shares of an Indian company listed on the specified international exchanges.
- Investment by a citizen of a country which shares land border with India or an entity incorporated in such country shall be permitted with the prior approval of the Central Government.
- A person resident in India cannot be a permissible holder.
- Investment by Foreign Portfolio Investors (FPIs) shall be subject to the specified limits.


◆ **Eligibility:**

The Indian public companies shall be eligible for direct listing of their equity shares on the specified international exchanges and for the purchase and sale of equity shares by the permissible holders subject to certain limitations.

◆ **Pricing:**

- In case the equity shares of the Indian public companies are already listed on recognized stock exchanges in India, the equity shares in IFSC shall be issued at a price not less than the price applicable to a corresponding mode of issuance of such equity shares to domestic investors under the applicable SEBI laws.
- In other cases, the issue price of equity shares shall be determined by a book-building process of the specified international exchanges.

- ◆ The detailed rules can be accessed [here](#).



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