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SEBI Chairman interacts with investors and other stakeholders from USA; Participants emphasize need for early finalization of direct listing scheme, development of Corporate Bond market and further reforms in IPO regulations

Shri Ajay Tyagi, Chairman, SEBI along with other SEBI officials had an e-interaction on October 27 with various stakeholders including industry and investor associations from United States of America (USA). The interaction was organized by US India Strategic Partnership Forum (USISPF).

Commenting on the discussion, Shri Ajay Tyagi said, “We interacted with various stakeholders including the investors in the Indian capital markets from USA. We briefed them about the key developments of the Indian economy as well as the recent trends in the securities market, especially in this COVID era. The achievements of Indian primary markets, secondary markets and specific products such REITs and InvITs were brought out in the interactions. The attractiveness of the Indian markets despite the COVID impact and the recent surge in foreign investment into India through the FPI route was also emphasized.

The increasing number of registrations of FPIs every year and increasing inflows of FPI investment in the Indian equity market signify the sustained interest of the foreign investors in the Indian capital markets. Considering that the largest number of FPIs & about one third of the total assets under custody of FPIs are from USA, the importance of US investments into India was emphasized especially taking into account the growing partnership between the two countries. “

The participants appreciated the various initiatives taken by SEBI, especially with respect to direct listing proposal and creation of new products like REITs and InvITs which have the potential to attract more foreign investment while benefitting domestic economy given its multiplier effect. The initiatives taken by SEBI towards ease of participation by FPIs such as simplified registration process, common application form, onboarding during COVID through digital scanning of KYC documents were also appreciated.

The participants emphasized the need for early finalization of direct listing proposal; development of the corporate bond market; reforms in the IPO regulations; digitization of processes; and showed interest in participating in innovative ideas under SEBI's regulatory sandbox framework. Various queries raised during the meetings on multiple issues were clarified by the SEBI team.

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