

Business Standard

BSE gets in-principle nod for IPO from SEBI

BSE says it will take around six to nine months for the exchange to file its offer document with Sebi
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Capital market regulator Securities and Exchange Board of India (Sebi) has provided in-principle nod to [BSE](#) Ltd for an initial public offering (IPO).

BSE, the country's second-largest exchange in terms of volume, has written to market regulator Securities and Exchange Board of India (Sebi) seeking an approval for the [IPO](#) and to list its shares on a recognized stock exchange.

Ashish Kumar Chauhan, managing director and chief executive officer, BSE said it will take around six to nine months for the exchange to file its offer document with Sebi.

"We hope that we will be able to file the offer document in the next six-nine months. As of now we don't envisage issuance of any fresh equity. The IPO is likely to be an offer for sale (OFS) by existing shareholders," said Chauhan.

BSE currently has more than 8,000 shareholders, said Chauhan. In terms of shareholding, nearly 39 per cent is held by brokers and the remaining is held between foreign institutional investors, including Deutsche Boerse and Singapore Stock Exchange, and other domestic investors.

The government in the Union Budget last month had increased the ceiling on foreign investor holdings in an exchange from 5 per cent currently to 15 per cent.

BSE said it is willing to list on any recognized stock exchange, which in mostly likelihood will be rival National [Stock Exchange](#) (NSE).

"You are requested to provide your approval permitting BSE to proceed with the IPO and listing of BSE's shares on a recognized stock exchange," Nehal Vora, chief regulatory officer, BSE had written to [Sebi](#) in a communication dated January 22, 2016.

BSE had also approached Sebi in January 2013 proposing to list its shares. However, lack of clarity on certain issues had resulted in a delay in listing.

At its board meeting held in December, Sebi had provided clarity on issues such as 'fit & proper' criteria and functions of trading members in order to clear the decks for listing of exchanges.