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# **SPECIAL PURPOSE ACQUISITION COMPANIES (SPAC) LISTINGS THROUGH IFSCA AT GIFT CITY: A REGULATORY OPPORTUNITY OR A SYSTEMIC RISK**

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## **ABSTRACT**

Special Purpose Acquisition Companies have emerged as a significant alternative to traditional Initial Public Offerings allowing for companies to adopt a more simplified and expedient approach for mergers and public listings. While jurisdictions like the United States, Singapore and the United Kingdom already have dedicated regulatory frameworks for SPACs, India has recently implemented its own SPAC framework through the International Financial Services Centres Authority (IFSCA) which serves as the sole regulatory body for all transactions which take place in the Gujarat International Finance Tec-City (GIFT City). The introduction of the International Financial Services Centres Authority (Issuance and Listing of Securities) Regulations, 2021 represents a significant shift in India's regulatory approach by formally permitting SPAC listings under the IFSCA framework.

The paper examines whether SPAC listings through GIFT City presents opportunities for India to strengthen its position in the global capital markets or whether they create broader systemic and regulatory risks. Furthermore, this paper conducts a comparative analysis of SPAC frameworks of the United States, Singapore and the U.K and how these compare to the IFSCA framework. The paper also evaluates how the IFSCA framework balances an innovative listing model with investor protection. Additionally, the paper highlights key issues related to regulatory arbitrage, tax implications, sponsor conflict of interest and conflict with domestic laws. The paper argues while the IFSCA framework provides India with a strategic opportunity to retain capital formation and corporate growth, the success of the SPAC framework depends upon developing it in a way that ensures investor protection and market stability.

**Keywords:** SPACs, GIFT City, IFSCA, Capital Markets, SEC, IFSCA (Issuance and Listing of Securities) Regulations, 2021, Investor Protection, Mergers, IPOs.

## 1. INTRODUCTION

Special Purpose Acquisition Companies or SPACs have emerged as a simpler alternative for corporate acquisitions and public listings. The capital markets have seen a surge in SPAC acquisitions due to the cumbersome and time consuming nature of traditional Initial Public Offerings (SEC SPAC Rules, 2024). A SPAC can be defined as a company which is formed to raise capital through primary public offerings for completing a business combination which can include but is not limited to mergers, acquisitions, restructuring securities exchange or any other similar transaction with one or more target companies, and where such capital would be returned in the event that the SPAC does not complete the transaction.<sup>1</sup>

Special Purpose Acquisition Companies emerged in the United States in the late 1990's as alternatives to the earlier Blank Cheque Companies which had been heavily regulated following the introduction of investor protection mechanisms under Rule 419 of the Securities Act, 1933. The fundamental defining feature of SPACs is that they serve as an intermediary between the merging/acquiring company and the target company, to ensure smooth transition and corporate restructuring. SPACs are incorporated as shell entities organised and managed by sponsors with the primary objective of raising capital through public markets for the purpose of acquiring or merging with one or more target companies.<sup>2</sup> In other words, SPACs are formed for the sole purpose of acquiring other companies. This prospective acquisition mandate distinguishes SPAC acquisitions from traditional companies where public offerings are based on existing performance metrics and disclosed business strategies.

While SPACs have gained considerable traction in global markets, their position in the Indian legal system was very ambiguous. Traditionally, the Indian legal framework had no comprehensive regulation or guidelines governing SPAC transactions.<sup>3</sup> However, the introduction of Gujarat International Finance Tec-City (GIFT City) and the establishment of India's first International Financial Services Centre (IFSC) brought a considerable shift in India's financial regulatory architecture. GIFT City was envisioned as a global financial hub for both domestic and offshore transactions. It operates under a single unified regulator that is the IFSC for various sectors including banking, capital markets, insurance and digital services,

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<sup>1</sup> Special Purpose Acquisition Companies, Shell Companies, and Projections, Securities Act Release No. 33-11265, Exchange Act Release No. 100442, 89 Fed. Reg. 14,158 (Feb. 26, 2024).

<sup>2</sup> 17 C.F.R. § 230.419.

<sup>3</sup> Piyush Raj & Sahil Agarwal, *Characterizing SPACs: The Challenges to Indian Regulation*, 6 J. on Governance 72 (2023).

thereby enabling a more streamlined and flexible approach to financial regulation. The institutional design of GIFT City positions it as a suitable platform for innovative financial transactions including SPACs, which are not feasible under traditional domestic law.<sup>4</sup>

The possibility of SPAC listings through the IFSC at GIFT City raises important legal, economic, and policy questions. On one hand, GIFT City offers a unique opportunity for onshore SPAC activity that would otherwise have to occur in foreign jurisdictions and enhancing India's integration with global capital markets. Its liberalised foreign exchange regime, tax incentives, and evolving capital market infrastructure could make it an attractive destination for SPAC sponsors and investors alike. On the other hand, the hybrid nature of the IFSC situated within India yet operating as a quasi-foreign body with characteristics akin to an offshore jurisdiction introduces the risk of regulatory arbitrage, where market participants may exploit differences between domestic and IFSC frameworks to circumvent stricter regulations.

Through careful analysis, the Research Paper aims to examine the following questions:

- (a) Whether listings through the IFSCA represents a meaningful opportunity for India to have a domestic scope for SPACs or poses a financial and regulatory risk.
- (b) How does the IFSCA framework concerning SPACs compare to similar frameworks in other jurisdictions?

## **2. CONCEPTUAL FRAMEWORK**

### **2.1. Structure of SPACs**

The lifecycle of a SPAC generally unfolds through a series of distinct stages. The SPAC is conceived and incorporated by a sponsor group which are corporate experts or industry specialists which identify an opportunity for a merger or acquisition. They invest the initial capital to meet the regulatory compliances for incorporating a SPAC and work towards creating a profitable business combination.<sup>5</sup> Following incorporation, the SPAC conducts a public offering to raise capital for the proposed transaction often consisting of units of redeemable shares and places all offering proceeds into a trust or escrow account. The SPAC then seeks to identify the target company/companies which will be the subject of the transaction. The

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<sup>4</sup> *About Us*, GIFT GUJRAT, <https://giftgujarat.in/about-us> (last visited Apr 01, 2026).

<sup>5</sup> Michael Klausner et al., *A Sober Look at SPACs*, 39 *Yale J. on Reg.* 228, 235–40 (2022).

SPAC shareholders then hold a shareholders meeting to approve the merger. If the transaction is not completed within a period of two years, the SPAC proceeds towards liquidation and the investor funds are returned.<sup>6</sup>

## 2.2. Comparative Jurisdictions

SPAC regulations do not follow a uniform structure across jurisdictions. The regulators for platforms commonly used for SPAC transactions each have their own framework for SPAC governance.

In the United States, the regulatory framework set up by the U.S. Securities and Exchange Commission has changed to become more focused on disclosure and liability. Form S-1 at the IPO stage identifies SPACs as shell companies, while the de-SPAC phase undergoes more intense regulatory scrutiny through Form S-4 and proxy requirements. Recent reforms have introduced co-registrant liability for the target company and broadened the scope of securities law protections by considering the de-SPAC transaction as a sale of securities.<sup>7</sup> On the contrary, Singapore has a front-loaded, rule-based framework, which embeds investor protections right at the listing stage. The Singapore Exchange requires minimum market capitalisation thresholds, strict timelines for business combinations, sponsor capital commitments, and limits on dilution. Governance protections include independent director and shareholder approval requirements, alongside redemption rights and moratoriums on sponsor holdings. This regulatory design prioritises certainty and investor protection without relying much on enforcement after the fact.<sup>8</sup> The United Kingdom uses a hybrid model that offers regulatory flexibility based on adherence to basic investor protection conditions. Under the Financial Conduct Authority regime, SPACs can now avoid trading suspension when announcing an acquisition if they meet criteria such as minimum fundraising thresholds, ring-fencing of proceeds, time-bound acquisition requirements, and shareholder approval processes. Redemption rights strengthen investor control further.<sup>9</sup>

Together, these frameworks show three different approaches and insights on SPAC regulation. This comparison serves as a useful guide for evaluating the regulatory trends in new areas like

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<sup>6</sup> Karen Woody & Lidia Kurganova, *The SEC's SPAC Solution*, 73 Emory L.J. Online 1 (2023).

<sup>7</sup> Securities Act of 1933, Rule 419 read with 17 C.F.R. §§ 229.1600–.1610.

<sup>8</sup> Singapore Exch., *SPAC Listing Framework*, Mainboard Rules ch. 2, pt. XI (Singapore).

<sup>9</sup> Fin. Conduct Auth., *Listing Rules* ch. 5.6 (as amended Aug. 2021); see also Fin. Conduct Auth., *Policy Statement PS21/10: Investor Protection Measures for SPACs* (U.K.).

GIFT City.

### 2.3. Regulatory Concerns Related to SPACs

Despite their growing significance, SPACs have attracted regulatory scrutiny particularly in the US due to concerns about Investor protection and market integrity. The United States Securities Exchange Commission now requires enhanced disclosure requirements and stricter regulation for target companies. The new rules formed by the SEC impose obligations to disclose sponsor compensation, any conflict of interest arising between the sponsor interest and his fiduciary duties, disclosures on dilution of shareholder equity through PIPE financing and disclosures on board determinations on whether the transaction is in the best interests of the shareholders. Furthermore, the SPAC loses its safe harbour protections for forward looking statements under the Private Securities Litigation Reform Act, 1995 (PSLRA), bringing it more in line with traditional IPOs.<sup>10</sup>

The regulatory concerns of the SEC are not unwarranted, however, excessive regulation and cumbersome compliance requirements may make SPAC transactions unattractive. By imposing similar requirements to SPAC transactions as traditional IPOs, the SEC may negate the very purpose of SPACs which was to provide a more straightforward and expeditious alternative for corporate acquisitions.

### 3. LEGAL AND REGULATORY ARCHITECTURE OF IFSCA

Though the domestic regulations in the Securities and Exchange Board of India regime still do not have a dedicated SPAC framework, the IFSCA has incorporated SPAC regulations in the IFSCA (Issuance and Listing of Securities) Regulations, 2021 for international SPAC transactions.

As per the IFSCA regulations a SPAC can raise capital through an Initial Public Offering (IPO) only where the target company has not been identified prior to the IPO and where the provisions for redemption and liquidation are duly incorporated.<sup>11</sup> This allows the mergers to preserve the traditional blank check company structure while allowing investor exit rights. Furthermore, the

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<sup>10</sup> Special Purpose Acquisition Companies, Shell Companies, and Projections, Securities Act Release No. 33-11265, 89 Fed. Reg. 14,158 (Feb. 26, 2024); *see also* U.S. Sec. & Exch. Comm'n, *Fact Sheet: SPACs, Shell Companies, and Projections* (2024) (summarising key disclosure requirements).

<sup>11</sup> IFSCA (Issuance and Listing of Securities) Regulations, 2021 reg. 67 (India).

sponsor of the SPAC issuer must possess a good track record for SPAC transactions or corporate mergers and neither the sponsor nor the issuer should be debarred from the capital markets, a wilful defaulter or criminally charged for economic offences.<sup>12</sup> The intention is to provide a smooth transaction process while ensuring investor protection.

The IPO process for SPAC mergers in relation to lead manager, in-principle approval from recognised stock exchange and filing of offer document provided for IPO shall be the same as traditional mergers as given under the IFSCA regulations, although the IFSCA retains the discretion to evaluate the SPAC listings on a case-by-case basis.<sup>13</sup> SPACs are subjected to extensive disclosure obligation at the initial offering stage. The offer document must contain detailed disclosures regarding risks, capital structure, redemption rights, liquidation, details of the issue and Issuer, tax implications, financial statements and other relevant legal and material disclosures.<sup>14</sup> Notably, although the target company cannot be identified before listing, the disclosure requirements may indicate the targeted sector or geographical area which could benefit the investors by providing them with strategic insights.

The IFSCA also imposes substantial financial thresholds which must be met to conduct SPAC transactions. The minimum issue size is fixed at USD 50 million out of which sponsors must hold between 15% and 20% of the post-issue paid-up capital and make a minimum capital commitment of at least 2.5% of the issue size or USD 10 million, whichever is lower. The IPO must be conducted through a fixed price mechanism with a minimum price of USD 5 per share and the IPO must be open for a minimum of three and maximum of ten working days.<sup>15</sup> The minimum application size for investors is fixed at USD 100,000 and for the offer to be successful the subscriptions received should be not less than 75% of the issue size with not less than 50 subscribers.<sup>16</sup>

For the purposes of investor confidence in the SPAC transaction, the entire IPO proceeds must be placed in an interest-bearing escrow account which can only be used for the purposes disclosed in the offer document and shall be comprised of short-term investment grade liquid instruments. The interest accrued from the proceeds can only be withdrawn for the purposes of

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<sup>12</sup> IFSCA (Issuance and Listing of Securities) Regulations, 2021 regs. 68-69 (India).

<sup>13</sup> IFSCA (Issuance and Listing of Securities) Regulations, 2021 regs. 70-71 (India).

<sup>14</sup> IFSCA (Issuance and Listing of Securities) Regulations, 2021 regs. 73-74 (India).

<sup>15</sup> IFSCA (Issuance and Listing of Securities) Regulations, 2021 regs. 75-77 (India).

<sup>16</sup> IFSCA (Issuance and Listing of Securities) Regulations, 2021 reg. 79 (India).

tax compliance and working capital expenses.<sup>17</sup> This model closely resembles the ring fenced investment structure adopted by Singapore and the United Kingdom which ensures capital security for investors.

Additional disclosures are required regarding the proposed business combination at the de-SPAC stage including audited financial statements of the target company, valuation methodologies, regulatory approvals, litigation disclosures, and information regarding the resulting issuer. The business combination must receive approval from majority shareholders, ensuring that Sponsors don't dominate the entire transaction. Shareholders who vote against the transaction are given the option to redeem their shares and receive their pro-rata share of the escrow account.<sup>18</sup>

The SPAC is required to complete its business combination within a period of 36 months from listing. If the SPAC fails to complete the combination within the prescribed period liquidation becomes mandatory and sponsors will be excluded from the proceeds of liquidation. Sponsors are also prohibited from transferring their securities before the completion of the transaction, and the target acquisition must have a fair market value of at least 80% of the funds in the escrowed account. Related-party transactions involving sponsors are expressly prohibited, mitigating conflict-of-interest concerns.<sup>19</sup>

Once the transaction is completed, the resulting issuer must ensure that they fulfil all listing obligations within a period of 180 days and comply with all the continuing disclosure obligations. The sponsor and promoter shareholdings will also be subjected to a lock-in-period of one-year post combination ensuring that long term interest remains.<sup>20</sup>

IFSCA framework represents a hybrid model between Singapore and UK frameworks while taking some aspects of the US disclosure requirements. GIFT City provides a dedicated statutory pathway for SPAC listings, which in the future could allow the IFSC to function not merely as an offshore alternative, but as a controlled regulatory testing ground for capital market innovation.

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<sup>17</sup> IFSCA (Issuance and Listing of Securities) Regulations, 2021 reg. 82 (India).

<sup>18</sup> IFSCA (Issuance and Listing of Securities) Regulations, 2021 regs. 83-84 (India).

<sup>19</sup> IFSCA (Issuance and Listing of Securities) Regulations, 2021 regs. 85-89 (India).

<sup>20</sup> IFSCA (Issuance and Listing of Securities) Regulations, 2021 reg. 93 (India).

#### 4. SPACS AND IFSC: CURRENT REGULATORY POSITION

The SPAC framework given under the IFSC is primarily framed for international transactions. India's own domestic regulations currently do not provide a conventional method for SPAC listings under the Securities Exchange Board of India (SEBI) regime. Unlike jurisdictions like the United States, United Kingdom and Singapore Indian regulations are primarily focused on more traditional frameworks for corporate listings and mergers. For example, The Companies Act, requires a company to begin operations within one year of incorporation, those which fail to do so are struck off from the register of companies.<sup>21</sup> This causes structural incompatibility with SPAC mergers where the transaction is completed within a period of 18 to 24 months. As such, Indian companies seeking mergers through SPACs have generally relied on overseas jurisdictions, particularly U.S.-listed SPACs, rather than domestic exchanges.<sup>22</sup>

The position of GIFT City is materially different. Through the IFSCA (Issuance and Listing of Securities) Regulations, India has for the first time introduced a medium for SPAC listings. This is significant because it has the potential to transform SPAC activity from an offshore workaround into a regulated domestic-offshore hybrid structure. However, it is important to note that the existence of a formal regulatory framework does not automatically result in market participation. Concerns regarding the tax implications and compliance with Foreign Exchange Management Act have acted as barriers to successful adoption of IFSCA as a platform for SPAC listings.<sup>23</sup> Furthermore, following the post-2021 downturn in the United States has made SPAC mergers even less attractive.<sup>24</sup>

Nevertheless, policy developments surrounding GIFT City indicates an intention to place IFSCA as a competitive platform for newer capital raising models. The IFSCA appointed expert committee on 2023 examined various contemporary fundraising mechanisms including SPACs. The committee recommended incorporating more enabling provisions in the Companies Act, 2013 to accommodate SPACs including relaxing the requirement to commence business operations within the set time frame to prevent being struck off. This would allow for SPACs incorporated in India to list on domestic and foreign exchanges.

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<sup>21</sup> The Companies Act, 2013 § 248, No. 18, Acts of Parliament, 2013 (India).

<sup>22</sup> *Registration Statement Under the Securities Act of 1933*, Form F-4/A, Yatra Online, Inc. (Nov. 21, 2016), <https://content.edgar-online.com/ExternalLink/EDGAR/0001144204-16-135552.html>.

<sup>23</sup> Ms. Pavithra R., *Special Purpose Acquisition Companies in India: Addressing the Tax Reality Behind the Façade*, 5(2) CMR (2023).

<sup>24</sup> Securities Act Release No. 33-11265, *supra* note 1.

Furthermore, the report suggests rationalising IPO norms regulated by SEBI to allow SPACs to raise capital through investors.<sup>25</sup> This creates an important structural possibility. A SPAC listed on an IFSC exchange may acquire an Indian operating company either directly or through an IFSC-based holding structure, thereby creating a quasi-onshore route for global capital access.

At the same time, this flexibility raises risks associated with regulatory arbitrage. Although the IFSC has specific regulatory relaxations compared to traditional IPOs, firms may select GIFT City not for legitimate capital financing, but instead for evasion of domestic compliance with SEBI, FEMA, and company law regulations. The diversion of Indian transactions to IFSCs via holding companies or SPACs may create a gap in regulations and compromise the boundary between genuine financial innovation and avoidance of the protections for domestic investors.

Therefore, the present regulatory stance on SPACs in the IFSC can be described as transitional. India has gone beyond a complete, unregulated environment by setting out an explicit SPAC regime in GIFT City, but the environment is still evolving and is largely driven by policy. The primary question has shifted from whether SPACs can be legally established in India, to whether there is sufficient regulatory maturity in the IFSC framework to prevent GIFT City from being a site of purely regulatory arbitrage and instead enabling it to function as a legitimate international financial hub.

## 5. OPPORTUNITY ASSESSMENT

GIFT City by becoming the first Indian jurisdiction to allow SPACs presents numerous prospects for the country's capital markets. It acts as a domestically regulated substitute to offshore locations for Indian companies who wish to undergo a SPAC transaction. Indian companies have traditionally preferred a holding company structures and overseas listings under foreign jurisdictions like the US and Singapore. Now with a dedicated SPAC framework under the IFSCA India can sustain capital flows and corporate value generation within its own regulatory framework, including international investor and foreign currency raised fund access.<sup>26</sup>

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<sup>25</sup> IFSCA, *Onshoring the Indian Innovation to GIFT IFSC* (2023), <https://www.ifsc.gov.in/Document/ReportandPublication/onshore-the-indian-innovation-to-gift-ifsc-a4-1327082023112304.pdf>.

<sup>26</sup> *Onshoring the Indian Innovation to GIFT IFSC*, *supra* note 25.

GIFT City also provides a more competitive platform by adopting a more liberal framework when compared to other jurisdictions, particularly the United States who in recent years has adopted more stringent regulations to bring SPACs more in line with traditional IPOs.<sup>27</sup> This regulatory flexibility may also allow GIFT City to operate as a testing ground for more innovative regulatory practices. The Committee in its report also highlighted the need to stop Indian startups from being externally held through overseas holding structures and urged the implementation of a functional SPAC ecosystem within the IFSCA. This all indicates that rather than only being an offshore enclave, GIFT City has the potential to be a key facilitator of domestic businesses connecting with international capital markets.<sup>28</sup>

Furthermore, recent data indicates a resurgence of SPAC transactions, with listings through SEC now appearing less attractive GIFT City is in a prime position to capture market share for SPAC transactions through its IFSCA framework.<sup>29</sup>

## 6. RISK ASSESSMENT

While there may be some benefits associated with SPAC listings via the IFSCA, there remains a plethora of systemic and regulatory issues. One of the most major concerns is the possibility of regulatory arbitrage with the combination of India's more stringent domestic securities framework and the IFSCA's relatively loose framework. Since the IFSCA works with unique regulatory cuts in the domains of foreign exchange and securities, companies may seek to use GIFT City not for the purpose of genuine international financing, but to avoid their domestic compliance obligations. This could undermine the idea of adopting a holistic approach to the Indian financial regulatory framework.<sup>30</sup>

The nature of transaction concerning SPACs also raises concerns regarding Sponsor conflict of interest. The promote structure provides sponsors with about twenty percent of the equity of the SPAC at a nominal price, which is only valuable in case of a business combination. This generates asymmetric incentives: the sponsor has a huge potential reward if they complete a mediocre transaction, but has a much smaller potential cost of not completing any transaction. A rational sponsor, who is presented with the option of doing a below-average deal or letting

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<sup>27</sup> Securities Act Release No. 33-11265, *supra* note 1.

<sup>28</sup> *Onshoring the Indian Innovation to GIFT IFSC*, *supra* note 25.

<sup>29</sup> *SPAC Statistics*, SPAC Insider, <https://www.spacinsider.com/data/stats> (last visited Apr. 30, 2026).

<sup>30</sup> Harald Halbhuber, *An Economic Substance Approach to SPAC Regulation* (Jan. 10, 2022), <https://ssrn.com/abstract=4005605>.

SPAC liquidate, would go through with the deal because the poor investment would result in large promote value and liquidation would result in complete loss of the investment by the sponsor.<sup>31</sup>

Furthermore, researchers have found that there exists intricate regulatory issues related to taxation for cross-border SPAC structures that include Indian participants. A study by Pavithra R. states that in Indian SPACs, share swap SPAC transactions, offshore holding SPACs, and foreign merger SPACs could trigger Indian capital gains tax. The author goes on to say that SPAC mergers, in particular, could result in substantial taxation under the Income Tax Act of 1961, which would create less tax efficiency and more legal risk. Thus, the GIFT City framework is innovative but because there is a lack of coordination with other interconnected laws, it limits the SPACs potential to be used, and increases the risk of exposing the financial system to problems in supervision and enforcement.<sup>32</sup>

## 7. CONCLUSION

The emergence of Special Purpose Acquisition Companies has had a profound impact on the global landscape surrounding capital markets. It has provided an alternative pathway to traditional IPOs that prioritises speed, flexibility and reduced cumbersome regulatory processes. While jurisdictions such as the United States, Singapore and the United Kingdom have established SPAC frameworks, India's own traditional framework was resistant to adopting a similar structure leading to Indian companies resorting to offshore transactions to avail the benefits of SPACs. However, with the establishment of the International Financial Services Centre Authority inside GIFT City and the introduction of the IFSCA (Issuance and Listing of Securities) Regulations, 2021, India finally has a dedicated SPAC framework.

The observations made under this paper show that the IFSCA framework is not simply a means to test more flexible regulatory systems, but an attempt to position GIFT City as financial hub for cross-border transactions including ones concerning SPACs. While more liberal than the traditional SEBI regime, the IFSCA framework still incorporates several investor protection mechanisms including compulsorily depositing the IPO proceeds in escrow accounts, redemption rights for investors, lock-in periods for sponsors, disclosure obligations including those at the de-SPAC stage and shareholder approvals. The IFSCA framework also

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<sup>31</sup> Securities Act Release No. 33-11265, *supra* note 1.

<sup>32</sup> Pavithra R., *Supra* note 23.

incorporates various elements from foreign SPAC regimes like the US, Singapore and the U.K., keeping in mind the unique needs of India.

While GIFT City presents many opportunities in relation to SPACs, the paper also identifies several risks that accompany the incorporation of SPACs in the Indian capital markets system. The hybrid nature of IFSCA which operates within India while also allowing more flexible regulatory norms creates the possibility for regulatory arbitrage. Additionally, domestic overlapping legislations like tax laws, company law and FEMA compliance still have to be harmonised with the IFSCA framework to preserve its credibility and maintain regulatory coordination. SPACs are also highly volatile in nature. They have experienced a sudden downturn especially in the US and have only recently seen a resurgence. Regulators including IFSCA must adopt adequate safeguards to protect investors from market risks.

As of writing this paper GIFT City has not seen any successful SPAC transaction take place through the IFSCA framework, however the success of SPAC listings would not depend merely on expediency and ease of transactions but on a comprehensive framework which ensures investor protection along with market stability while also ensuring that the regulatory process does not become excessively cumbersome which would diminish the appeal of such listings. If the IFSCA is able to implement a successful SPAC framework they can serve as a strategic platform for Indian enterprises to access global markets easily, reducing the need for offshore holdings and listing on foreign exchanges. This would enable India to retain innovation, capital formation and corporate growth within its own borders.