



PSX Signs Agreement with NIFT to Launch E-IPO System

Karachi, March 2, 2021 – Pakistan Stock Exchange (PSX) and National Institutional Facilitation Technologies (NIFT) signed an agreement to collaborate in the development of a new payment and registration system by PSX.

PSX takes immense pride in announcing another important development for the capital market and its participants to digitally transform the Initial Public Offering (IPO) process through the E-IPO project. The E-IPO will be an automated system connecting investors and share registrars with brokers/ TRE Certificate Holders and banks through payment gateways including NIFT and the shares custodial company, CDC.

The digital portal will provide facility to investors (local, foreign, and institutional), TRE Certificate Holders, and even banks for submission of online subscription applications from anywhere in the world through the internet. The system is connected in real-time with Central Depository Company (CDC), payment gateways (e.g. NIFT and others), and shares registrars for providing end-to-end digitalisation.

At the signing ceremony, Mr. Farrukh H. Khan, MD & CEO, Pakistan Stock Exchange, said, *“The deployment of the new E-IPO system will open new vistas and expand the horizons for investors wanting to invest in new issuances through the convenience of a few clicks via the internet. This system will bring digitalisation for investors at the front-end and will enhance the outreach of PSX, issuers and investors in terms of the IPO process as a whole. The connectivity that this system ensures between investors, share registrars, brokers, banks, gateway firms like NIFT and the shares custodians, CDC, is a great step forward for Pakistan Stock Exchange”.*

Mr. Mahmood Siddique, Chief Information Officer at PSX, speaking about the new E-IPO system, said, *“We are delighted that the new E-IPO system is being launched through the PSX platform which will not only enhance the customer and investor outreach for the purposes of an IPO but will also augment the role of PSX as a base for providing advanced digital services to investors, issuers and other market participants”.*

Speaking at the occasion, the CEO of NIFT, Mr. Haider Wahab, said, *“Pakistan is showing strong economic outlook for 2021 and beyond with positive market sentiments in the stock market, the regulator is geared up for providing state of the art digital products and services to the local investors. We are extremely excited to be part of PSX initiative to bring ease of participation in IPO digitally. NIFT ePay will help investors to make payments online for all the E-IPOs with a secure and seamless payment experience directly from their bank accounts expanding potential investors’ ability to digitally participate using NIFT ePay services”.*

The E-IPO system will not only revolutionise the way investors and other market participants take part in an IPO but will also go a long way in establishing the digitalisation of the IPO subscription process in Pakistan.