



REGSTREET  
— Law Advisors —

JULY 2025

# REGPOST

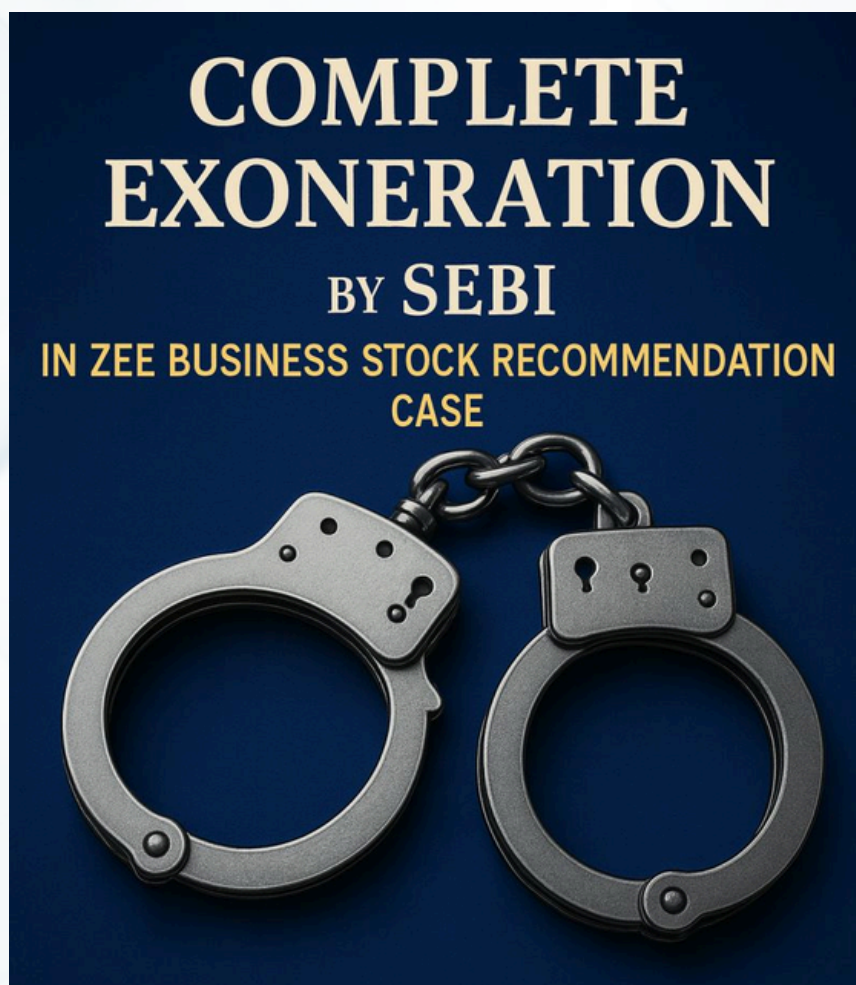
REGSTREET LAW ADVISORS' MONTHLY NEWSLETTER



# HIGHLIGHTS

## Complete Exoneration of Mr. Himanshu Gupta by SEBI in Zee Business Stock Recommendations Case

Regstreet Law Advisors successfully secured complete exoneration of Mr. Himanshu Gupta, ZEE Business market expert, in the SEBI stock recommendations case, with all allegations dropped and no adverse findings issued, marking a rare and significant precedent for evidentiary fairness in securities enforcement.





# HIGHLIGHTS

## SEBI's Interim Order against Jane Street: Regulation Meets Algorithms

Mr. Sumit Agrawal, Founder of Regstreet Law Advisors, was quoted in Mint and businessline on SEBI's interim order against Jane Street, offering expert insights on the evidentiary challenges of proving manipulative intent in algorithmic expiry-day trading cases.

### SEBI's interim order against Jane Street sets the stage for high-stakes legal face-off

by Ta Gorde

Securities and Exchange Commission of India's (SEBI) interim order against global trading firm Jane Street for alleged market manipulation sets the stage for a high-stakes legal battle.

Experts said that while the order against the firm appeared strong, partial relief from the Securities Appellate Tribunal (SAT) may be possible, but a full overturn of charges is unlikely.

Jane Street may approach the court but getting full relief will be dicey given the volume of evidence and public interest involved. These charges continued even after the Supreme Court's ruling in the 2021 case, threatening SEBI's charge of intentional manipulation, experts said.

Sumit Agrawal, Managing Partner at Regstreet Law Advisors, said:

Jane Street engaged in "non-neutral" trading aimed at influencing expiry prices of the Bank Nifty index.

#### PROVING INTENT

The legal outcome now rests on whether the firm's trades crossed the line into manipulation or simply exploited regulatory grey areas in a high-speed trading environment. Past SAT rulings have required more than unusual trading patterns; deception or creation of artificial prices must be clearly shown.

"Profitable or aggressive trading, even if impactful, isn't unlawful unless it involves deception or artificial pricing," said Sumit Agrawal, Managing Partner at Regstreet Law Advisors and former SEBI officer. "While the order is factually dense, the core legal challenge will be proving manipulative intent."

Kunal Sharma, Managing Partner at Taraksh Lawyers



& Consultants, said the order relied on trading patterns rather than direct evidence, such as communication or coordinated conduct. "This raises concerns whether SEBI is setting a precedent where trading efficiency could be treated as fraud, absent a clear scheme or suppression of information," he said.

If SAT upholds SEBI's action, the matter is likely to move to the Supreme Court under Section 15Z of the SEBI Act, especially if questions are raised regarding the interpretation of what con-

stitutes 'manipulative conduct in an automated market,' said Tushar Kulkarni, Supreme Court advocate.

The final ruling will influence how Indian regulators will regulate algorithmic expiry-day trading. It will light on the potential of a single firm to impact market indices and raise concerns over the effect of current surveillance systems. "This exposes a regulatory blind spot in the ability of sophisticated algorithmic firms to leverage fragmented surveillance frameworks across FI domestic arms," said

Tungare, Managing Partner at Asahi Legal.

The ban on Jane Street may affect short volumes in the options market, but retail and do participation could fill the gap in a fairer trading environment, said Nirali Kulkarni, Partner at Minds Legal.

Search Results

Mint Hyderabad

### Sebi bans Jane Street for market manipulation

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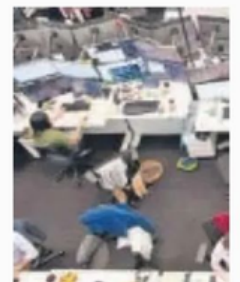
5 Jul 2025 [+62 more](#) Neha.joshi@livemint.com For an extended version of this story, go to [live-mint.com](#)

Fined by Sebi for investigation within the examination period, Jane Street earned ₹43,289 crore in index options and another ₹900 crore in stock options, while making losses of ₹7,208 crore in stock futures, ₹191 crore in index futures, and ₹288 crore in cash equity. The net profit earned by the group stood at ₹36,502 crore.

In another strategy labelled "extended marking the close", Jane Street

was found to have made aggressive directional trades in the final 30-60 minutes of trading to engineer the index closing level. This was key since settlement prices for options are derived from the day's close.

In a particularly serious instance, on 15 May, 2025—despite receiving a prior caution from the National Stock Exchange (NSE)—the same pattern re-emerged, this time on Nifty



Sebi said Jane Street exploited expiry-day dynamics in index derivatives.

expiry. Sebi noted this was a "cynical violation of the caution letter issued to the JS Group on February 6, 2025."

Sebi to prove manipulative intent.

"Large, aggressive, or even dominant trading strategies are not per se unlawful unless they are deceptive or fraudulent. Sebi's case relies on patterns and price impact rather than direct evidence of deception, which could face scrutiny. This matter could set an important precedent for how Indian law treats complex algorithmic strategies in the derivatives market," said Sumit Agrawal, founder of Regstreet Law Advisors and a former Sebi official.

The investigation, which began in April 2024 after foreign media reports, focused on derivatives expiry-day trades

#### Related Stories

Sebi bans Jane Street, seizes ₹4,843 cr for manipulation  
Mint Delhi 5 Jul 2025

Sebi bans Jane Street from securities mkt  
Hindustan Times ST (Jaipur) 5 Jul 2025

Sebi bans Jane Street for market manipulation  
Business Standard 5 Jul 2025

The investigation, which began in April 2024 after foreign media reports flagged global litigation involving Jane Street's trading strategies, focused on derivatives expiry-day trades. Forensic analysis of timestamps, order placement vs. last traded price, and gross traded

values revealed patterns closely tied to

its options exposures. According to Sebi, this indicated a calculated design to manipulate index levels.

Legal experts say the burden shifts to

# HIGHLIGHTS

## **Financial Times and Al Jazeera covers features Mr. Sumit Agrawal on SEBI's Interim Order against Jane Street**

Mr. Sumit Agrawal, Founder of Regstreet Law Advisors, was quoted by both Financial Times and Al Jazeera on SEBI's interim action against Jane Street, offering expert commentary on the legal thresholds for proving market manipulation, evidentiary standards, and the evolving regulatory approach to algorithmic and expiry-day trading.

Sumit Agrawal, a securities lawyer who has worked with the Indian regulator, said the order was "factually extensive and clearly signals regulatory unease with the trading conduct observed around expiry", but still faced legal hurdles.

It will need to "clear a high bar in establishing that the trades in question constituted market manipulation under Indian securities law", he said, as merely engaging in "aggressive, high-volume expiry trades, without accompanying deception or evidence of intent to create artificial prices", did not automatically amount to manipulation.

"Such processes typically take eight to 24 months," especially in "complex manipulation cases", Sumit Agarwal, a former SEBI officer and cofounder of Regstreet Law Advisors, told Al Jazeera in an emailed response.

Regstreet's Agarwal says, "SEBI's own 2024 consultations flagged expiry day options as highly speculative and volatile."

India has fortnightly expiry dates for options, which is when they have to be settled. That is when Jane Street allegedly manipulated prices.

In a February 6 letter, SEBI told Jane Street, "The above trading activity prima facie appears to be fraudulent and manipulative." But it did not issue its order curbing Jane Street until July 3.

SEBI's recent measures limiting weekly expiries, tightening spreads and higher margins "reflect a push for greater protection" for retail investors, Agarwal says.




# HIGHLIGHTS


## AI as Your Investment Adviser: Hype, Hope or the New Norm?

Mint featured Mr. Sumit Agrawal, Founder of Regstreet Law Advisors, in its article on AI-enabled financial advisory, where he emphasized the need for evolving regulatory definitions and frameworks as AI tools like Claude integrated with platforms such as Zerodha begin influencing retail investor decisions.

### Can AI become your personal portfolio manager?



**KIRUBAKARAN RAJENDRAN, 38**  
Chennai  
**Occupation:** Full-time algo trader  
**Prompts used:** Considering current market conditions, recommend me to sell any stock and replace with any other stock



**HEMANTH KUMAR BOYAPATI, 30**  
Vijayawada  
**Occupation:** Cybersecurity analyst; invests in stock markets  
**Prompts used:** Which parts of my stock portfolio I should hold, sell or add, to tune my portfolio in the style of Charlie Munger

#### How to prompt Claude

After connecting Zerodha account, give tasks in simple English

PROMPT

AI

GENERATE

Ask AI to analyse your portfolio

Get F&O positions; analyse it

Check margin or buying power

Recommend stocks that fit portfolio's volatility

#### How to set up Zerodha MCP on Claude AI

DOWNLOAD and install Node.js from [nodejs.org](https://nodejs.org)

OPEN Claude desktop application

CHANGE configuration in developer settings\*

CLOSE and restart Claude application

FOLLOW authorization prompts to connect Zerodha account

MCP or Model Context Protocol is an open-source framework that allows AI to access third-party systems to get real-time data, enhancing its capabilities and functions. More brokers can integrate it in future.

#### An illustration of prompt and response from Claude

**Prompt:** Recommend changes in my portfolio

**Claude's response**

1. Increase portfolio size  
Note: Portfolio just had one Gold ETF for testing

2. Diversify asset classes  
Equity (60-70%)  
Debt (20-30%)  
Alternative assets (10-20%)  
Keep some gold exposure (reduce to 5-10%)  
REITs for real estate exposure  
Consider commodities  
For illustration purpose only


**Use AI with caution**

- ▶ AI can recommend stocks, but don't blindly invest
- ▶ Regulations need to evolve; fix accountability
- ▶ AI is not a regulated entity like RAs and RIAs\*
- ▶ Beware of AI hallucinations

\*Research analysts and registered investment advisors


\*Details can be found here: <https://zerodha.com/z-connect/featured/connect-your-zerodha-account-to-ai-assistants-with-kite-mcp>


#### What portfolio managers and financial planners say



We are not selling recommendations, we are selling credibility and conviction. Can an investor bet his wealth on AI-driven recommendations?  
—**Abhishek Banerjee**, co-founder of LotusDew Wealth

Financial planning requires deeper and higher quality conversations, which can only emerge from human interactions  
—**Vishal Dhawan**, founder of Plan Ahead Wealth Advisors





Regulatory framework assumes a "human agent" offering advice. If AI evolves from being a passive tool to an active recommender, definition of 'advice', 'execution', and 'intermediation' may require substantial rethinking.  
—**Sumit Agrawal**, founder of Regstreet Law Advisors

# HIGHLIGHTS

## SEBI's Investor Protection Fund: The Missing Link in Investor Restitution?

Mint featured Mr. Sumit Agrawal, Founder of Regstreet Law Advisors, on the pressing need for a statutory investor compensation mechanism in securities fraud cases, highlighting the regulatory gap in SEBI's powers and advocating for a US-style Fair Fund model to ensure meaningful restitution for retail investors.

### Investor Compensation in Securities Fraud: Missing Link in India's Regulatory Framework?



“SEBI maintains that it lacks the authority to identify, verify, or compensate affected investors, arguing that it is not a ‘Court’ empowered to adjudicate claims or award restitution.”

Sumit Agrawal

The Investor Education Protection Fund Authority (IEPFA) is entrusted with the responsibility of the IEPF. Emails to IEPFA and Sebi went unanswered till press time.

Sumit Agrawal, founder of Regstreet Law and former Sebi officer, said, “Sebi maintains that it lacks the authority to identify, verify, or compensate affected investors, arguing that it is not a ‘Court’ empowered to adjudicate claims or award restitution.”

According to Agrawal, rare exceptions such as the Roopalben Nareshbhai Panchal initial public offering scam or the Sahara case were possible only when the Supreme Court or special committees intervened and directly authorized refunds to victims.

The Roopalben Panchal IPO scam highlighted both ambition and limits in enforcing restitution. Between 2003 and 2005, Panchal used over 14,000 fake demat accounts to corner shares across 16 IPOs—including Tata Consultancy Services Ltd and Yes Bank Ltd. Sebi identified over 1.2 million eligible beneficiaries and distributed over ₹23 crore by 2010, but some funds remained undistributed.



# HIGHLIGHTS

## The Kathpalia, MD & CEO of IndusInd Bank Precedent: SEBI Settlement Dynamics in Insider Trading Cases

Mr. Sumit Agrawal, Founder of Regstreet Law Advisors and former SEBI officer, was quoted in The Economic Times in relation to the proposed ₹5.21 crore settlement by Sumant Kathpalia, former MD & CEO of IndusInd Bank, in an insider trading case involving UPSI-based trades exceeding ₹100 crore. Commenting on SEBI's evolving settlement regime, Mr. Agrawal noted that even serious violations with global ramifications are not excluded from settlement scope, raising critical questions on regulatory discretion and enforcement transparency.

### INDUSIND BANK'S DERIVATIVES FIASCO

## Kathpalia Offers ₹5.2 cr to Settle Insider Trading Case

Sebi had barred former chief exec from the securities markets in May

Shilpy Sinha  
& Reena Zachariah

Mumbai: IndusInd Bank's former chief executive Sumant Kathpalia has proposed to settle the insider trading case against him with the Securities and Exchange Board of India (Sebi). He has proposed ₹5.21 crore as settlement charges to the regulator, according to documents reviewed by ET.

The settlement mechanism is an out-of-court agreement that allows those involved in regulatory breaches to settle cases without admitting or denying guilt by paying a fee. Kathpalia and Sebi didn't respond to queries.

Sebi had through an interim ex-parte order on May 8 barred Kathpalia, former deputy CEO Arun Khurana and three other executives of the bank from trading in the securities market over allegations of insider trading related to accounting discrepancies that they knew about more than a year before they were revealed to other shareholders and the public.

This was probably the first time the regulator had banned a bank's CEO from the securities market for indulging in insider trading. On May 28, the regulator issued a show-cause notice to Kathpalia asking why action should not be taken on him for violating insider trading rules.

"Sebi settlement regulations allow even serious violations, including those with global ramifications, to be considered for resolution. Even instances where an individual deceives a bank or MF are not excluded from scope of settlement," said Sumit Agrawal, senior partner, Regstreet Law Advisors.

### Insider Trouble

Sebi has barred five IndusInd executives, including ex-CEO Sumant Kathpalia

This was for insider trading linked to a ₹1,529 cr derivatives gap at bank

Sebi alleged Kathpalia sold shares while holding unpublished price sensitive info



This came to the fore in March, dealt with Dec 4, 2023 - March 10, 2025 period

Kathpalia resigned on April 29

But the assessment of whether a violation has market-wide impact, caused losses to a large number of investors or affected the integrity of the market... often depends on the discretion of the whole-time members in charge at the time, he said. "This discretionary approach lacks transparency," Agrawal said.

In his settlement application filed on July 26 with the regulator, Kathpalia pledged to keep the order confidential. "I shall not take action or make or permit to be made public statement denying, directly or indirectly, any finding of the board including that recorded in the settlement order or creating impression that the settlement order is without factual basis," according to the document that ET has reviewed.

The regulator has impounded a total of about ₹19.8 crore from the five individuals in recompense for notional gains made from the unpublished price sensitive information they were in possession of. Sebi had asked Kathpalia to return ₹5.2 crore of unlawful gains made.

The regulator conducted a suo motu preliminary examination after the IndusInd Bank stock plunged on March 10 following its announcement about the accounting matter.

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3.	Adjudication Order in respect of Mr. Deepak Shaw in the matter of suspected insider trading activity of certain entities in the scrip of Electrosteel Castings Limited – AO – 03.07.2025
4.	Adjudication Order in the matter of front running by Adhunik Dealcom Pvt. Ltd. – AO – 04.07.2025
5.	Fast Track Finsec Pvt. Ltd. v. SEBI (Appeal No. 329 of 2025) – SAT – 09.07.2025
6.	Adjudication Order in the matter of Karma Energy Limited – AO – 10.07.2025
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8.	Jaykishor Chaturvedi & Ors. v. SEBI (Civil Appeal No. 1551 /1553 of 2023) – Supreme Court – 15.07.2025
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5.	IFSCA Implements TAS Regulations to Streamline TechFin and Ancillary Services in IFSC - 31.07.2025
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Securities and Exchange Board of India (SEBI)	
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12.	SEBI Opened Special Window for Re-Lodgement of Physical Share Transfer Requests – 02.07.2025
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3.	Australia Proposes Remake of Foreign Securities Disclosure Relief – 09.07.2025



# Judgments/ Orders

## 1. Maneesh Kumar Jain v SEBI (Appeal No. 712 of 2024) – SAT – 02.07.2025

SAT allowed the appeals filed by Mr. Maneesh Kumar Jain and Mr. S.V. Subha Rao, setting aside SEBI's order dated November 22, 2024, which restrained them from accessing the securities market for one year, ordered disgorgement of ₹31.39 lakhs, and imposed penalties.

The matter arose from SEBI's investigation into suspected insider trading in the scrip of Jagsonpal Pharmaceuticals Ltd. (JPL). SEBI alleged that Mr. Rao, then CFO of JPL, communicated UPSI to Mr. Jain, who traded in the scrip shortly before the announcement.

SAT, however, noted that Mr. Jain had a consistent and diversified trading history, with investments across various sectors during the alleged UPSI period. The Tribunal also examined the WhatsApp chats and found the conversations between the appellants to be limited to the proposed matrimonial alliance between their children, with no evidence of sharing of UPSI. The Tribunal held that a single 530-second call could not conclusively prove insider trading, especially in light of Mr. Jain's professional trading background and Mr. Rao's unblemished record.

Accordingly, SAT set aside SEBI's order, emphasizing the need for concrete evidence beyond speculative inference.

## 2. Interim Order in the matter of Index manipulation by Jane Street Group – WTM – 03.07.2025

SEBI initiated an investigation into Jane Street Group following media reports on their proprietary trading strategies and a U.S. legal dispute to ascertain market abuse.

Preliminary analysis and a detailed examination of trades from January 2023 to March 2025 revealed manipulative trading on index option expiry days, particularly BANKNIFTY. Jane Street Group allegedly engaged in "Intra-day Index Manipulation" and "Extended Marking the Close" strategies, involving aggressive buying of index constituent stocks and futures to temporarily prop up index levels, misleading the options market. Simultaneously, they built large short positions in index options to profit from subsequent price corrections, generating over ₹43,000 crore in profits from index options alone.

Despite NSE's caution letter in February 2025, the Group continued the same trading patterns, displaying disregard for regulatory guidance. SEBI concluded that the strategies involved manipulation of the cash and derivatives markets to mislead other participants, violating PFUTP Regulations.

SEBI considered the interim order necessary as Jane Street Group continued manipulative trading despite regulatory caution, showing disregard for market integrity. Their repeated use of strategies like "Intra-day Index Manipulation" distorted prices on expiry days, misled participants, and generated unfair gains. The conduct was systematic, large-scale, and posed an ongoing threat to investor confidence. Therefore, SEBI found immediate restraint essential to prevent further abuse and protect market integrity. SEBI hence, restrained Jane Street Group's Indian entities from accessing the securities market until further notice and directed them to cease and desist from manipulative practices.

On July 14, 2025, SEBI issued a [Press Release](#) stating that Jane Street informed SEBI that it had deposited ₹4,843.57 crore into an escrow account with a lien marked in SEBI's favour, in compliance with the interim order. The Group stated this was done without

prejudice to its legal rights and requested SEBI to reconsider the conditional restrictions imposed. Further, on July 21, 2025, SEBI issued another Press Release stating that SEBI confirmed that the restrictions under clauses 62.2 to 62.10 ceased following escrow compliance. However, Jane Street must refrain from any manipulative practices, and exchanges have been directed to monitor their activity until the investigation concludes.

[Read More](#)

### **3. Adjudication Order in respect of Mr. Deepak Shaw in the matter of suspected insider trading activity of certain entities in the scrip of Electrosteel Castings Limited – AO - 03.07.2025**

SEBI initiated an investigation into Electrosteel Castings Limited (ECL) and its financial adviser's consultant, Mr. Deepak Shaw, following the company's tentative trading-window closure on September 30, 2020 and subsequent public announcement on October 5, 2020 of the board's approval for amalgamating Srikalahasthi Pipes Limited with ECL. A detailed probe of trading activity from May 17, 2020 to January 06, 2021 revealed that Mr. Shaw, privy to merger-planning materials from August 18, 2020, executed six bulk purchases totaling 19,003 ECL shares during UPSI period, later selling them immediately after the disclosure for a ₹135,727/- profit.

SEBI charged Mr. Shaw under Regulation 4(1) of the PIT Regulations and Section 12A(e) of the SEBI Act, finding that he was both a "connected person" and an "insider," and that his trading pattern, zero transactions outside the UPSI window combined with substantial dealings within it, unequivocally demonstrated misuse of confidential information.

SEBI noted that Mr. Shaw's conduct had eroded investor confidence by exploiting non-public merger details for personal gain. Invoking Section 15G of the SEBI Act, SEBI imposed a ₹10 lakh penalty, payable within 45 days via the online portal, with recovery proceedings under Section 28A for non-payment.

[Read More](#)

### **4. Adjudication Order in the matter of front running by Adhunik Dealcom Pvt. Ltd. – AO - 04.07.2025**

SEBI conducted an investigation into suspected front running by Adhunik Dealcom Private Limited (ADPL) during June - November 2022. The investigation revealed that Kamal Kumar Dugar, who was a key decision-maker and promoter of Santosh Industries Ltd (SIL), passed on confidential impending trade information to Pradeep Kumar Poddar of ADPL. Acting on this, ADPL executed nine suspicious trades following a Buy-Buy-Sell (BBS) pattern, where ADPL placed buy orders ahead of large trades by SIL and sold them after SIL's buy orders impacted the price, earning unlawful profits of ₹24.4 lakh.

There were 43 scrips in which the ADPL traded during the IP, out of which 32 scrips (including FR 8 scrips) the ADPL had fully squared off the position during the period (August 2022 to November 2022). The trade showed significant overlap with SIL's transactions, with matching trades observed in 7 out of 9 instances. Statements by the dealer of ADPL confirmed that Dugar provided real-time instructions for trades. Noticees contended the trades were based on general advice and coincidental matching. However, SEBI found strong circumstantial evidence of collusion, misuse of non-public information, and a clear breach of market integrity.



SEBI held that the conduct violated Sections 12A(a)-(c) of the SEBI Act and Regulations 3 and 4 of the SEBI (PFUTP) Regulations. The adjudicating officer imposed monetary penalties of ₹25 lakh on ADPL, ₹15 lakh on Pradeep Poddar, and ₹25 lakh on Kamal Dugar under Section 15HA of the SEBI Act.

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#### **5. Fast Track Finsec Pvt. Ltd. v. SEBI (Appeal No. 329 of 2025) – SAT – 09.07.2025**

SAT partially allowed the appeal filed by the merchant banker, reducing the penalty from ₹10 lakhs to ₹5 lakhs. The case arose from SEBI's adjudication order dated May 16, 2025, which found lapses in the disclosures made in the prospectus of SBL Infratech Limited's 2021 IPO, for which the appellant acted as the merchant banker.

While SEBI had imposed ₹5 lakhs on the issuer company and ₹10 lakhs on the appellant, SAT observed that the penalty on the merchant banker was disproportionate, especially considering that the IPO was launched during the COVID-19 period, which affected the ability to conduct site visits. Though the appellant did not contest the findings on merits, it argued for parity and proportionality in penalty. SEBI, however, defended the higher penalty citing the appellant's history of prior violations.

Weighing the facts, SAT found that equal penalty on both the issuer and the merchant banker would meet the ends of justice, particularly in light of the limited nature of the violation. The Tribunal clarified that the rest of SEBI's order remains undisturbed.

#### **6. Adjudication Order in the matter of Karma Energy Limited – AO – 10.07.2025**

SEBI imposed a ₹2 lakh penalty on Karma Energy Limited (KEL) for regulatory violations under the SEBI (LODR) Regulations. KEL entered into material related – party

transactions with promoter-group company Tapi Energy Projects Ltd., exceeding the 10% threshold of its FY 2022 – 23 consolidated turnover, without securing prior shareholder approval as mandated under Regulation 23(4). Additionally, KEL failed to review and update its related-party transaction policy since FY 2014–15, violating Regulation 23(1). SEBI held that post-facto approval obtained in January 2024 and later policy updates did not cure the period of non-compliance, reflecting poor governance and oversight.

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#### **7. Crosseas Capital Services Pvt. Ltd. & PRB Securities Pvt. Ltd. vs SEBI (W.P. No. 19221 of 2024 & W.P. No. 378 of 2025) – Bombay High Court – 11.07.2025**

The Bombay High Court dismissed writ petitions challenging SEBI's show cause notices (SCNs) issued in 2023 for alleged violations relating to the NSE co-location matter. The petitioners contended that the SCNs were barred by res judicata and lacked jurisdictional facts, as earlier proceedings for the same conduct had concluded with minor penalties and no finding of disproportionate gain or PUFTP violation.

The Court, however, declined to quash the SCNs or direct SEBI's quasi-judicial authority (QJA) to treat the objections as preliminary issues. While allowing the petitioners to raise all their contentions, including jurisdiction and res judicata, before the QJA, the Court held that piecemeal adjudication would unduly delay proceedings. It emphasized that challenges involving mixed questions of fact and law, such as res judicata, should ordinarily be decided alongside other issues. Importantly, the Court observed a pattern of procedural delays by the petitioners and stressed the need for expeditious disposal of SCNs in public interest. The judgment reinforces judicial reluctance to intervene at the SCN stage unless clear abuse of process or lack of jurisdiction is evident.

## **8. Jaykishor Chaturvedi & Ors. v. SEBI (Civil Appeal No. 1551 /1553 of 2023) – Supreme Court – 15.07.2025**

Supreme Court upheld SEBI's authority to levy interest on unpaid penalties from the date specified in the original adjudication orders, rather than from the issuance of a demand notice. The appellants had contested the levy of interest at 12% p.a. from 28.08.2014, arguing that such interest could only accrue from 13.05.2022 (the date of SEBI's demand notice) since the original adjudication orders did not specify interest.

Rejecting this contention, the Court held that Section 28A of the SEBI Act, read with Section 220 of the Income Tax Act, permits the levy of interest on unpaid penalties without the need for a separate notice of demand. The Court clarified that the adjudication orders, which mandated payment within 45 days, constituted a valid “*notice of demand*,” and the failure to comply triggered statutory interest liability. It further emphasized that such interest is compensatory in nature and does not amount to a retrospective penal provision.

The decision strengthens SEBI's post-adjudication framework, aligning with prior rulings like *Dushyant Dalal v. SEBI* (2017) 9 SCC 660, and confirms that liability crystallizes with adjudication. Compliance officers should take note: delays in payment, even amidst appeals, will attract interest.

[Read More](#)

## **9. Infrastructure Watchdog v. SEBI & Ors. (Appeal No. 333 of 2025) – SAT – 16.07.2025**

SAT dismissed an appeal filed by Infrastructure Watchdog, which sought to halt the IPO of Smartworks Coworking Spaces Ltd. The appellant alleged that SEBI failed to investigate serious concerns regarding undisclosed regulatory proceedings and alleged routing of unaccounted funds through shell entities by Smartworks and its

promoter group. The NGO argued that SEBI had not acted on its complaints dated January, March, and May 2025 and that the Red Herring Prospectus (RHP) lacked adequate disclosures.

SAT, however, held that the Appellant had not demonstrated any regulatory breach warranting interference. The Tribunal noted that the RHP and an addendum dated July 10, 2025 had sufficiently disclosed the appellant's allegations and Smartworks' responses, including references to internal tax department reports. It also recorded that the IPO had been oversubscribed more than 13 times, particularly by institutional investors, after the addendum was issued.

Importantly, SAT declined to rule on whether the appellant had locus standi or whether such an appeal was maintainable under Section 15T of the SEBI Act, leaving those questions open for future cases.

## **10. Order in the matter of Raima Equities Private Limited – QJA – 22.07.2025**

SEBI concluded enquiry proceedings against Raima Equities Private Limited without imposing any penalty, holding that its past investments in group companies did not violate Rule 8(3)(f) of the Securities Contracts (Regulation) Rules, 1957 (SCR Rules). The action stemmed from a 2023 inspection, which had flagged non-securities investments made in 2013 in NBFCs owned by group entities, purportedly in violation of the permissible business restrictions on brokers.

The Designated Authority had initially recommended suspension of Raima's registration for one month. However, the matter was re-evaluated in light of a significant amendment to Rule 8(3)(f), notified on May 19, 2025. The amendment clarified that broker investments will not be considered a prohibited business activity if they (i) do not involve client funds or securities and (ii) do not create a financial liability on the broker.



SEBI found both conditions satisfied in Raima's case, noting that the investments were made from internal reserves and carried no liability or misuse of client assets and therefore SEBI disposed of the proceedings against Raima Equities Private Limited.

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#### **11. Final Order in the matter of trading based on the stock recommendations given by Guest Experts appearing on ZeeBusiness Channel – WTM – 28.07.2025**

The Securities and Exchange Board of India (SEBI) has issued a final order addressing fraudulent trading activities based on advance stock recommendations aired by guest experts on Zee Business Channel. The order found that Partha Sarathi Dhar, SAAR Commodities Private Limited, Manan Sharecom Private Limited, and Kanhya Trading Company violated Sections 12A(a), 12A(b), 12A(c), and 12A(e) of the SEBI Act, 1992, as well as Regulations 3(a), 3(b), 3(c), 3(d), 4(1), and 4(2)(d) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations. As a consequence, these entities have been debarred from participating in securities markets for two years, with monetary penalties totaling ₹4 crore: ₹50 lakh on Partha Sarathi Dhar, ₹2 crore on SAAR Commodities, ₹75 lakh on Manan Sharecom, and ₹75 lakh on Kanhya Trading Company.

Notably, Mr. Himanshu Gupta, a respected market anchor and guest expert on Zee Business, was fully exonerated by SEBI due to the absence of incriminating evidence and distinct factual circumstances; all allegations against him were dropped with no penalties or adverse directions. He was represented by Regstreet Law Advisors by Mr. Sumit Agrawal and Mr. Kavish Garach, and AZB & Partners, Mr. Gupta's discharge highlights a significant development in SEBI's enforcement approach, emphasizing the need for clear, credible evidence beyond mere associative references such as third-party WhatsApp chats.

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#### **12. AKG Securities and Consultancy Limited vs SEBI (Appeal No. 0337 of 2021) – SAT – 28.07.2025**

SAT set aside SEBI's order penalizing AKG Securities & Consultancy Ltd., Vihit Investment, and Mohd. Faisal for alleged collusion and manipulation in the scrip of Biocon Ltd. on June 29, 2017. SEBI had accused the appellants of executing synchronized trades that led to a sharp price rise and thereby violated Section 12A(a) of the SEBI Act, 1992, and Regulations 3(b), 4(1), and 4(2)(a) & (e) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003.

The regulator had imposed penalties of ₹10 lakh on each appellant, directed disgorgement of profits, and imposed restrictions on accessing the securities market. However, SAT found no evidence of any connection, communication, or coordination among the appellants. It held that mere similarity in trading patterns, without corroborative material, does not constitute proof of acting in concert.

The Tribunal emphasized that market abuse allegations require more than circumstantial indicators and cannot rest solely on transactional inferences. Consequently, the penalties, directions, and restrictions imposed by SEBI were quashed in their entirety.

#### **13. Adjudication Order in the matter of suspected insider trading activity of certain entities in the scrip HDFC Limited and HDFC Bank Limited – AO – 29.07.2025**

SEBI imposed a penalty of ₹10 lakh on Rupesh Satish Dalal HUF for trading in call options of HDFC Ltd. and HDFC Bank Ltd. on April 01, 2022, based on unpublished price sensitive information (UPSI) relating to their impending merger.

Mr. X had a close friendship with Mr. Y (name withheld), the son of Rupesh Dalal. Evidence from call data records and tower location data confirmed telephonic and physical interactions between Mr. X and Mr. Y on March 31, 2022. On April 01, 2022, Dalal executed unusually bullish call option trades in both scrips, strikingly inconsistent with his historical trading behavior, just before the public announcement of the merger on April 4, 2022.

SEBI concluded that the trades were not coincidental but were based on UPSI transmitted through familial and social proximity. Despite Dalal's defence of technical analysis, the timing and nature of the trades, combined with prior inexperience in derivatives, were deemed to establish violation under Regulations 3(2) and 4(1) of the PIT Regulations and Sections 12A(d) and (e) of the SEBI Act.

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#### **14. Confirmatory order in the matter of Gensol Engineering Limited - WTM - 30.07.2025**

SEBI vide its Confirmatory Order in the matter of Gensol Engineering Limited has upheld the directions passed against Gensol Engineering Limited, Anmol Singh Jaggi, and Puneeth Singh Jaggi vide its Interim Order dated April 15, 2025, which include restrictions barring the promoters from holding directorial and key managerial positions and from trading in securities.

These directions were issued for misutilization and diversion of company funds, and for misleading SEBI, Credit Rating Agencies (CRAs), lenders, and investors by submitting forged conduct letters purportedly issued by its lenders. SEBI has upheld these restrictions and directed that they shall remain in force during the ongoing insolvency proceedings and the forensic audit.

The observations made by SEBI are tentative in nature and pending detailed investigation and forensic audit. The same is to be carried out soon and SEBI also aims to take action based on the outcome of the same.

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#### **15. Adjudicating order in the matter of Darshan Orna Limited - AO - 30.07.2025**

SEBI imposed monetary penalties on eleven individuals, including Aakash Doshi, Kevin Kapadia, Dilip Doshi, Richi Dilip Doshi, Kruti Kevin Kapadia, and others for engaging in a coordinated scheme to manipulate the price and volume of Darshan Orna Limited shares during the period from September 2021 to June 2022.

The investigation revealed a concerted effort by the noticees to artificially rig the market by executing synchronized trades through personal and related accounts, while simultaneously promoting the stock via Telegram channels like "Yodha," "Bull Run 2.0," and "Kushal." These channels were used to spread misleading recommendations and induce retail investors to trade the scrip. The group then offloaded their holdings at inflated prices, booking unlawful profits exceeding ₹2.5 crore.

SEBI held that the scheme amounted to a violation of Sections 12A(a), (b), and (c) of the SEBI (PFUTP) Regulations, 2003. Individual penalties ranged from ₹10 lakh to ₹1.2 crore, totaling to an amount of ₹3.87 crore.

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# Regulatory Updates

## IBBI

### 1. Law Secretary, Dr. Anju Rathi Rana Appointed as Ex-Officio Member of IBBI -07.07.2025

The Ministry of Corporate Affairs has appointed Dr. Anju Rathi Rana, Law Secretary, as an ex-officio member of the Insolvency and Bankruptcy Board of India (IBBI). The appointment is made under Section 189(1)(c) of the Insolvency and Bankruptcy Code, 2016, to represent the Ministry of Law & Justice on the Board. This move is in line with the statutory framework of the IBBI, which mandates representation from key government ministries to ensure coordinated policy and regulatory oversight of India's insolvency regime.

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## IFSCA

### 2. IFSCA Issues Key Consultation Papers Enhancing Regulatory Architecture in IFSC

IFSCA released three consultation papers aimed at strengthening the regulatory framework of the IFSC ecosystem.

#### 1. Consultation Paper on Master Circulars for Capital Market Intermediaries (11.07.2025)

consolidates procedural and compliance norms for seven categories of intermediaries including CRAs, investment bankers, and research entities. It aims to enhance clarity, consistency, and ease of doing business in the IFSC through comprehensive master circulars aligned with the 2025 CMI Regulations. [Read More](#)

**2. Consultation Paper on Public Interest Directors (PIDs) in Market Infrastructure Institutions (11.07.2025)** proposes clear criteria for PID appointments, including skill-set requirements in law, finance, and technology, to enhance governance in line with IOSCO and PFMI principles. [Read More](#)

**3. Consultation Paper on OTC Derivatives (15.07.2025)** proposes a regime for reporting and clearing OTC derivatives with equities, bonds, and index derivatives listed in IFSC or foreign exchanges as underlyings. The framework mandates central clearing, with public feedback sought on permissible entities, net-worth thresholds, and bilateral clearing options. [Read More](#)

### 3. IFSCA Notifies Transition Bonds Framework to Finance Decarbonisation in Hard-to-Abate Sectors - 29.07.2025

IFSCA introduced a dedicated regulatory framework for Transition Bonds, classifying them as ESG-certified debt instruments aimed at financing or refinancing projects in carbon-intensive sectors such as steel, cement, aviation, shipping, and heavy transport. The framework mandates issuers to align with internationally recognised taxonomies or technology roadmaps and present credible transition plans consistent with the Paris Agreement.

Key requirements include science-based, time-bound greenhouse gas (GHG) reduction targets, detailed decarbonisation strategies, governance mechanisms, and stakeholder engagement. With this initiative, IFSCA positions GIFT-IFSC as a forward-looking green finance hub, promoting “brown-to-green” capital market innovation for sustainable growth and climate resilience in hard-to-abate sectors.

[Read More](#)

#### **4. IFSCA Working Group Recommends Framework for Insurance-Linked Securities in GIFT-IFSC – 30.07.2025**

The IFSCA Working Group on Alternate Risk Transfer (ART), chaired by Shri G. Srinivasan, has released a detailed report proposing the development of GIFT-IFSC as a global hub for insurance-linked securities (ILS), including catastrophe bonds. Drawing from international benchmarks in Bermuda, Singapore, and Hong Kong, the report recommends a balanced regulatory approach to enable ART structures within the IFSC framework.

Key proposals include permitting the establishment of Special Purpose Insurers (SPIs) by cedants or reinsurers under current IFSCA regulations, allowing risk acceptance under ART contracts via harmonised IFSCA-IRDAI guidelines, and streamlining the issuance of ILS to qualified investors while restricting access for retail or non-qualified participants. The report also stresses the need for strong disclosure, reporting, and governance norms to ensure transparency and investor protection.

These recommendations are positioned to address rising risk exposures from climate-related catastrophes and urban vulnerabilities, while boosting India's capabilities in innovative and alternative risk financing. If implemented, the framework could position GIFT-IFSC as a leading jurisdiction for ART solutions in Asia and globally.

[Read More](#)

#### **5. IFSCA Implements TAS Regulations to Streamline TechFin and Ancillary Services in IFSC – 31.07.2025**

IFSCA issued a circular operationalising the IFSCA (TechFin and Ancillary Services) Regulations, 2025 (TAS Regulations). All existing and prospective TechFin and Ancillary Service Providers in GIFT-IFSC must secure a Certificate of Registration (CoR) within 12

months of notification or cease operations unless granted an extension. The circular sets out the application process, fee structure, permitted services (including actuarial, legal, risk management, AI, blockchain, and cloud-based offerings), and explicitly lists prohibited services such as core regulated financial activities and non-financial services like transport or facility management.

Entities are required to maintain robust infrastructure, provide regular updates to IFSCA, and comply with AML/CFT norms and other applicable laws. The framework also prescribes a code of conduct, along with mandatory forms and declarations, aimed at enhancing transparency and governance.

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#### **IRDAI**

#### **6. IRDAI Releases Draft Guidelines for Internal Insurance Ombudsman to Strengthen Grievance Redressal – 23.07.2025**

IRDAI has issued the Exposure Draft of the Internal Insurance Ombudsman Guidelines, 2025, inviting public comments until August 17, 2025. The proposed framework applies to all insurers (excluding reinsurers) with more than three years of operations and mandates the appointment of an Internal Insurance Ombudsman for complaints involving claims up to ₹50 lakh.

The draft envisions a fair, transparent, and time-bound internal redressal mechanism for unresolved or escalated complaints. It also allows insurers to appoint multiple ombudsmen with defined jurisdiction to enhance responsiveness. The guidelines detail eligibility, tenure, independence, roles, responsibilities, and remuneration, along with governance principles to be followed. Functionally, the Ombudsman would report to the Board or its Policyholder Protection Committee, and administratively to the MD/CEO.

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## **7. RBI Appoints Shri Kesavan Ramachandran as Executive Director – 01.07.2025**

The Reserve Bank of India has appointed Shri Kesavan Ramachandran as Executive Director (ED), effective July 1, 2025. With over 30 years of experience in currency management, supervision, training, and administration, he previously served as Principal Chief General Manager in the Risk Monitoring Department and Principal of the RBI Staff College. He has also been RBI's nominee on Canara Bank's Board and ICAI's Auditing and Assurance Standards Board. As ED, he will oversee the Department of Regulation (Prudential Regulation Division). He holds an MBA in Banking and Finance and several international financial certifications.

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## **8. RBI Issues Draft Directions on Authorisation of Digital Banking Channels – 21.07.2025**

Reserve Bank of India released the draft Digital Banking Channels Authorisation Directions, 2025 for public comments. These draft directions aim to consolidate and modernise regulatory requirements for banks offering digital banking services, including internet and mobile banking. Applicable to all banks operating in India, the directions categorise digital banking into “view only” and “transactional” services, with the latter requiring prior RBI approval and adherence to stringent prudential, technological, and governance standards.

To offer View Only services, such as balance enquiry and statement download, banks must have implemented Core Banking Solutions (CBS), IPv6-enabled IT infrastructure, and submit a Gap Assessment and Internal Controls Adequacy (GAICA) report to RBI within 30 days of launch. For Transactional services like fund transfers or loan applications, banks must seek prior RBI

approval and meet eligibility criteria including CBS and IPv6 readiness, minimum capital and net worth of ₹50 crore, strong cybersecurity compliance, a third-party GAICA audit, and a clean regulatory record.

All digital offerings must align with extant RBI, IT, and data protection laws, ensure customer protection, and follow risk-based surveillance mechanisms. Once finalised, these Directions will repeal 16 existing circulars dating back to 2001, creating a unified, risk-based regulatory framework for digital banking in India.

[Read More](#)

## **9. Ms. Anuradha Thakur Appointed to RBI Central Board – 25.07.2025**

The Central Government has nominated Ms. Anuradha Thakur, Secretary, Department of Economic Affairs, Ministry of Finance, as a Director on the Central Board of the Reserve Bank of India in place of Shri Ajay Seth. The appointment is effective from July 24, 2025, until further orders. A 1994-batch IAS officer of the Himachal Pradesh cadre, Ms. Thakur took charge as Economic Affairs Secretary on July 1. She joins Financial Services Secretary M. Nagaraju as the second government nominee on the RBI Central Board. The nomination reflects continuity in the representation of key finance officials on the Board.

[Read More](#)

## **10. RBI Issues Revised Directions on Investments by Regulated Entities in AIFs – 29.07.2025**

RBI issued the Reserve Bank of India (Investment in AIF) Directions, 2025, replacing its earlier circulars dated December 2023 and March 2024. Effective from January 1, 2026 (or earlier, per internal RE policy), the Directions apply to banks, NBFCs, cooperative banks,

and other regulated entities (REs) investing in Alternative Investment Funds (AIFs).

The revised framework limits individual RE investments to 10% and aggregate RE investments to 20% of an AIF's corpus. Notably, if a RE contributes over 5% to an AIF that has downstream exposure (excluding equity) to its debtor company, a 100% provision is required, capped at the RE's direct exposure. Investments in subordinated AIF units must be fully deducted from capital funds.

Exemptions are available for prior RBI-approved investments and specified AIFs. The Directions aim to mitigate indirect credit risks and enhance prudential oversight of RE investments in AIFs.

[Read More](#)

## SEBI

### **11. Shri Sunil Jayawant Kadam Appointed Executive Director at SEBI – 01.07.2025**

Shri Sunil Jayawant Kadam has assumed charge as Executive Director of the Securities and Exchange Board of India (SEBI), Mumbai. In his new role, he will oversee key departments including Information Technology, Investor Assistance and Education, Economic and Policy Analysis, General Services, the Board Cell, RTI & PQ Cell, and matters related to the National Institute of Securities Markets (NISM).

A SEBI veteran since 1996, Shri Kadam previously served as Chief General Manager and has held diverse portfolios across departments such as Corporation Finance, Market Regulation, Surveillance, and Investigations. He also served as Registrar at NISM and Regional Director of SEBI's Northern Regional Office.

Notably, he has worked on issues involving forensic accounting, IDRs, e-voting, Business Responsibility Reports, and legal proceedings including adjudication and litigation. Shri Kadam holds an MBA from the University of Pune and a postgraduate degree in Securities Law from Government Law College, Mumbai.

[Read More](#)

### **12. SEBI Opened Special Window for Re-Lodgement of Physical Share Transfer Requests – 02.07.2025**

SEBI has introduced a special six-month window, effective from July 07, 2025 to January 6, 2026, for investors to re-lodge transfer requests of physical shares that were originally submitted before the April 01, 2019 cut-off but were rejected or returned due to documentation deficiencies or processing issues. This initiative is in response to representations from investors, RTAs, and listed companies, and is based on the recommendations of a panel comprising RTAs, listed companies, and legal experts.

Under this window, all such re-lodged securities will be mandatorily issued in dematerialised form, following due procedure. SEBI has directed listed companies, RTAs, and stock exchanges to actively publicize this facility via print and social media every two months during the window period. RTAs and listed companies are also required to form dedicated teams to handle these requests and submit monthly reports detailing their publicity efforts and the status of re-lodged shares as per the specified format.

[Read More](#)

### **13. SEBI Issues FAQs for Research Analysts – 23.07.2025**

SEBI issued a circular providing detailed clarifications through a set of Frequently Asked Questions (FAQs) relating to the SEBI (Research Analysts) Regulations, 2014, as amended in December 2024.



The circular aims to provide regulatory clarity to Research Analysts (RAs) and research entities based on industry representations, and follows a public consultation process.

Key updates include a mandate for persons associated with research services to obtain relevant NISM certification within one year from the date of the circular. Consent to the Most Important Terms and Conditions (MITC) is no longer mandatory for institutional investors or Qualified Institutional Buyers (QIBs), although disclosures must still be made.

SEBI has also clarified that research and distribution services can be provided by the same entity, provided there is product-level segregation and an arm's length structure. Exemptions from client-level segregation for institutional clients have also been extended, subject to standard waivers.

Non-fee paying clients have been recognised as clients for regulatory reporting, and will be included in determining the requisite deposit with the Research Analyst Administration and Supervisory Body (RAASB).

[Read More](#)

#### **14. SEBI Issues Guidelines for Monitoring Minimum Investment Threshold under SIF – 29.07.2025**

SEBI has clarified the mechanism for monitoring compliance with the Minimum Investment Threshold under the Specialized Investment Funds (SIF) framework. Asset Management Companies (AMCs) are mandated to ensure daily compliance and prevent active breaches due to investor-initiated transactions.

In case of a breach, defined as a fall below the ₹10 lakh threshold across strategies, the investor's units across the SIF will be frozen for debit. The investor will be given a 30-day notice to rebalance the portfolio. If compliance is restored within this period, the freeze will be lifted. Failing which, the units will be automatically redeemed at the next business day's NAV following the expiry of the notice period. AMCs, RTAs, and depositories are directed to implement the necessary systems immediately.

[Read More](#)

#### **15. SEBI Eases NRI Derivatives Trading Compliance Requirements – 29.07.2025**

In a move to enhance operational efficiency and investor convenience, SEBI has eliminated the requirement for Non-Resident Indians (NRIs) to notify stock exchanges of their Clearing Members and obtain a Custodial Participant (CP) code for trading in exchange-traded derivatives. Going forward, NRIs can trade without a CP code, with exchanges and clearing corporations monitoring their position limits in line with standard client-level limits as prescribed by SEBI.

Stock exchanges and clearing corporations have been directed to update relevant byelaws, SOPs, and systems accordingly within 30 days and offer NRIs the option to exit the CP code framework via email within 90 days. The changes aim to align regulatory practices with industry feedback and promote ease of doing investment for NRIs while maintaining safeguards through position limit monitoring.

[Read More](#)

## 16. SEBI Mandates Digital Accessibility for Persons with Disabilities – 31.07.2025

SEBI mandating all regulated entities (REs), including stock exchanges, intermediaries, and depositories, to ensure their digital platforms are accessible to persons with disabilities, in line with the Rights of Persons with Disabilities Act, 2016 and recent Supreme Court rulings.

REs must comply with standards such as WCAG 2.1, GIGW guidelines, and IS 17802, and ensure accessibility features like Indian Sign Language videos, alternate text, closed captioning, and assistive technologies are implemented. A time-bound compliance roadmap includes submission of platform lists and action plans within a month, appointment of IAAP-certified auditors within 45 days, and completion of audits and remediation within six months. Annual compliance audits are mandated, and REs must also accommodate inclusive e-KYC options and set up grievance redress mechanisms.

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## 17. SEBI Consultation Papers

SEBI has released several consultation papers seeking public feedback on a variety of regulatory proposals, these include:

1. SEBI proposes draft circular for easing the conversion of private listed InvITs into public InvITs by removing sponsor and unitholder lock-in requirements and aligning disclosure norms with follow-on offers to enhance market liquidity and ease of doing business. [Read More](#) (01.07.2025)
2. SEBI proposes draft circular for Electronic Book Provider platform for issuance of instruments by Not-for-Profit

Organizations on Social Stock Exchange. [Read More](#) (03.07.2025)

3. To consolidate comments on the proposals regarding review of regulatory framework for the business activities of an Asset Management Company (AMC) of a Mutual Fund, as currently specified under Regulation 24 of the SEBI (Mutual Funds) Regulations, 1996 ("MF Regulations"). [Read More](#) (07.07.2025)

4. To consolidate comments the proposed amendment to SEBI (Credit Rating Agencies) Regulations, 1999 ("**CRA Regulations**") to introduce measures for regulation of activities of Credit Rating Agencies (CRAs). [Read More](#) (09.07.2025)

5. Seeking comments on review of valuation of physical gold and silver in cases of gold and silver Exchange Traded Funds (ETFs). The proposed change is expected to bring uniformity in the valuation process of gold and silver throughout the mutual fund industry, for investments made by the gold and silver ETFs and more closely align their valuation with domestic prices of gold and silver. [Read More](#) (16.07.2025)

6. Draft circular seeking comments soliciting comments on categorization and rationalization of Mutual Fund Schemes. [Read More](#) (18.07.2025)

7. To consolidate comments on proposal related to the Ease of Doing Business (EoDB) and streamlining compliance requirements for non-convertible securities. [Read More](#) (25.07.2025)



8. SEBI is seeking public comments on proposed amendments to the ICDR Regulations aimed at easing business and resolving practical issues in IPO processes, including anchor allotment, institutional reservations, and retail sizing. [Read More](#) (31.07.2025)

## International Updates

### **1. SEC Approves In-Kind Creations and Redemptions for Crypto ETP - 29.07.2025**

U.S. Securities and Exchange Commission (SEC) approved orders allowing in-kind creations and redemptions for crypto asset exchange-traded products (ETPs), aligning them with practices followed for other commodity-based ETPs. This marks a shift from prior approvals, which had limited such transactions to cash-only mechanisms. SEC Chairman Paul S. Atkins emphasized that the move enhances market efficiency and lowers costs for investors. The Commission also approved other measures, including listing proposals for mixed bitcoin-ether ETPs, options on spot bitcoin ETPs, and increased position limits, reflecting a merit-neutral, structured approach to crypto market regulation.

[Read More](#)

### **2. SEC Launches “Project Crypto” to Cement U.S. Leadership in Digital Asset Markets - 31.07.2025**

SEC Chairman Paul Atkins launched Project Crypto, a comprehensive initiative to modernize U.S.

securities regulation and support President Trump’s vision of making the U.S. the global crypto hub. The initiative includes clear rules for crypto asset classifications, streamlined frameworks for tokenized securities, enhanced custody and trading options, and support for integrated “super-app” platforms. The SEC will revise outdated regulations and consider an “innovation exemption” to promote new business models. Project Crypto marks a shift from enforcement-led oversight to a pro-innovation, principles-based approach, aiming to restore U.S. dominance in digital asset markets and on-chain financial systems.

[Read More](#)

### **3. Australia Proposes Remake of Foreign Securities Disclosure Relief - 09.07.2025**

The Australian Securities and Investments Commission (ASIC) proposed remaking six expiring legislative instruments that grant disclosure and advertising relief for offers of foreign securities to Australian investors, largely on the same terms for a further five years. Key changes include consolidating exemptions for authors and publishers, clarifying the small-scale offer declaration, and removing definitions now contained in the Corporations Act. The relief applies where foreign regimes provide comparable investor protection or where limited offers are made, covering rights issues, scrip bids, and incidental advertising.

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