PRESS RELEASE

IFSCA (Prohibition of Market Abuse in Securities Markets) Regulations, 2026

1. The International Financial Services Centres Authority (Prohibition of Market Abuse in Securities Markets) Regulations, 2026 (hereinafter referred to as the "Market Abuse Regulations") have been notified and published in the Official Gazette on September, 05, 2026.

2. The Market Abuse Regulations provide a regulatory framework for prohibition of market abuse in the securities market in the International Financial Services Centre ("IFSC"), with the objective of protecting the interests of investors and ensuring integrity and orderly functioning of the securities market.

3. The Market Abuse Regulations replace the applicability of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Prohibition of Fraudulent and Unfair Trade Practice relating to Securities Market) Regulations, 2003 in the IFSC and provide for a unified regulatory framework for prohibition of insider trading and prevention of manipulative, fraudulent and unfair trade practices in the securities market in the IFSC.

4. These regulations have been prepared considering the IOSCO Principles (Principles relating to Enforcement) and global best practices in global financial centres. The relevant IOSCO Principles relating to Enforcement are as under:

   i. Principle 10 - The Regulator should have comprehensive inspection, investigation and surveillance powers;

   ii. Principle 11 - The Regulator should have comprehensive enforcement powers; and

iii. Principle 12 - The regulatory system should ensure an effective and credible use of inspection, investigation, surveillance and enforcement powers and implementation of an effective compliance program.

5. The following are the salient features of the Market Abuse Regulations:

I. Key Definitions

i. Material non-public information

Any information, relating to an entity or its securities, directly or indirectly, which is not generally available and which upon becoming generally available to the public on a non-discriminatory basis, is likely to materially impact the price of the securities of the entity. An inclusive list of information considered as material non-public information has also been listed in the definition.

ii. Insider

Any person who is:

a) a connected person; or

b) in possession of, or having access to, material non-public information.

II. Communication or procurement of material non-public information

No insider shall communicate, provide, or allow access to any material non-public information relating to an entity or securities listed or proposed to be listed to any person including other insiders, except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

III. Trading while in possession of material non-public information

No insider shall trade or cause any other person to trade in securities that are listed or proposed to be listed, when in possession of material non-public information, except in certain circumstances as specified in these regulation such as off-market transfer between insiders, transaction pursuant to statutory obligations, exercise of stock options, trading pursuant to trading plan etc.

IV. Disclosures by designated persons

Every controlling shareholder, director and other designated persons as per the policy of listed entity shall disclose to the listed entity the trading details of securities, within two trading days of such transaction, if the value of such transaction or series of transactions over any quarter exceeds USD 25,000 or any other value as may be specified by the Authority. The listed entity shall within two working days notify such information to the stock exchange (s) where its securities are listed and also host on its website.

V. Prohibition of certain dealings in securities

No person shall directly or indirectly –

a) buy, sell or otherwise deal in securities in a fraudulent manner;

b) use or employ, in relation to trading of securities listed or proposed to be listed, any manipulative or deceptive device or contrivance in contravention of the applicable laws

c) employ any device, scheme or artifice to defraud in connection with dealing in or issue of securities which are listed or proposed to be listed;

d) engage in any act, practice, or course of business which operates or would operate as fraud or deceit upon any person in connection with any dealing in or issue of securities which are listed or proposed to be listed in contravention of the applicable laws.

VI. Prohibition of manipulative, fraudulent and unfair trade practices

No person shall indulge in a manipulative, fraudulent or an unfair trade practice in securities market in the IFSC. The Regulations also provide a list of deemed manipulative, fraudulent or unfair trade practices in the regulations.

VII. Institutional mechanism and code of conduct for prevention of Insider Trading and Market Abuse

Entities listed on the recognised stock exchanges in IFSC is required to put in place an adequate and effective system of internal controls and a code of conduct to ensure compliance with these regulations.

6. The complete text of the notified Market Abuse Regulations is available on the IFSCA website at https://ifsca.gov.in/Legal/Index/ogGPf3wx5GE=.

September 08, 2026
Gandhinagar

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