

**A New Legal Architecture for India's Securities Markets:
The Securities Markets Code, 2025**

- ◆ The Government has tabled the Securities Markets Code, 2025, before the Lok Sabha, with the objective of consolidating and amending the legislative framework governing the securities markets. This comprehensive Code is intended to subsume and replace three key statutes—namely, the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, and the Depositories Act, 1996—thereby establishing a unified legal architecture for the regulation of securities markets in India.
- ◆ The principal objective of the Code is to rationalise and consolidate the extant provisions, while establishing a modern regulatory framework that prioritises investor protection and facilitates efficient capital mobilisation. The proposed legislation is designed to address the evolving requirements of India's rapidly expanding economy and is expected to contribute significantly to the development of the financial sector, particularly the securities markets. Furthermore, the Code aims to enhance India's self-reliance in mobilising capital for productive investments.

- ◆ In order to mitigate potential conflicts of interest, the Code mandates that Members of the Board must disclose any direct or indirect interest when participating in decision-making processes. The Code also seeks to streamline the adjudication mechanism, ensuring that all quasi-judicial actions are conducted through a unified adjudicatory process, following a thorough fact-finding exercise.
- ◆ Additionally, the Code provides for effective and timely resolution of investor grievances by introducing the institution of an Ombudsperson, serving as a comprehensive forum for addressing unresolved complaints. It further decriminalises certain contraventions of a minor, procedural, or technical nature, converting them into civil penalties, thereby facilitating ease of doing business and reducing the compliance burden on market participants.

THANK YOU...

Email : dipen@ddsaca.com
info@ddsaca.com

Office Landline : +91-79-40039647

604, Block B, Addore Aspire 2, Opp. Old Passport office
University Road, Nr. Jhanvi Restaurant, Gulbai Tekra
Ahmedabad 380009