SECURITIES MARKETS CODE, 2025

Regulatory Readiness Checklist for 2027 | Legal position reviewed 12 November 2026

Critical status note: The Securities Markets Code, 2025 (Lok Sabha Bill No. 200 of 2025) is a Bill, not an enacted Act. It was introduced on 18 December 2025, referred to the Standing Committee on Finance on 19 December 2025, and the Committee's Thirty-Sixth Report was presented on 23 July 2026. The Committee's recommendations are not law. No commencement date for the proposed Code has been notified. Continue complying with the existing SEBI Act, 1992, Securities Contracts (Regulation) Act, 1956, Depositories Act, 1996 and applicable SEBI regulations.

1. Listed companies and securities issuers

[ ] Maintain a current register of all applicable SEBI regulations, circulars, stock-exchange requirements and Companies Act obligations; do not wait for the Code to be enacted.

[ ] Review board-approved disclosure controls, material-event escalation, financial reporting, related-party transaction approvals and insider-trading controls.

[ ] Keep offer documents, listing records, shareholder communications, beneficial ownership records and depository reconciliations complete and readily retrievable.

[ ] Identify the responsible officer and escalation path for stock-exchange filings, investor complaints and SEBI notices.

[ ] Review delisting, public-shareholding and disclosure procedures against the rules currently in force; do not treat the Bill's proposed listing/delisting provisions as operative.

2. SEBI-registered intermediaries and market participants

[ ] Confirm current registration category, conditions, renewal/continuing obligations and permitted activities under the regulations applicable to the entity.

[ ] Map client onboarding, KYC, suitability, risk disclosures, segregation of client assets, record retention and complaint-handling controls.

[ ] Preserve inspection-ready evidence: order logs, communications, surveillance alerts, access logs, client instructions, audit trails and exception approvals.

[ ] Review policies for conflicts of interest, personal trading, employee dealing, gifts, research independence and handling of unpublished price-sensitive information.

[ ] Create a response protocol for inspection notices, information requests, search/seizure issues, show-cause notices and adjudication proceedings, including prompt legal review.

[ ] Track the 2026 SEBI regulatory changes separately from the pending Code, including the Stock Brokers Regulations, 2026 and Portfolio Managers Regulations, 2026 (the latter stated to take effect from 1 April 2027).

3. Exchanges, clearing corporations and depositories

[ ] Review governance, risk management, cyber resilience, business continuity, settlement finality, member supervision and incident escalation.

[ ] Maintain a clear inventory of bye-laws, operating procedures, disciplinary powers and approval/consultation steps required under existing law.

[ ] Assess how any future delegation of registration or supervisory functions would affect accountability, review rights, service standards and SEBI oversight.

[ ] Preserve a documented process for member defaults, trade cancellation, settlement disputes, client asset protection and compensation claims.

[ ] Monitor the Committee's recommendations on MII delegation, public consultation on bye-laws, review mechanisms and limits on supersession.

4. Investors and grievance handling

[ ] First raise a service complaint with the concerned listed company or SEBI-registered intermediary and retain the acknowledgement and supporting records.

[ ] If unresolved, use the current SEBI SCORES process where the complaint falls within its scope; follow the current review windows and instructions on the portal.

[ ] Consider the existing online dispute resolution mechanism or other appropriate remedies where legally available; check whether the same matter is already before a court, tribunal or ODR forum.

[ ] Keep contract notes, account statements, demat statements, bank records, emails, grievance acknowledgements and screenshots with dates.

[ ] Do not assume the proposed Ombudsperson provisions or the Committee's recommended 120-day outer limit are presently available to investors.

5. Legislative watchlist

Issue	Bill as introduced	Committee recommendation / watchpoint
Three-statute consolidation	Repeal and replace SEBI Act, SCRA and Depositories Act	Watch for any revised Bill and transition/savings provisions
SEBI governance	Board structure, disclosures and recusal; proposed total strength up to 15	Track safeguards on appointments, conflicts and regulatory independence
Investigations	180-day target; eight-year bar subject to stated exceptions	Committee recommended 360 days/one year and clearer limits/standards
Investor grievances	Investor charter, grievance mechanisms and Ombudsperson	Committee recommended mandatory investor protections and a 120-day outer limit for Ombudsperson decisions
SAT appeals	Lists specified appealable orders	Committee recommended appeal rights for all SEBI/adjudicating-officer orders
Offences and penalties	Civil penalties for specified defaults; criminal punishment retained for serious matters including market abuse	Committee sought clearer separation and redrafting of overlapping civil/criminal provisions

6. Primary-source links

Bill as introduced (eParliament): https://eparlib.sansad.in/handle/123456789/3018105?view_type=search
Standing Committee Report No. 36 (official Sansad PDF): https://sansad.in/getFile/app/lsscommittee/Finance/18_Finance_36.pdf?source=app
Digital Sansad committee tracker: https://sansad.in/ls/committee/subjects-reports
SEBI regulations list: https://www.sebi.gov.in/sebiweb/home/HomeAction.do?doListing=yes&sid=2&smid=0&ssid=3
SEBI SCORES: https://scores.sebi.gov.in/scores-home
India Code: SEBI Act, 1992; Securities Contracts (Regulation) Act, 1956; Depositories Act, 1996.

Disclaimer: This is a general educational checklist, not a statutory compliance certificate, legal opinion, investment recommendation or substitute for reviewing the final enacted text and applicable SEBI notifications. The Bill and Committee recommendations may change during parliamentary consideration. Verify the latest Gazette, SEBI regulations, circulars and exchange directions before acting.