AN ANALYTICAL STUDY ON INSIDER TRADING LAWS IN INDIA

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ABSTRACT

Insider trading, which involves trading in securities on the basis of material non-public information, presents huge challenges to market integrity, investor trust, and governance of companies. This research paper critically examines the extant legal regime that oversees insider trading in India and compares it with international regulatory practices, especially in the United States, United Kingdom, and Singapore. The article examines the development of laws of insider trading in India, highlighting the most important regulations under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, and judicial interpretations thereto.

Through an analysis of milestone cases like SEBI v. Rajat Gupta and Hindustan Lever Ltd. v. SEBI, the research investigates the limitations and advances in enforcement mechanisms in India. The study points out difficulties for regulatory bodies in establishing intent, obtaining admissible evidence, and the need for speedy adjudication. Conversely, the paper considers international best practices, such as the strict enforcement policies of the U.S. Securities and Exchange Commission (SEC), the UK's Financial Conduct Authority (FCA), and the clarity of statutory definitions under Singapore's regime.

By comparative analysis of the law, the article recognizes gaps in India's regulatory enforcement such as procedural delays, low conviction rates, and unawareness among market players. It also assesses the possibilities of implementing hybrid methods that integrate civil and criminal liabilities, whistleblower protection, and technological monitoring to enhance compliance.

The paper concludes by setting out policy suggestions to regulate insider trading laws in India, promote market transparency, and make Indian practices international in nature. The recommendations seek to provide fair play in the securities markets and reinvigorate the moral basis of financial governance in India.

INTRODUCTION: AN OVERVIEW OF INSIDER TRADING

Insider trading is the purchase or sale of a security by an individual with access to material non-public information (MNPI) about the security. It attacks the integrity of the capital markets because it affords insiders an unfair competitive edge over the general investing public. Usually, insiders are corporate officers, directors, employees, or persons with a fiduciary responsibility to the company. But in the process, it can also apply to outsiders such as consultants, auditors, and even relatives if they are trading on inside information. What is fundamentally wrong with insider trading is that it distorts the rule of equal access to information, which lies at the heart of the functioning of efficient financial markets.

Historically, insider trading has not always been considered to be unlawful. It was not in the United States, for instance, until court rulings early in the 20th century started defining the practice as a violation of fiduciary duty. The leading case SEC v. Texas Gulf Sulphur Co.[1] defined that whoever is in receipt of MNPI should disclose the information or refrain from trading while awaiting the public release of the information.

In India, insider trading was initially dealt with under Clause 36 of the Listing Agreement, but stronger regulations were made through the Securities and Exchange Board of India (Insider Trading) Regulations, 1992. These were superseded by the SEBI (Prohibition of Insider Trading) Regulations, 2015, which are more in line with international practices and focus on transparency, fair disclosure, and accountability.

LEGAL FRAMEWORK FOR INSIDER TRADING IN INDIA

India first experienced insider trading in the 1940s. Examples of directors, agents, officers, and auditors having strategic knowledge of the company's economic circumstances regarding the number of dividends to be declared, the issuance of bonus shares, or the pending completion of a favourable contract before public disclosure were cited in the 1948 Thomas Committee

Report, which was chaired by P.J. Thomas[2]. India's Capital Market scenario reached a landmark with the coming of Securities and Exchange Board of India in 1988 and empowering it with the SEBI Act of 1992. For the very first time, in the SEBI Act of 1992 vide section 12A that,

[1] SEC v. Texas Gulf Sulphur Co., 401 F.2d 833 (2d Cir. 1968)
[2] Thomas, P.J. (1948). Report on the Regulation of the Stock Exchanges in India. Securities and Exchange Board of India. Retrieved from http://www.mca.gov.in/MinistryV2/library.html. Para 63. Page 68.

Insider Trading was explicitly prohibited, It made it unlawful to deal in securities while in possession of unpublished price-sensitive information (UPSI). Later on in 1992, India's first dedicated regulation on insider trading was introduced i.e., SEBI (Insider Trading Regulation), 1992 it defined the term “insider”, “price sensitive information” and “connected person” this regulation prohibited trading by insiders based on UPSI. Later on, this legislation was replaced by the “SEBI (Prohibition of Insider Trading) Regulations, 2002” which widened the definitions and brought in compulsory disclosure requirements for insiders and substantial shareholders. Nonetheless, issues of ambiguity existed, especially in relation to enforcement and the very definition of UPSI.

Later on, another provision in law related to insider trading was enacted through Section 195 of the Companies Act, 2013 that made insider trading by company directors illegal. However, the same section was excluded by the Companies (Amendment) Act, 2017 due to dual jurisdiction over SEBI and due to procedural vagueness, again placing SEBI in a unique position of being the sole regulator of matters relating to insider trading in India.

The comprehensive and detailed reform was brought by the SEBI (Prohibition of Insider Trading) Regulations, 2015, which was enacted on the basis of the suggestions of the Justice N.K. Sodhi Committee. The regulations brought more transparent and better definitions of UPSI and "insider," prescribed the meaning of "generally available information," and enabled insiders to make pre-disclosed trading plans. Companies, intermediaries, and fiduciaries were also required to implement a Code of Conduct and a Code of Fair Disclosure, promoting improved corporate governance and transparency. The 2015 regulations saw a major push towards Indian laws conforming to international standards.

GLOBAL FRAMEWORK FOR INSIDER TRADING

United States:

The U.S. insider trading law is primarily regulated under the Securities Exchange Act of 1934, specifically with Section 10(b)[3] and SEC Rule 10b-5-Purposes[4] which prohibits fraud in connection with a securities transaction. The legal framework comprises two major concepts:

[3] 15 U.S.C. § 78j(b) (2012).
[4] 17 C.F.R. § 240.10b-5 (2024).

the fiduciary duty approach[5] and the misappropriation theory.[6] Under the fiduciary duty approach, it is unlawful for an insider, that is, someone such as a director, employee, auditor, or lawyer, who owes a duty of trust and loyalty to a company or its shareholders, to trade for personal gain on the basis of material non-public information (MNPI). The misappropriation theory widens the scope to make all those accountable who, though not a traditional insider, misappropriate confidential information for their own rights from a relationship of trust with its source. For example, a lawyer divulging merger information to a friend who trades on it will make both liable. To enforce violations tried in relevance to an alleged securities scheme, the Securities and Exchange Commission and the Justice Department strongly utilized several tactics like surveillance and forensic accounting, whistleblower incentives, and data analytics.[78] They impose severe penalties-such as civil sanctions, for instance, disgorgement of profits and prohibition from holding any corporate office-into fines and imprisonment for up to twenty years-criminal sanctions.[8]

United Kingdom:

After the Brexit, the U.K. retained most provisions of the EU's Market Abuse Regulation (MAR) and mostly integrated them into the domestic law as the U.K. MAR with the purpose of regulating market abuses, including insider dealing.[9] Insider dealing under U.K. MAR means the purchase or sale of financial instruments, directly or by proxy, on the basis of precise non-public information that can reasonably be expected to have a significant effect on market price and may equally mean the recommendation or inducement of others under trade in reliance upon that information. This gives wide interpretation of who is an insider to include not only primary insiders, like the executives and board members, but also temporary insiders, such as consultants and accountants, and tippees receiving that information indirectly. The main difference from the U.S. fiduciary duty-based concept is that the law does not require a fiduciary relationship to be proved; simple possession of and trading on inside information will suffice for liability. The post-Brexit activity put the Financial Conduct Authority (FCA)[10] in charge of the enforcement with domestically tailored modifications to the regime but retaining

[5] Chiarella v. United States, 445 U.S. 222 (1980).
[6] United States v. O'Hagan, 521 U.S. 642 (1997).
[7] Dodd-Frank Act § 922, 15 U.S.C. § 78u-6 (2018).
[8] U.S.C. § 1348.
[9] Market Abuse Regulation, Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 Apr. 2014, on market abuse, 2014 O.J. (L 173) 1 (retained in U.K. law by the European Union (Withdrawal) Act 2018, c. 16).
[10] Financial Services and Markets Act 2000, § 118.

the core framework of EU MAR. Criminal sanctions for insider dealing under the Criminal Justice Act 1993 are up to 7 years imprisonment or unlimited fines,[11] and civil actions under UK MAR may range from monetary penalties through public reprimands, restitution, or prohibition from holding a position within the financial sector.

COMPARISON

Insider & Insider Trading Definition

In India, An "insider" is, according to Regulation 2(g) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, defined as:

A connected person, or Anyone who has in their possession, or has access to, unpublished price sensitive information (UPSI). A connected individual comprises directors, officers, employees, and professionals like legal or financial advisors who are connected with the company within the last six months. It also comprises close relatives and any person in regular contact with company officials.

U.S. treatment, which is mainly erected on case law interpreting Section 10(b)[12] of the Securities Exchange Act of 1934 and SEC Rule 10b-5,[13] would require proof of either a breach of fiduciary duty (as per Chiarella v. United States[14] and Dirks v. SEC[15]) or misappropriation of confidential information (as in United States v. O'Hagan). The intense weight of this relationship-based framework analyses the transfer of information and duties about parties.

The UK's Market Abuse Regulation, Article 8 of UK MAR 2016,[16] established strict liability for trading while possessing inside information regardless of the fiduciary status. The Financial Services and Markets Act 2000 (Section 118)[17] defines insider dealing more broadly than its U.S. counterpart, encompassing every person dealing or encouraging another person to deal based on that inside information.

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[11] Criminal Justice Act 1993, § 52.
[12] 15 U.S.C. § 78j(b) (2012).
[13] 17 C.F.R. § 240.10b-5 (2024).
[14] 445 U.S. 222 (1980).
[15] 521 U.S. 642 (1997)
[16] Market Abuse Regulation (Amendment) (EU Exit) Regulations 2019, SI 2019/310 (UK).
[17] Financial Services and Markets Act 2000, c. 8, § 118 (UK).

2. Regulatory Authority

In India, The Securities and Exchange Board of India (SEBI) is the only regulatory body that is tasked with enforcing insider trading regulations in India. It gets its powers from:

- The SEBI Act, 1992 (Section 11, 11B, 11C, 12A)
- The SEBI (Prohibition of Insider Trading) Regulations, 2015
- The Securities Contracts (Regulation) Act, 1956

SEBI has extensive powers to investigate, search records, summon persons, pass orders, impose penalties, and initiate prosecution.

The U.S. runs a bifurcated enforcement system consisting of civil actions by the Securities and Exchange Commission under Section 21 of the Exchange Act[18] and criminal prosecutions against violators under Section 32(a)[19] of the Exchange Act through the Department of Justice. It usually offers an added layer of scrutiny through self-regulating organizations like FINRA.

In comparison to the foregoing, the UK amalgamates enforcement power at the Financial Conduct Authority as set out in Part VIII of FSMA 2000. With it, the FCA is endowed with both civil and criminal powers of enforcement, permitting it to institute a criminal prosecution under Section 177[20] of FSMA or impose civil sanctions regarding a breach of a legal provision under Section 123.[21]

3. Whistleblower Provisions

In India, Introduced through an amendment in 2019, the rules now provide for a reward scheme for whistleblowers under Chapter IIIA of the 2015 Regulations. Major features: Whistleblowers are allowed to report insider trading offenses anonymously, SEBI can award rewards up to ₹1 crore for information that results in a successful enforcement action, Whistleblowers are assured confidentiality and protection against retaliation.

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[18] Securities Exchange Act § 21, 15 U.S.C. § 78u.
[19] Securities Exchange Act § 32(a), 15 U.S.C. § 78ff(a).
[20] FSMA 2000, § 177.
[21] FSMA 2000, § 123.

Although fairly broad, the U.S. law on whistleblower incentives is documented in Section 21F[22] of the Exchange Act (otherwise known as the Dodd-Frank Act). That is evidenced by its provision of 10-30% to whistleblowers of all monetary sanctions imposed over the amount of $1 million. Further protections are also found in Section 806 of the Sarbanes-Oxley Act[23] against termination of such employees.

Protection afforded by the Public Interest Disclosure Act 1998[24] is minimal in the UK, unlike the U.S, which has quite an extensive financial incentive scheme in contrast to UK MAR. The FCA depends purely on voluntary reporting through the confidential intelligence function.

4. Civil and Criminal Penalties

Civil Penalties (Imposed by SEBI):

In India, **Under Section 15G of the SEBI Act**: ₹25 crore or 3 times the profit earned through insider trading—whichever is greater. SEBI also has the power to give orders like restraint from access to the market, disgorgement of gains, or prohibition on people holding directorships. **Criminal Penalties (Under SEBI Act, Section 24)** include: Imprisonment for up to 10 years, fine up to ₹25 crore, or both.

The law of the United States allows civil penalties to amount to threefold the profit gained/loss avoided (Section 21A Exchange Act).[25] Criminal penalties under Section 32(a) can provide a maximum of 20 years' imprisonment and fines to the order of about $5 million payable by individuals ($25 million for entities).[26]

Unlimited civil fines apply under Section 123 of FSMA, UK.[27] Maximum 7-year sentences and unlimited fines are provided for under the criminal penalties in Section 177.[28] Notably, courts in the UK may also impose confiscation orders under the Proceeds of Crime Act 2002.[29]

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[22] U.S.C. § 78u-6 (2024).
[23] Sarbanes-Oxley Act, 18 U.S.C. § 1514A.
[24] Public Interest Disclosure Act 1998, c. 23 (UK)
[25] U.S.C. § 78u-1(a)(2).
[26] U.S.C. § 78ff(a).
[27] FSMA § 123.
[28] FSMA § 177.
[29] Proceeds of Crime Act 2002, c. 29 (UK).

5. Burden of Proof

India has a "possession-based standard" instead of a "use-based standard. "If an individual traded with UPSI, they are assumed to be guilty unless proven otherwise. The insider can defend himself by demonstrating that the trade was pre-scheduled (trading plan), or on generally available information, or not being motivated by the UPSI. The onus rests on the insider to negate abuse once SEBI proves possession of UPSI.

For violations under the U.S. civil law-the SEC having to prove by preponderance of evidence (SEC v. Platforms Wireless[30]). For criminal prosecution, establishing beyond any reasonable doubt guilt is necessary, including willful intent (United States v. O'Hagan[31]).

UK civil enforcement needs proof only on the balance of probabilities, whereas in criminal cases the standard is beyond reasonable doubt. But in this regard, Section 118C of FSMA[32] creates a statutory offense that does not require proof that the defendant knew information was inside information.

CASE LAWS

Rakesh Agrawal vs. Securities and Exchange Board of India[33]

The appellant, Rakesh Agrawal was the Senior Vice President (Marketing) of an Indian company called PAMPAC Industries Ltd. During a confidential collaboration agreement, between PAMPAC and a Japanese company, Hitachi Ltd. Agrawal came to possess price sensitive unpublished information.

Before the collaboration was announced publicly, Rakesh Jain instructed his brother-in-law, to purchase PAMPAC shares in the market in large quantities through various brokers. Upon public announcement of the collaboration, the share prices surged resulting in significant gain of the appellant. SEBI upon knowledge of this, initiated an investigation and charged Agrawal with Insider Trading under Regulation 3 and 4 of the SEBI (Insider Trading) Regulations, 1992.

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30 SEC v. Platforms Wireless Int'l Corp., 617 F.3d 1072 (9th Cir. 2010).
31 United States v. O'Hagan, 521 U.S. 642 (1997).
32 Financial Services and Markets Act 2000, c. 8, § 118C (UK).
33 Rakesh Agrawal vs. SEBI, AIR 2003 SCC Online SAT 38

The principal issues in hand were:

i. Whether the act of trading in shares using this information amounted to insider trading?

ii. Can an act with no malafide intent but still using UPSI be considered insider trading?

It was held that, Agrawal's actions amounted to violating SEBI Insider Trading Regulations. Even though the money was not used for personal enrichment but for facilitating the collaboration, motive or intent was irrelevant under the 1992 regulations.

However, SEBI exercised leniency**.** Instead of imposing a ban or criminal sanction, it issued a monetary penalty under Section 15A of the SEBI Act, considering that the act was not done with malicious intent or for personal gain**.**

United States v. O'Hagan (1997)[34]

In United States v. O'Hagan, James O'Hagan, a partner in law firm Dorsey Whitney, misappropriated confidential information to use for trade in stock of Pillsbury Company. O'Hagan's firm represented Grand Metropolitan PLC (Grand Met) in a possible corporate tender offer for Pillsbury and, although O'Hagan had no direct link to the case, was able to access this private information due to his position. He acquired call options and stock in Pillsbury, amassing a profit of more than $4.3 million, when Grand Met ultimately announced the public tender offer that inflated the stock price. O'Hagan was charged with 57 offenses, including securities fraud under § 10(b) of the Securities Exchange Act and Rule 10b-5, fraudulent trading under § 14(e) and Rule 14e-3(a), and mail fraud. All counts were convicted; however, the Eighth Circuit overturned what it found to be misappropriation theory forming the basis for liability under § 10(b) and struck Rule 14e-3(a) as requiring fiduciary duty. The case went up for certiorari review in the U.S. Supreme Court.

The issues were whether a person would by such an act violate Section 10(b) and Rule 10b-5 if he or she traded securities with the use of such confidential information misappropriated from a source to whom he or she owed a fiduciary duty, and whether therefore the SEC exercised an authority beyond that which it had with the adoption of Rule 14e-3(a).

[34] 521 U.S. 642 (1997)

The U.S. Supreme Court holds that person "may" be held liable under § 10(b) and Rule 10b-5 for trading securities with respect to confidential information misappropriated in breach of a fiduciary duty to the source, and that the SEC did not exceed its authority in barring the application of Rule 14e-3(a).

The Supreme Court articulated that this theory of misappropriation pertains precisely to the scheme to use that kind of devices that falls under § 10(b) since it has a "deceptive device" employed in connection with the transactions. This implicates a fiduciary who acts loyal to the source but uses secretly that information for self-aggrandizement. Such a lie satisfies the condition "in connection with" when this fiduciary uses the information for purposes of trade with regard to securities. The Court also determined that Rule 14e-3(a) is proper exercise under the SEC's mandate in § 14(e) because it is designed fairly with respect to what fraudulent acts in tender offers might be prevented even if there is no breach of fiduciary duty. This rule addresses trade engendered by a breach of duty that involves killing material non-public information, thus achieving the purpose of preserving a fair marketplace. The Court argued that insufficient evidence to adjudge willful violation and the absence of knowledge defences for imprisonment reinforce the validity of the rule further.

R v. McQuoid and Melbourne (2009)[35]

Christopher McQuoid, a person of commendable character with small dependent children, was convicted on March 27, 2009, at the Crown Court at Southwark, by jury verdict, of a single count of insider dealing. On March 30, 2009, McQuoid was sentenced to 8 months imprisonment for the insider dealing offence.

Issues

1. Whether the conviction of the appellant for insider dealing was justified.

2. Whether the sentence imposed on the appellant was appropriate.

The appellant had, in the course of his employment, access to inside information regarding a proposed takeover by Motorola Plc. The judge, when passing sentence, emphasized that insider

[35] EWCA Crim 1301

dealing should not be treated as a victimless crime and equated it to fraud and cheating.

Insider dealing offences have been created in England and Wales since 1980, and their seriousness cannot be overstated. Importantly, the appellant is the first person to have been convicted of such an offence; there were others with similar cases dealt with via the regulatory system.

The maximum possible sentence for insider trading is seven years imprisonment, while the judge showed leniency in giving only an eight-month sentence; this despite his personal circumstances and immediate consequences for the appellant.

But for all efforts made for the appellant by Mr. Caplan, the appeal is dismissed.

CHALLENGES AND LOOPHOLES IN INSIDER TRADING LAWS IN INDIA

Despite having a robust legal framework under the SEBI (Prohibition of Insider Trading) Regulation 2015, there are certain challenges and loopholes which the Indian insider trading laws continue to face, when it comes to enforcement of the laws. It has been classified as following: -

- **Firstly,** the challenge begins with detection and enforcement. Insider Trading is often conducted through proxies and informal channels, making it hard to trace the flow of unpublished price sensitive information (UPSI). The burden of proving that a person while in possession of UPSI remains a grey area. In the current scenario it is impossible to prosecute the offender who has carried out the act of insider trading with the modern, contemporary and technologically advanced monitoring and surveillance mechanism[36].

- **Secondly**, there is also uncertainty in the definition of "connected persons" and "immediate relatives," particularly in sophisticated business networks. This uncertainty typically enables insiders to leak information to third parties who are technically beyond regulatory definitions. In addition, although the law requires disclosures, delays and inaccuracies in filings frequently go undeterred because of

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[36] Hari Shankar Singh, Insider Trading: Behind Closed Doors, Manupatra Articles (https://articles.manupatra.com/article-details/INSIDER-TRADING-BEHIND-CLOSED-DOORS)

regulatory backlogs or inadequate scrutiny.

- **Lastly**, penalties, as tough on paper as they may be, are unevenly enforced. SEBI has been able to prosecute only a few prominent cases, which might not be sufficient to provide a robust deterrent effect. In general, although India's insider trading laws are at par with international standards, issues of detection, enforcement, and corporate compliance still inhibit their effectiveness.

RECOMMENDATIONS AND FUTURE REFORMS FOR INSIDER TRADING LAWS IN INDIA

- Strengthen powers of investigation and prosecution into SEBI: Powers of SEBI to investigate and prosecute should be broadened, thereby enabling it to initiate action directly and of its own without undue dependence on other organizations for the purposes of enforcement.

- Insider Trading: Create a Distinct Unit: A distinct group inside SEBI concerned solely with insider trading cases should be set up, so that it can be expert in this field and respond forthwith.

- Advanced Technology and Data Analytics: Use AI, machine learning, and surveillance tools to analyze trading patterns that raise suspicion; track interconnections of traders, and identify red flags from the point of view of detection at the earliest.

- Real-Time Digital Disclosure: There should be centralized online reporting of insider trading on a real-time basis to ensure transparency and regulatory oversight.

- Strengthen the Protection of Whistle-blowers: Provide stronger legislative protection, absolute confidentiality of identity, and even a reward system to motivate insiders to expose illegal trading activities with no fear whatsoever.

- Making Corporate Compliance More Rigid: Listed Companies must have mandatory Codes of Conduct on Unpublished Price Sensitive Information (UPSI), and Compliance Officers must be adequately trained.

- Tighten Definition of Insiders and Connected Persons: While, letters need to germinate with a wider interpretation of connected persons. Informal associations and digital and social communications may serve as channels for access to confidential information.

- Regulation of Private Messaging and Encrypted Apps: Compliance rules should be drawn up for encrypted apps like WhatsApp and Telegram concerning their use by persons with sensitive information during crucial events, such as mergers or financial disclosures.

- Pre-Clearance of Trades by Designated Insiders: A preclearance mechanism for trades by directors and key managerial personnel that mandates the relevant compliance committee or officer to approve such trades is to be implemented.

- Blockchain for Trade Auditing: Blockchain should be used to record all disclosures and approvals related to insider trading for tamper-proof and transparent recordkeeping.

- Increase the Penalties for Offences and Create Deterrence: Higher penalties for offenders should be instituted, especially for repetitive offenders, and enforcement actions should be publicized to deter others.

- Raise awareness about the insider-trading issues among investors and employees: Market participants and corporate employees should be made aware by SEBI programs of the dangers of insider trading and consequences thereof.

- Strengthen Cross-Border Cooperation: Develop formal contacts with foreign regulators for information sharing and cooperative investigation of cross-border cases involving offshore accounts and foreign trades.

- Unified Surveillance Systems: Build a national integrated platform which pools data from the different stock exchanges, brokers, mutual funds, and banks for realtime market tracking.

- Set Up a Fast-Track Tribunal: Courts or tribunals should be set up on priority for more rapid resolution of insider trading matters, while at the same time shortening delays and creating public trust in the enforcement process.

- Focusing on New Horizons like Crypto and Algorithmic Trading: Formulate new legislation to outlaw insider trading in cryptocurrency and guarantee that highfrequency and algorithmic trades shall not be abused for unlawful benefit.

CONCLUSION

A comparative study of insider trading laws in India, USA, and UK reveals a certain convergence and divergence in legal frameworks, enforcement strategies, and regulatory philosophies. The USA, by far, has the most aggressive enforcement, advanced technology, and a long history of common-law precedents, especially through SEC and DOJ. The UK enforcement is also strict; however, it emphasizes deterrence through the UK MAR framework run by the FCA and has a heavy emphasis on compliance culture and market integrity. As compared to other countries, India is younger in its enforcement journey, but it has matured rapidly in the dynamic regulatory environment of SEBI, specifically post the 2015 regulations for Insider Trading.

Issues, however, abound still for India: a dearth of technological infrastructure; weak deterrents; and procedural lags. Bridging such a gap would need institutional reform, real-time transparency vis-a-vis regulatory processes, infrastructural technological updates, and alignment with global best practices. Considering the increasing interconnectedness of financial markets, a harmonious approach would require cross-border coordination and a unified global legal framework for effective mechanisms to reign in insider trading and ensure fairness in the marketplace.

In spirit, while all three jurisdictions' laws were made to secure market integrity and protect investor confidence, it will take continuous evolution of laws as well as proactive enforcement to stay on the front foot in combating the ever-evolving, technology-driven face of financial crimes.