

# Sebi's whole-time member warns market participants on AI washing

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MUMBAI

SEBI's whole-time member Amarjeet Singh cautioned against 'artificial washing', or the use of exaggerated claims as a marketing tactic, warning that such instances can erode the public's trust in the markets.

"We have seen instances of market participants making overstated claims about using AI to deliver exceptional returns," Singh said, addressing an event jointly organised by IIMK and NSE here.

Asking companies to be mindful of how they communicate claims on usage of AI, Singh warned, "exaggerated claims, or selective disclosures, the so-called AI washing can mislead mar-

kets and erode trust". He acknowledged that AI is a powerful tool for education, research and accessibility, but advised for certain care to be taken as adoption of AI grows because of its ability to generate "convincing misinformation at scale."

"Can we confidently say that today's true and fair reports truly reflect economic reality?" he asked, adding that such questions are more relevant in the current times.

There are newer forms of a shift to "narrative-led communication including purpose-washing and green-washing", Singh said, pointing out that the aspirational language used in such efforts can sometimes run ahead of "verifiable action and measurable outcomes."

There is a historic capital

shift from "financial to intellectual capital" as seen in the explosive growth in the stock prices of seven tech giants in the US, he said, underlining that the intangibles are driving market value.

Singh rued that our reporting systems have not kept pace and underlined the need for reviewing the ways in which the reporting captures the intangible aspects of value creation, including advantages of algorithm usage, human capital prowess and societal impact.

"Until we do, we are navigating the future with yesterday's map," Singh said.

No one should be systematically disadvantaged by opacity, manipulation, hidden conflict or engineered confusion, Singh said, adding that there is a possibility



**“ AI is a powerful tool for education, research and accessibility, but advised for certain care to be taken as adoption of AI grows because if its ability to generate convincing misinformation at scale. Can we confidently say that today's true and fair reports truly reflect economic reality? ”**

- Amarjeet Singh, Sebi's whole-time member

for information acting as a bridge between households and capital markets, and savings and productive investments if we get it right. "At stake is not just market efficiency, but public trust in finance as a force for good," he concluded.

## Sebi to review PMS regulations: Pandey

The review will follow similar efforts undertaken on the listing obligations and disclosure requirements and mutual funds front

MUMBAI

CAPITAL markets watchdog Sebi will be undertaking a review of regulations governing the conduct of portfolio managed services (PMS), chairman Tuhin Kant Pandey said on Monday. "We propose to carry out a comprehensive review of the SEBI (Portfolio Managers) Regulations, 2020, so that the framework remains effective, adaptable, and aligned with evolving market dynamics," Pandey said, speaking at an event held at the National Institute of Securities Market near here.

Speaking with reporters on the sidelines, Pandey said the review will follow similar efforts undertaken on the listing obligations and disclosure requirements and mutual funds front. Certain aspects of the six-year-old regulations need to be rationalised, Pandey said, adding that Sebi will follow the usual process of coming out with a consultative paper before posting the draft regulations for public comments.

He declined to answer a specific question on whether the Sebi is mulling to review



the investment sizes for PMS, given the fact that it has created a new category of SIF or specialised investment funds which is in-between mutual funds and PMS. Meanwhile, Pandey said that Sebi has received stock brokers' representation on challenges they see after a review of lending guidelines carried out by RBI, and added that it will be taking up the same with the central bank.

He, however, declined to specify the exact stance which the capital markets regulator will be taking, pointing out that there are three-four challenges which the brokers have pointed out. It can be noted that starting April 1, the RBI has proposed to disallow bank lending for proprietary trading and also insist on 100 per cent collat-

The move aims to ensure the six-year-old framework remains effective and aligned with evolving market dynamics. Pandey said certain provisions require rationalisation and that SEBI will follow its standard consultative process, including issuing a discussion paper and seeking public comments before finalising changes

eral for bulk of other bank funding to brokers. "Since the representation (from brokers) has also come to us, we will have a look at it," he said. Sebi is working with concerned ministries in the government to review the ban on futures trading in agricultural commodities, Pandey said.

## Three firms pay Rs4.12-cr to settle case with Sebi



NEW DELHI: Three entities, including Kalyani Steels Ltd (KSL), on Monday settled with market regulator Sebi a case of alleged violation of disclosure and related-party transaction norms after paying Rs 4.12 crore collectively. KSL is a part of Baba-saheb Neelkanth Kalyani-led Kalyani group. The order came after the applicants (Kalyani Steels Ltd, BF Utilities and Deeptri R Puranik) proposed to settle the instant proceedings initiated against them, "without admitting or denying the findings of facts and conclusions of law." The Securities and Exchange Board of India (Sebi) examined financial transactions of the Kalyani group of companies, following a report from NSE dated March 20, 2023, which flagged possible lapses in investments made by group entities.

## Gold rises Rs400; silver stays flat

NEW DELHI: Gold prices rose by Rs 400 to Rs 1,63,200 per 10 grams in the national capital on Tuesday amid persistent buying by stockists and a weaker rupee, according to the local market. The precious metal of 99.9 per cent purity had closed at Rs 1,62,800 per 10 grams on Monday. However, silver prices remained unchanged at Rs 2,72,000 per kilogram (inclusive of all taxes). Traders said increased offtake by local jewellers and stockists supported gold prices in the domestic market, even as international precious metal rates declined. In the international markets, spot gold was trading 1.35 per cent lower at USD 5,157.16 per ounce, while silver traded flat at USD 88.19 per ounce. Analysts said weakness in the rupee made gold costlier for holders of other currencies, offsetting the impact of a decline in global prices.



## Bullion futures trade on a mixed note

GOLD prices dropped 0.31 per cent to Rs 1.61 lakh per 10 grams in the futures trade amid global uncertainties triggered by US tariffs. On the Multi Commodity Exchange, the yellow metal for April delivery depreciated by Rs 496, or 0.31 per cent, to Rs 1,61,102 per 10 grams in a business turnover of 7,587 lots. In the global market, Comex gold futures for April contract declined \$28.16, or 0.54 per cent, to \$5,197.44 per ounce.

Silver prices rose 0.09 per cent to Rs 2.65 lakh per kg in the futures trade on Tuesday, amid global uncertainties following Trump tariffs. On the Multi Commodity Exchange, the white metal for March delivery increased Rs 252, or 0.09 per cent, to Rs 2,65,585 per kilogram in a business turnover of 6,002 lots. In the overseas market, Comex silver futures increased \$1.3, or 1.52 per cent to \$87.8 per ounce. Silver rallied after US President Donald Trump threatened to lift global tariffs from 10 per cent to 15 per cent in response to the Supreme Court's ruling.

## Brent crude trade higher at \$71.46/bbl

CRUDE oil prices rose Rs 50 to Rs 6,095 per barrel in futures trade as participants widened their positions following a firm spot demand. Crude oil for March delivery traded higher by 0.83 per cent in 15,375 lots. Analysts said the rise in bets by participants kept crude oil prices higher in the futures market. Globally, West Texas Intermediate crude was trading 0.60 per cent higher at \$66.71 per barrel, while Brent crude rose 0.49 per cent to \$71.46 per barrel in New York.

## Cabinet enhances equity investment limit of POWERGRID to ₹7,500-cr per subsidiary

NEW DELHI

The Cabinet Committee on Economic Affairs (CCEA), chaired by Prime Minister Narendra Modi, on Tuesday approved enhanced delegation to Power Grid Corporation of India Limited (POWERGRID), enhancing the permissible equity investment limit of the company from the current threshold of Rs 5,000 crore per subsidiary to Rs 7,500 crore per subsidiary -- while retaining the existing cap of 15 per cent of the company's net worth.

The approval came under the extant guidelines dated February 4, 2010, of the Department of Public Enterprises (DPE) on the delegation of powers applicable to Maharatna CPSEs. According to an official statement, the approval will enable POWERGRID, the largest and most experienced

The approval will enable the Maharatna to expand its investment in its core business and support the evacuation of renewable energy capacity



transmission service provider in the country, to expand its investment in its core business and support the evacuation of renewable energy capacity, helping achieve the target of 500 GW from non-fossil-based sources.

The statement further said that POWERGRID can now participate in the bids for capital-intensive transmission projects, such as Ultra High Voltage Alternating Current (UHVAC) and High Voltage Direct Current (HVDC)

It will broaden competition in the Tariff-Based Competitive Bidding (TBCB) for the selection of bidders for critical transmission projects. This ensures better price discovery, and ultimately leads to the availability of affordable and clean energy for consumers

transmission networks.

Additionally, it will broaden competition in the Tariff-Based Competitive Bidding (TBCB) for the selection of bidders for critical transmission projects. This ensures better price discovery, and ultimately leads to the availability

of affordable and clean energy for consumers," the CCEA said. The POWERGRID, the central transmission utility, recently announced its unaudited financial results for the third quarter of this fiscal. The public sector company reported robust growth in profitability. Standalone profit after tax (PAT) stood at Rs 4,160.17 crore -- a 6.8 per cent increase from Rs 3,894.09 crore in Q3 FY25. Standalone revenue from operations was Rs 11,005.28 crore, up year-on-year from Rs 10,120.72 crore.

The Board of Directors approved several significant proposals, including a second interim dividend of Rs 3.25 per equity share (32.5 per cent on the face value of Rs 10) for FY 2025-26.

## NGS Reva's IPO subscribed 59%

NEW DELHI: The initial public offering (IPO) of PNGS Reva Diamond Jewellery received 59 per cent subscription on the first day of share-sale on Tuesday. The Rs 380-crore IPO got bids for 33,83,488 shares against 57,06,235 shares on offer, according to the NSE data. The portion for qualified institutional buyers subscribed 92 per cent, while the quota for retail individual investors received 37 per cent subscription. The part for Non-Institutional Investors subscribed 7 per cent. PNGS Reva Diamond Jewellery on

Monday said it has raised nearly Rs 171 crore from anchor investors. The public issue will conclude on February 26. The company has fixed a price band of Rs 367 to Rs 386 per share. The Pune-based company's IPO is entirely a fresh issue of equity shares with no offer for sale component. Proceeds of the public issue will be used for setting up 15 new stores by fiscal year 2028, marketing and promotional expenses related to the launch of these new stores in a bid to enhance visibility of the flagship brand, "Reva", and

general corporate purposes. PNGS Reva Diamond Jewellery was created after its promoter, P N Gadgil & Sons Ltd, sold its diamond jewellery business through a slump sale. This transfer allowed PNGS Reva to become a separate company with its own identity, while still operating in the diamond jewellery market. It is a retail-focused jewellery brand involved in the business of selling a wide range of jewellery. As of March 31, 2025, the company had 33 stores across 25 cities in Maharashtra, Gujarat and Karnataka.

## Mkt may further weaken from current levels

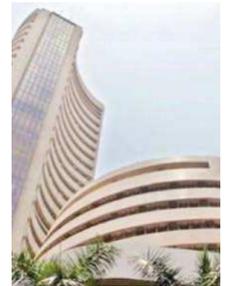
Above 82,000, it may move up to 2,500-82,800; below 82,000, it could slip to 81,700-81,500

KUMUD DAS MUMBAI

THE benchmark indices corrected sharply, with the Sensex down by 1,069 points. Among sectors, the IT index lost the most, shedding over 4.45 per cent, whereas despite the weak market sentiment, the Metal index outperformed and rallied over 1 per cent.

Technically, after a gap-down open, the market has been facing consistent selling pressure at higher levels. A long bearish candle on the daily charts and a lower top formation in intraday charts indicate further weakness from the current levels.

"We are of the view that the intraday market texture is weak, but a fresh selloff is possible only after the market breaches the 200-day Simple Moving Aver-



age (SMA) or 82,000," says Shrikant Chouhan, Head - Equity Research, Kotak Securities. If the market manages to trade above this level, it could bounce back to 82,500-82,800. Conversely, if it falls below 82,000, it could slip to 81,700-81,500. The current market texture is volatile; hence, level-based trading would be the ideal strategy for day traders.

## World shares trade mixed after heavy selling in AI scrips hit Wall Street

Most of the Asian markets advanced while European bourses were trading higher

BANGKOK

WORLD shares were mixed on Tuesday after US stocks slumped on heavy selling of shares in companies that could be losers in the artificial-intelligence boom.

A report by Citirini Research, a New York-based financial services company, that outlined a future scenario in which AI's dominance caused the "human-centric consumer economy," to wither away with dire consequences for employment, was the latest hit to confidence for companies that might be displaced by fast expanding use of the technology. "Policy response has always lagged economic reality, but lack of a comprehensive plan is now threatening to accelerate a deflationary spiral," the report says. Still, Tuesday brought gains for computer-chip makers and other companies that profit from development of AI.

In early European trading, Germany's DAX edged 0.2 per cent lower to 24,952.11 and in Paris the CAC 40

was down less than 0.1 per cent at 8,491.94. Britain's FTSE 100 also lost less than 0.1 per cent, to 10,673.99. The futures for the S&P 500 and Dow Jones Industrial Average were up less than 0.1 per cent.

In Asian trading, Tokyo's Nikkei 225 index surged 0.9 per cent to 57,321.09. Chip testing equipment maker Advantest rose 4.5 per cent, while machinery maker Disco Corp. added 2.1 per cent. Markets in mainland China advanced as they reopened following a weeklong holiday, but Hong Kong's Hang Seng fell as traders locked in profits from recent gains, slipping 1.8 per cent to 26,590.32. The Shanghai Composite index rose 0.9 per cent to 4,117.41.

In South Korea, the Kospi picked up 2.1 per cent to 5,969.64, setting fresh records on gains for memory chip-maker Samsung Electronics, which jumped 3.6 per cent. SK Hynix, another chipmaker, closed 5.7 per cent higher. In Australia, the S&P/ASX 200 edged less than 0.1 per cent lower, ending at 9,022.30, while Tai-



wan's Taiex gained 2.8 per cent. India's Sensex fell 1.3 per cent. Tuesday will bring President Donald Trump's State of the Union address.

On Monday, US stocks slumped after Trump ramped up his newest tariffs. The S&P 500 fell 1 per cent to 6,837.75 after the president said he would place temporary 15 per cent tariffs on other countries following a Supreme Court ruling that struck down his sweeping "reciprocal" taxes on imports from around the world. The Dow Jones Industrial Average dropped 1.7 per cent to 48,804.06. The Nasdaq composite sank 1.1 per cent to 22,627.27. Trump's quick shift toward more aggressive tariffs shows how much uncertainty still hangs

Trump's quick shift toward more aggressive tariffs shows how much uncertainty still hangs over the global economy, even after the Supreme Court said the president lacked the legal authority to institute his sweeping "reciprocal" tariffs

over the global economy, even after the Supreme Court said the president lacked the legal authority to institute his sweeping "reciprocal" tariffs. Investors may be sensing it will take a long time, as well as more court battles, before more clarity comes about how global trade will look. On Wall Street, big losses hit companies under suspicion of getting undercut by AI-powered rivals. CrowdStrike fell 9.8 per cent to widen its loss for the young year so far to 25.3 per cent.

A new tool from Anthropic that

scans codebases for security vulnerabilities and suggests targeted software patches for human review has been hitting stocks across the cybersecurity industry. AppLovin sank 9.1 per cent and took its loss for the year to date to 43.5 per cent. It's among the software companies hurt by worries that AI competition will steal customers and fundamentally reset their industries. A profit report from Nvidia is due on Wednesday.

Worries are rising that companies like Alphabet and Amazon may be spending so much on Nvidia's chips that they'll never be able to recoup their investments through higher productivity and future profits. In other dealings early Tuesday, U.S. benchmark crude oil gained 31 cents to \$66.62 per barrel. Brent crude, the international standard, was up 30 cents at \$71.41 per barrel. Crude prices have been gaining on worries that President Donald Trump might take military action against Iran. The U.S. dollar rose to 155.86 Japanese yen from 154.66 yen.

## Rupee declines 6ps to 90.95/\$

THE LOCAL UNIT IS EXPECTED TO TRADE IN A RANGE OF RS90.75 AND RS91.20

MUMBAI: The rupee traded in a narrow range and settled 6paise lower at 90.95 against the US dollar amid a firm greenback and higher crude oil prices. A sharp fall in domestic equity markets and uncertainties over the India-US trade deal further pressured the local unit, while foreign fund inflows lent some support, forex traders said. At the interbank foreign exchange, the rupee opened at 90.91 and traded in a narrow range of 90.91-90.97 due to possible intervention by the Reserve Bank of India (RBI). It ended the session at 90.95, down 6paise from its previous close. The rupee gained 5paise to settle at 90.89 against the US dollar. "The rupee declined on weak domestic markets and a surge in crude oil prices, uncertainty over tariffs after US President Donald Trump threatened to impose higher duties on countries not honouring the trade deal despite the Supreme Court ruling," Anuj Choudhary, Research Analyst, Mirae Asset ShareKhan, said. However, the RBI may have sold dollars to prevent the rupee from falling below the psychological barrier of 91 levels, he said, adding that the rupee spot price is expected to trade in a range of Rs 90.75 to Rs 91.20 on Wednesday. Meanwhile, the dollar index, which gauges the greenback's strength against a basket of six currencies, was trading 0.16 per cent higher at 97.86.