

**SECURITIES AND EXCHANGE BOARD OF INDIA**  
**SETTLEMENT ORDER**  
**IN RESPECT OF**

S. No.	Settlement Number	Application	Name of the Applicant	PAN of the Applicant
1	8617/2025		JP Morgan Chase Bank N.A.	AAACT5545N

**IN THE MATTER OF JP MORGAN CHASE BANK N.A.**

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1. JP Morgan Chase Bank N.A. (hereinafter referred to as the “**Applicant**”) filed a *suo-motu* settlement application with Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”) under the SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as the “**Settlement Regulations**”) proposing to settle by neither admitting nor denying the findings of facts and conclusions of law, the enforcement proceedings that may be initiated against it for the violations of the following provisions of law:
  - a. Regulation 7(1) of the SEBI (Foreign Portfolio Investors) Regulations, 2014 (hereinafter referred to as the “**FPI Regulations, 2014**”) read with Regulation 5(b) of the FPI Regulations, 2014 and Regulation 45(2) of the SEBI (Foreign Portfolio Investors) Regulations, 2019 (hereinafter referred to as the “**FPI Regulations, 2019**”),
  - b. Regulation 45(2)(b) of the FPI Regulations, 2019 read with Regulation 5(a) of the FPI Regulations, 2019 and paragraph 2(v) of Part A of Operational Guidelines for FPIs & DDPs dated November 05, 2019 and,
  - c. Regulation 31(1)(a) of the FPI Regulations 2019 read with Clause 14(ii) of Part A of Master Circular dated May 30, 2024 as amended by SEBI Circular no. SEBI/HO/AFD/AFD-POD-2/P/CIR/2024/76 dated June 05, 2024.
2. Brief facts of the case are as follows:
  - 2.1 The Applicant granted a Category II license to four FPIs from the UK, even though these FPIs were not appearing in the register of regulated entities maintained by The Financial Conduct Authority, UK (hereinafter referred to as the “**UK-FCA**”). This was in violation of Regulation 7(1) read with Regulation 5(b) of the FPI Regulations, 2014.

- 2.2 Subsequent to the notification of the FPI Regulations, 2019, these four FPIs were re-categorized as Category I without identifying that they were not regulated by the UK-FCA at the time of conversion. Thus, the Applicant has failed to comply with Regulation 5(a) read with Regulation 45(2)(b) of the FPI Regulations, 2019 and paragraph 2(v) of Part A of Operational Guidelines for FPIs & DDPs dated November 05, 2019.
- 2.3 FPI-Care Super Pty Ltd. had merged with FPI-Spirit Super with effect from November 01, 2024. This material change was intimated to the Applicant on November 01, 2024. However, the Applicant advised the surviving FPI to seek fresh registration only on December 06, 2024, and FPI's account was blocked for fresh purchases on December 09, 2024, with a delay of 38 days. During this period, the FPI undertook 64 purchase transactions between November 01, 2024 and December 09, 2024. Thus, by failing to reassess the eligibility of the FPI, including requiring it to seek fresh registration in a timely manner, and by permitting the FPI to continue making additional purchases even after being informed of a Type I material change requiring fresh registration, the Applicant has failed to comply with Regulation 31(1)(a) of the FPI Regulations, 2019 read with Clause 14(ii) of Part A of the Master Circular dated May 30, 2024, as amended by SEBI circular no. SEBI/HO/AFD/AFD-POD-2/P/CIR/2024/76 dated June 5, 2024.
3. The Applicant filed the present application for the purpose of settling the proceedings that may be initiated against it for the aforesaid violations. Pursuant to the receipt of the settlement application of the Applicant, the Internal Committee of SEBI held a meeting with the authorized representatives of the Applicant on October 16, 2025 wherein, the details of the case were deliberated along with the terms of the settlement.
4. The Applicant vide letter dated November 06, 2025, filed revised settlement terms proposing to offer ₹34,42,500/- (Rupees Thirty-Four Lakhs Forty-Two Thousand Five Hundred only) as the settlement amount.
5. The High Powered Advisory Committee (hereinafter referred to as "**HPAC**") in its meeting held on December 19, 2025 considered the settlement terms proposed by the Applicant and recommended that the case may be settled for the aforementioned terms.

6. The recommendations of the HPAC were placed before the Panel of Whole Time Members and the same were approved by the Panel of Whole Time Members on January 21, 2026 in terms of Regulation 15 of the Settlement Regulations. Subsequently, Notice of Demand was issued to the Applicant. The Applicant vide letter dated February 18, 2026 informed about the remittance of the aforesaid amount and SEBI has confirmed credit of the same.
7. On the basis of the facts stated above, in exercise of the powers conferred under Section 15JB read with Section 19 of the Securities and Exchange Board of India Act, 1992 and in terms of Regulation 23 of the Settlement Regulations, it is hereby ordered that any proceedings that may be initiated for the violations as mentioned at paragraph 1 above, are settled in respect of the Applicant on the following terms:
  - i. SEBI shall not initiate any enforcement action against the Applicant for the said violations, and
  - ii. The passing of this Order is without prejudice to the right of SEBI under Regulation 28 and Regulation 31 of the Settlement Regulations to initiate appropriate action against the Applicant, if SEBI finds that:
    - (a) any representation made by the Applicant in the present settlement proceedings is subsequently found to be untrue;
    - (b) the Applicant has breached any of the clauses/conditions of undertakings/ waivers filed during the present settlement proceedings; and
    - (c) the Applicant has failed to pay the difference due to any discrepancy while arriving at the settlement terms.
8. This Settlement Order shall come into force with immediate effect.
9. In terms of Regulation 25 of the Settlement Regulations, a copy of this Order shall be sent to the Applicant and shall also be hosted on the website of SEBI.

**KAMLESH C VARSHNEY**  
**WHOLE TIME MEMBER**

**AMARJEET SINGH**  
**WHOLE TIME MEMBER**