Address by
Shri Tuhin Kanta Pandey, Chairman, SEBI
BSE 150 Event, Mumbai
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Hon’ble Minister of Finance and Corporate Affairs, Smt Nirmala Sitharaman ji
Hon’ble Minister of State for Finance, Shri Pankaj Chaudhary ji,
Distinguished Board Members of BSE, past and present,
Mr. Sundararaman Ramamurthy, MD & CEO,
Distinguished guests.
Ladies and Gentlemen!

It is my proud privilege to be here today on this historic occasion and be witness to BSE celebrating 150 years of service, not only as a stock exchange but as a landmark institution of India. We are also delighted that Hon’ble Finance Minister and Hon’ble Minister of State for Finance, are amidst us on this important occasion. I thank BSE for inviting me to speak at this function.

As the oldest stock exchange in Asia, the origins of BSE can be traced back to the 1850s. We all have heard anecdotes of how share brokers gathered under a banyan tree in front of the town hall in Bombay, now Mumbai, to carry out informal share and stock transactions. We are grateful to visionaries who, in 1875, had the foresight to institutionalise these informal gatherings into the "Native Share and Stock Brokers' Association", which later acquired permanent recognition as the Bombay Stock Exchange.

Indeed, these informal gatherings under a banyan tree laid the foundation and the building blocks of the edifice of the Indian securities market.

The journey of BSE, from humble beginning under a banyan tree, to its status today as a globally reputed institution, has in many ways mirrored the journey of our nation from its pre-Independence era to our status today as one of the fastest growing emerging market economies in the world. BSE, in its 150 years of history, has witnessed two World Wars, the Great Depression, independence of our country, and the progression of our economy over the years, especially the rapid growth of securities market in the last few years. Very few institutions have witnessed so many events in their existence and even fewer institutions have played such a crucial role in nation building.

With all ups and downs, BSE has continued to move forward and remains as one of the key Market Infrastructure Institutions or the MIIs, as we call them, that are operating as public utility institutions in India.

State of Securities Market in India

Sustained capital formation is indispensable to our collective aspiration of Viksit Bharat. We need safe and efficient capital markets—where informed investors and credible issuers come together under an optimally-regulated ecosystem.

While we must never grow complacent, all stakeholders in our capital markets can take pride in the remarkable journey we have traversed.

Over the years, India's capital market infrastructure has set global benchmarks for safety, transparency, and efficiency. From pioneering dematerialized holdings and early adoption of online trading, to implementing cutting-edge trading, settlement, and risk management systems, our markets have stayed ahead of the curve. Notably, India led the way with the T+1 settlement cycle and built robust mechanisms for resilience and redundancy. Even in the most challenging times, such as the onset of COVID-19—when some major global markets faltered—we did not shut down trading for a single day.

Today, our ecosystem routinely handles about 2,000 crore orders and transactions daily—one of the highest volumes in the world. In just five years, the number of unique mutual fund investors has grown from 2 crore to 5.4 crore, and the number of unique demat accounts has climbed from 3.2 crore to 11.4 crore. During FY 2024–25 alone, investors channelled a record INR 6.1 lakh crore into equity-linked mutual fund schemes, while issuers raised a record INR 4.6 lakh crore through IPOs, FPOs, QIPs, Rights Issues, and OFS. Over the past five fiscal years, FPIs have net brought in over USD 58 bn of investments into our equity and debt markets. As of March 31, 2025, FPIs held INR 66.8 lakh crore of equity investments in India, or over USD 780 bn worth of India equity investments.

Role of MIIs

MIIs, acting as first level regulators, have been instrumental in ensuring that SEBI meets its triple mandate of investor protection, development and regulation of securities market.

We have encouraged healthy competition between MIIs as it increases operational efficiency, encourages innovation, leads to better investor experience and provides for natural back-ups. Considering the rapid progress being made in areas such as artificial intelligence and quantum computing, securities markets will also undergo a change. We need to be prepared, both for the opportunity these technologies offer as well for the risks that may arise.

Even as MIIs innovate, they must ensure that investor protection and overall trust in the system remain their topmost priorities. This includes expanding investor education and awareness, enhancing cyber resilience, maintaining robust risk buffers, swiftly detecting and punishing fraudulent behaviour, and upholding the highest standards of disclosure and governance.

Short-term or narrow commercial goals should never overshadow these foundational public-interest objectives. By preserving trust, we will continue to attract both domestic and global investors, driving sustained capital formation.

SEBI's stance- Optimum Regulation & Investor education

In a dynamic securities market, the role of regulator is to not only ensure market integrity and promote trust but also development of market. We must, therefore, move forward with "Optimum Regulation" approach, which is mindful of the cost of compliance while exploring alternatives to achieve our objectives. Rapid changes may also create regulatory uncertainties on top of several global headwinds that industry faces today.

Towards this end, we will be looking to review our existing regulations, weed out those which are outdated and rationalize those which may be necessary. We will intensify our consultations with stakeholders in this regard to prepare a pragmatic roadmap for our objectives of simplified, yet effective regulations. Moreover, under the auspices of FSDC, chaired by Hon'ble Finance Minister, we have a robust institutional mechanism for financial regulators to come together for harmonization of policies and regulations, ease of doing business and reducing the cost of compliance.

In a rapidly growing securities market, it is also imperative to further accelerate SEBI ecosystem's ongoing efforts for investor education and awareness, including on cyber frauds and fraudulent investment advice. We will intensify these efforts in a comprehensive manner.

I once again congratulate BSE on achieving a historical milestone and hope that BSE will continue to serve the people of the country in achieving our goal of 'Viksit Bharat'.

Thank you. Jai Hind!