Address by Shri Tuhin Kanta Pandey, Chairman, SEBI
World Investor Week 2025 at NSE
October 6, 2025

Shri Srinivas Injeti, Chairman, NSE, Shri Ashishkumar Chauhan, MD & CEO, NSE, colleagues at SEBI, members of the media, ladies, and gentlemen.

It gives me immense pleasure to be here today to inaugurate the week-long celebration of World Investor Week, 2025, in India. This is a global campaign by IOSCO to highlight the importance of investor education and protection.

This year, the theme for India is - **"*Fraud and Scams Prevention and Basics of Investing*"**.

The securities markets are the engines of our nation's growth and it is our shared responsibility to ensure this engine runs on strong foundations of integrity and transparency.

We recently released the findings of an Investor Survey, which was commissioned by SEBI in collaboration with our MIIs and AMFI[1]. This massive survey, covering over 90,000 households, gives us a clear, data-driven picture of India's investment landscape. The insights from this survey will be our guide as we work to make our markets more inclusive and secure.

Rise of Retail Investors

The rise of Indian investor has been celebrated over the last few years, and rightly so. Increased access, simplified on-boarding, and wider awareness has led to the number of unique investors in the securities market ecosystem increasing to 134 million[2]. Our survey reveals that an impressive 63% of Indian households (translating to 213 million households) are aware of at least one securities market product.

However, our focus must be on the journey from awareness to action. The survey shows that actual participation stands at 9.5% of households (translating to about 32 million households). While this number is significant, it highlights the vast potential for growth.

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[1] Survey results are available at https://www.sebi.gov.in/reports-and-statistics/research/sep-2025/investor-survey-2025_96982.html
[2] As on Aug 31, 2025

But the most telling statistic is this - *only 36% of investors possess high or moderate knowledge of the securities market***.** This knowledge gap is a vulnerability that exposes our investors to risks and makes them susceptible to fraud.

Rise of Frauds and Scams

This brings me to the core challenge we are tackling this week. While digital infrastructure has brought the markets to our fingertips, it has also armed fraudsters with new tools to deceive investors. Unsolicited messages on messaging applications, dubious "finfluencers", and fake trading apps/ websites promise the one thing that our markets can never offer - **Guaranteed Returns**.

This is a challenging proposition for a nation where nearly 80% of households are fundamentally risk-averse and prioritize capital preservation. Fraudsters exploit this by creating a false sense of security, luring cautious savers into high-risk schemes disguised as safe investments.

The survey confirms that the key barriers preventing investment are lack of knowledge, trust deficit, and fear of losing their capital.

As the legendary investor Benjamin Graham said, *"The investor's chief problem - and even his worst enemy - is likely to be himself"*. Fraudsters prey on this human tendency, eroding not just an individual’s hard-earned savings but also their trust.

When trust is broken, the engine of our economy falters. People are reluctant to invest, savings remain unproductive, and cost of capital rises. For a developing nation like ours, protecting this trust is paramount.

Steps Taken by SEBI

At SEBI, our policies are guided by data. The survey reinforces that our multi-pronged approach of enhancing awareness, leveraging technology, and strengthening our grievance redressal mechanisms is correctly targeted.

1. **Investor Awareness and Education -** The survey tells us exactly how investors want to learn:

    - Social media, mobile apps, and digital ads are the most preferred channels to receive investor education. Our future campaigns like **"SEBIvsSCAM"** will be in multiple formats - digital, multi-media, physical interaction - and in multiple languages.

- The survey also highlights a strong preference for financial education in regional languages. This validates our initiative with the Ministry of Panchayati Raj to take financial literacy to the grassroots in languages that people understand.

- SEBI has decided to establish its local offices in state capitals and other major cities. This will enhance SEBI's connect with investors at a local level, apart from improving its ability to monitor unregulated activities and gather market intelligence.

- The SEBI Arth Yatra Contest 2025 has been launched in collaboration with NISM. It encourages people to create videos and social media posts on themes like responsible investing, investor empowerment, and scam prevention, in regional languages.

- SEBI's Saa₹thi App and investor website now host tools like "Spot a Scam" and educational videos, catering to different learning styles and for all age groups.

2. **Technological Safeguards -** To fight digital-age fraud, we are deploying digital-age solutions:

   - Escalating unlawful/ misleading content to social media platforms (more than 1 lakh such items have been escalated in the last 18 months).

   - Starting this month, we have introduced the Validated UPI Handle mechanism[3]. All payments to SEBI-registered intermediaries must now use a UPI ID with an exclusive "*@valid*" handle and a visual "*thumbs-up*" icon. The absence of this icon is an immediate warning sign.

   - We have also launched the "SEBI Check" tool, which allows investors to verify the authenticity of an intermediary's payment channel.

3. **Grievance Redressal:**

   - While awareness of our redressal mechanisms is limited, ~ 90% of those surveyed were satisfied with the outcomes.

   - This tells us that SCORES 2.0 and the SMART Online Dispute Resolution (ODR) platform are working well. Our focus will now be to ensure that every investor is aware of these tools.

[3] SEBI Press Release 64/2025 dated Oct 01, 2025

Responsible Investing: The Ultimate Shield

While SEBI can provide the tools, the ultimate shield for investors is to be smart through responsible investing. This week's key message is - ***"A smart investor relies on credible, verified sources, and ignores unsolicited offers on social media"***.

What does this mean?

1. **Invest your Time:** Be well informed when making investment decisions, even in today's fast-paced investment environment.

2. **Verify, Don't Trust Blindly:** Check every entity's registration status on the SEBI website.

3. **Question Unrealistic Promises:** Any promise of "guaranteed" returns goes against the very nature of our markets.

4. **Do Your Own Research:** Do not be swayed by rumours. As Warren Buffett said, "*Risk comes from not knowing what you're doing*."

I urge investors to read SEBI's Investor Charter[4] to understand your rights, responsibilities, and to practice a few simple Do's and Don'ts that can help in securing your assets.

The principles of responsible investing are the cornerstone of an investor's journey. Investors must be cautioned against being influenced by unsolicited advice from finfluencers, who may have conflicts of interest. Instead, investors should be directed toward credible and verified sources of information.

A key part of responsible investing is to encourage investors to reflect on their financial goals. Individuals should examine whether they seek to build long-term wealth or want to engage in speculative, short-term trading. SEBI studies have consistently shown that retail investors trading in derivatives end up facing losses, often because they do not fully understand the risk in these products. Derivatives are meant for hedging and risk management, not for quick gains. Retail investors should therefore assess their risk capacity, learn how these contracts work, and avoid speculative trades. Investors need to align their actions with their risk tolerance, contributing to a more mature and resilient investor base.

[4] https://investor.sebi.gov.in/Investor-charter.html

Way Ahead

The investor survey leaves us with a message of great optimism and an even greater responsibility. It shows that 22% of non-investors who are aware of securities products intend to invest within the next year. Urban and rural market participation currently stands at 15% and 6%, respectively. Hence, a large untapped pool of participants is waiting to join our markets.

Our responsibility will be to empower these new investors with fundamental knowledge, as their first line of defense against frauds and scams. We have to foster a culture of investing that benefits the entire ecosystem.

At SEBI, we are unwavering in our commitment to this mission. But it is a shared one, with all stakeholders. At the previous edition of World Investor Week, India had organized over 2600 Investor Awareness Programs. I urge all stakeholders to carry out awareness programs on a similar scale in this week.

I am pleased to see that NSE has planned a series of engaging initiatives to promote investor education and awareness during this week. These include the *Finance Learning Game* and *Scambush*, which will help participants understand finance concepts, identify scams, and adopt safe investment practices. NSE will also be hosting *Nivesh 40* - Investor Awareness Programs across 40 centers - making the campaign a comprehensive effort to blend learning with entertainment and strengthen financial literacy nationwide.

Let us pledge today to promote responsible investing, rooted in facts, not fads.

Let us work together to build a market where every Indian has the opportunity and confidence to participate safely and build a prosperous future.

Thank you. Jai Hind.