Address by
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Good morning, ladies and gentlemen.

I am delighted to be here at the Goldman Sachs CIO Conference, among stakeholders in India's growth story. Your long-standing engagement with India has created a truly symbiotic relationship. Over the years, you and other portfolio investors have consistently found attractive returns here.

Amidst global uncertainty, India stands out for its resilience and growth. Our macroeconomic fundamentals remain strong, with our digital infrastructure setting global benchmarks. The recent S&P upgrade is further external validation of this strength.

Today, I will share some of SEBI's perspective on our capital markets and the way ahead.

Indian Capital Markets

Our capital markets are now a key pillar of economic growth, not merely an economic barometer.

The total market capitalisation of listed Indian companies is now around USD 5.3 trillion, while outstanding corporate bonds are at the level of USD 616 billion.

Primary market activity reflects growing investor confidence. In FY25, companies raised USD 168 billion through equity and debt issuances (USD 51 billion through equity and USD 117 billion through debt). In the first 7 months of FY26, equity and debt issuances have already crossed USD 90 billion. The IPO pipeline remains healthy - companies have already raised USD 8 billion through 186 IPOs. We are globally ranked first in terms of number of IPOs and third in terms of value of IPOs[1].

We will continue our focus on making the capital raising process even more efficient.

From a market perspective, one of the biggest positives in recent years has been the rise of the Indian investor. There has been a fundamental change in how Indians are utilizing their savings.

Unique investors in the market have surged from 38 million in FY19 to 135 million today, alongside 210 million demat accounts.

This democratisation of wealth creation is most visible in mutual funds. AUM has grown from USD 344 billion in 2019 to over USD 850 billion today. Monthly SIPs now exceed about USD 3.3 billion dollars[2].

[1] Source: Bloomberg (as at end of Nov 17, 2025)
[2] AMFI: Total amount collected through SIP during October 2025 was ₹ 29,529 crore

This growing pool of domestic capital provides depth and stability. It acts as a powerful domestic counter-balance to volatile global flows.

This growth also heightens the need for stronger investor protection. As new households enter the market, investor education becomes critical. We have intensified our efforts against digital frauds and have launched dedicated campaigns like "SEBIvsSCAM". For us, an informed investor is a protected investor.

The alternative investments ecosystem, which channels risk capital into early-stage ventures and new-age businesses, has risen from USD 3 billion in FY16 to more than USD 67 billion today. We aim to deepen this ecosystem by promoting investor accreditation.

Institutional Investment

Even as domestic participation rises, foreign investors remain central to our markets. Foreign investors and India have shared a symbiotic relationship - since India opened to FPIs in 1992, portfolio flows have seen an XIRR of 9.3%[3]. The total FPI AUC[4] stands at USD 876 billion, as at end of September 2025, while today FPIs hold around 17% stake in listed companies.

We have acted on continuous FPI feedback:

1. The FPI registration module has been revamped to make it faster and more user-friendly.
2. A "light-touch" regulatory framework has been implemented for FPIs investing only in Government Securities.
3. The SWAGAT framework will act as a diplomatic passport, giving trusted, low-risk investors easier access to Indian markets.
4. The anchor investor framework in IPOs has been modified to ease participation for large FPIs operating multiple funds. This anchor portion will now also include long-term investors like Life Insurance and Pension Funds.
5. The 'India Market Access' portal provides all regulatory and procedural information for all FPIs in one place.
6. Block window framework has been comprehensively reviewed to deepen the markets.

Our next reforms aim to create a best-in-class experience for global investors:

1. We are working on end-to-end digitisation of the registration process, leveraging digital signatures to make it entirely paperless. The aim is to bring down the registration timeline from months to days. *Data privacy concerns, if any, will be suitably addressed.*
2. To enhance service quality, we are enabling a second platform for FPI registrations, which is being developed by CDSL.
3. Going ahead, SWAGAT-FIs may be permitted to invest in India through the other routes prescribed under FEMA, without undergoing additional processes/compliances.
4. Currently, FPIs are required to give and take delivery for every trade. We are examining whether netting of settlements for trades executed on a single day can be permitted. This would ease operational convenience and reduce costs for FPIs.

We are engaged with the RBI and the Ministry of Finance to take forward these initiatives.

[3] Pre-dividend
[4] Assets Under Custody – equity and debt

Way Ahead

Looking ahead, our focus is on market development.

We aim to deepen the cash equities market to spur further capital formation. A working group is being set up to comprehensively review the short selling and Securities Lending and Borrowing frameworks, to facilitate inter-linkage between the cash and derivatives markets. We are also committed to introducing a closing auction session, in consultation with all stakeholders.

We will continue our focus on building depth in our corporate bond market. A comprehensive awareness program on bonds is needed to bring retail investors to this market. Developing the commodities markets, both agri and non-agri, is high on our agenda. We are examining how institutional participation can be further facilitated into this market, subject to prudent risk management.

SEBI remains clear and consistent in its approach. While we are guardians of trust in our markets, we are also a facilitator of efficient capital formation. We are committed to a risk-based regulatory approach that is consultative, transparent, and facilitative.

We look forward to a constructive dialogue with you.

Thank you!