Address by Shri Tuhin Kanta Pandey, Chairman, SEBI
Regional Seminar on Investor Awareness organized by BSE at Coimbatore
Financial Empowerment Through Awareness – Building Confidence in India's Investing Journey
November 27, 2025

பெண்களே, நண்பர்களே, காலை வணக்கம்!

(Good morning ladies and friends!)

A message forwarded in a family group, a friend's enthusiastic social media recommendation, or a video promising effortless gains — this is how many investment decisions begin today.

These moments may appear harmless, yet they influence financial choices that can reshape household savings, expectations, and financial stability.

We find ourselves in an era where financial judgement is being formed not only through formal knowledge, but also through online impressions, peer suggestions and digital persuasion. That is why conversations about financial awareness have become urgent, relevant and central to the wellbeing of individuals and families.

தமிழ்நாடு போன்ற ஒரு மாநிலத்தில், அதன் பொருளாதார வலிமையின் பின்னணியில் பார்க்கும்போது, financial awareness - இன் முக்கியத்துவம் இன்னும் அர்த்தம் உள்ளதாக இருக்கிறது.

National GDP - இல் தமிழ்நாடு இரண்டாவது பெரிய மாநிலம் ஆகும்.

இந்த மாநிலம் Strong Manufacturing Base - ஆகும்.

நாட்டிலேயே அதிக factories இங்கு இருக்கிறது.

(In a state like Tamil Nadu, the significance of financial awareness becomes even more meaningful when viewed against the backdrop of its economic strength. In terms of national GDP, Tamil Nadu is the second largest state. The state is a strong manufacturing base. The State has the highest number of factories in the country.)

In the securities market too, Tamil Nadu demonstrates growing engagement. In terms of individual investor participation in the cash segment, the state stands at the 5th position and accounts for around 6% of turnover by individual investors in the cash market. The connection between the state and the securities market also runs deeper in history, with Coimbatore having hosted its own Stock Exchange in the 1990s, reflecting an early culture of market participation and financial awareness.

Over time Investor participation from the state has risen significantly - with the number of unique investors increasing more than five-fold — from around 13 lakh in FY15 to over 68 lakh today. In October 2025 itself, Tamil Nadu added over 1 lakh new investors to the securities market. This sharp rise in participation reinforces why strengthening financial awareness is essential.

However, financial awareness today is not merely about knowing how to save, invest or budget.

It is about understanding how financial decisions are influenced,

How risks hide behind convenience,

How persuasion can mask misinformation, and

How digital environments can blur the line between authenticity and deception.

In such a rapidly shifting landscape, being financially aware means being alert, informed and capable of questioning before acting. It means recognising that financial choices carry consequences not only for income and investment, but for confidence, resilience and peace of mind.

Participation in a Growing Investment Landscape

India is experiencing a significant rise in participation in its securities market. As of October 2025, there are nearly 13.6 crore unique investors in securities market ecosystem as compared to less than 4 crore in FY19. The number of unique mutual fund investors has grown from about 1 crore a decade ago to over 5.6 crore today. Individual investors now hold around 60% of total mutual fund assets and 18% of these assets come from beyond the top 30 cities signaling that the benefits of market participation are reaching India's smaller towns and new savers. Monthly SIP flows —which were about ₹3,000 crore in April 2016 —have now crossed ₹29,000 crore

These developments show that more individuals are willing to place their trust in formal financial systems and long-term investment avenues.

Yet participation must be evaluated alongside preparedness. The Investor Survey 2025 offers an important reality check. While 63% of households are aware of securities market products, only 9.5% invest in them. Urban participation stands at 15%, while rural participation is at 6%, reminding us that financial inclusion must also be geographic and social.

These figures tell us that while participation is rising, it is not rising uniformly across different cities and towns.

Navigating the Digital Age of Financial Risk

Today, misinformation spreads faster than facts. Fraudulent trading apps appear convincing, digital profiles mimic legitimacy, and guaranteed return schemes promise what no regulated market can offer. Unregistered advisory groups lure individuals into unsafe trading channels, and dabba trading continues to reappear in new digital disguises. These are not isolated incidents — they are coordinated attempts to exploit trust, curiosity and aspiration.

It is thus important to ensure that people do not fall prey to deception disguised as opportunity. Awareness must, therefore, evolve into digital caution, informed scepticism and the habit of verifying before acting.

This is why strengthening investor protection has been our priority. Towards this end, SEBI has introduced the validated UPI handle framework so that payments are made only to authentic UPI IDs of SEBI-registered intermediaries. The SEBI Check feature now allows investors to instantly verify the genuineness of bank accounts of registered intermediaries through the SEBI Investor website and the Saarthi mobile application.

Recognising that fraudulent activity can occur without warning, investors are now able to voluntarily freeze or block their trading accounts in the same way one would block a compromised debit card, ensuring immediate safety.

To help individuals identify fraudulent schemes, SEBI has launched the Spot a Scam tool, guiding users on how to verify authenticity online.

A wide-ranging public education effort known as SEBI vs SCAM has also been implemented across digital platforms, community interactions and multilingual media formats. This initiative exposes the tactics used in fake trading apps, deepfake impersonations, institutional privilege claims, guaranteed return schemes, unregistered advisory platforms and dabba trading models.

Over the past 18 months, more than 1 lakh instances of unlawful or misleading online content have been escalated to platform providers including Meta, Google, Telegram and X for appropriate action. Today, regulated entities are no longer permitted to associate with unregulated advisors on social media, helping prevent the spread of false claims and harmful influence.

Strengthening Systems that Protect Investors

Investor protection must also be embedded in the structure of the financial system. Direct pay-out mechanisms now ensure that securities and funds are credited directly to investors' demat or bank accounts, minimising the risk of misuse.

Trading supported by blocked amounts, like the ASBA process in primary markets, has been introduced for the secondary market, preventing any possible diversion of funds.

Power of Attorney arrangements have been replaced with the more secure Demat Debit Pledge Instruction framework to protect client securities.

To address the growing concern of unclaimed financial assets, SEBI has enabled integration with Digilocker, allowing investors to store and access details of their demat and mutual fund holdings in a secure manner.

Nomination procedures have been simplified, and nationwide awareness efforts encourage investors to update their nominee details so that rightful beneficiaries are protected.

A centralised reporting mechanism now enables nominees to report the demise of an investor once with a KRA, triggering updates across intermediaries without repeated processes.

A national campaign titled "Aapki Poongji, Aapka Adhikar" is underway, and Niveshak Shivirs are being conducted in partnership with the Ministry of Corporate Affairs to help citizens reclaim dormant investments.

The MITRA platform has been launched to help investors track inactive mutual fund folios, ensure compliance and reduce fraud exposure.

Building Awareness Through Community and Connection

Investor education remains central to a safe and inclusive market. Investor awareness programmes and regional investor seminars have helped strengthen awareness in smaller cities.

Television outreach has played an essential role, with investor education delivered through interactive programmes in regional languages via Doordarshan channels.

Social media is being used to provide multilingual, inclusive investor messaging.

We have recently concluded SEBI Arth Yatra Contest 2025 - a creative expression contest where investors shared their thoughts on themes like “Investor friendly initiatives by SEBI”, “Bust the scam” and “Invest responsibly, prosper wisely” on social media in multiple languages. We saw enthusiastic participation from 26 states and UTs.

Closing — A Future Strengthened by Awareness and Confidence

When people understand the risks they face, they make decisions rooted in caution rather than assumption. When they recognise credible information, they resist persuasion disguised as opportunity.

As we look ahead, let us aim to build a financial culture where individuals pause before acting, verify before trusting and learn before investing. Let us strengthen communities where financial conversations are informed, where decisions are thoughtful, and where awareness becomes shared wisdom.

I wish your financial journey be shaped by clarity, protected by knowledge and guided by confidence and wellbeing.

Thank you.