Address by Shri Tuhin Kanta Pandey, Chairman, SEBI
India's Growth Story - The Regulator View
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Distinguished guests, colleagues from the market ecosystem, members of the media, ladies and gentlemen. Good evening.

It is a pleasure to join you at NDTV Profit IGNITE. Diwali is a time to look ahead with hope. It is also a time to reflect on what creates lasting prosperity.

This evening, you will hear many views on markets and investing. I want to ask a different question. *How can domestic savings and global capital finance India's growth? And how can regulation make this process safe and efficient?*

Financing India's Growth Ambitions

India needs capital for factories, infrastructure, energy and new ideas. No single source can meet every need. Banks remain vital. Equity brings in shareholders. Corporate bonds offer another source of borrowing. Alternative Investment Funds support enterprises that need patient risk capital. REITs and InvITs help release capital tied up in income-generating real estate and infrastructure.

Our capital markets have grown to serve these needs. Equity market capitalization is around ₹470 lakh crore. Outstanding corporate bonds are roughly ₹61 lakh crore. Mutual fund assets are about ₹83 lakh crore. We now have more than 15 crore unique securities-market investors. Cumulative AIF investments are around ₹7 lakh crore, while REITs and InvITs together manage more than ₹10 lakh crore of assets.

Scale is one measure. The real test is how well our markets finance the economy. Over the past decade, companies have raised about ₹10 lakh crore a year through equity and debt, capital for expansion and new investment.

Capital markets connect savers with businesses that need capital to grow. Increasingly, those savers are Indian households.

From Savers to Investors

More families now invest through mutual funds and other market products. SIPs have made regular investing easier. A mobile phone is now a gateway to the market. And steady domestic flows, especially through SIPs, have made our markets more resilient to global shocks.

But easy access does not guarantee understanding. SEBI's Investor Survey found that while 63% of households knew of at least one securities-market product, only about 9.5% participated. Even among investors, just 36% had moderate or high market knowledge.

Investing must be a choice made with open eyes: knowing what you buy, what it costs and what you risk.

This is where the quality of regulation matters.

What Good Regulation Must Deliver

For me, good regulation must deliver three outcomes: *efficient access to capital, effective investor protection and markets that are fair and resilient.*

Let me start with access to capital. We have made fundraising quicker. Companies can list within three working days of an IPO closing. Electronic book platforms have improved bond issuance, while regulated online platforms have widened access. AIF schemes can also launch sooner - under the Garuda framework, more than 140 schemes have been processed in just three months.

We have comprehensively revamped regulations for stock brokers, mutual funds and portfolio managers. These reforms do more than simplify compliance. They keep our rules in step with changing market needs. For instance, the revised portfolio management framework now enables India to serve as a base for global fund-management activity.

We have made it easier for foreign investors to invest in India. SWAGAT-FI offers trusted, low-risk FPIs single-window access and simpler compliance. Around 585 FPIs have used it, accounting for about 15% of FPI assets under custody[1].

Beyond SWAGAT, we have digitized onboarding, enabled application tracking and accepted digitally signed Powers of Attorney. We have also permitted netting of funds to reduce funding costs. Through digital workflows and system integration, we aim to cut FPI onboarding from months to as little as five business days.

Access must go hand in hand with protection. Faster settlement reduces the wait after a trade, while clearing-corporation interoperability adds flexibility. Direct payout of securities, safeguards for client funds and the pledge-repledge system protect investor assets. Most investors never see these safeguards, but rely on them every day.

[1] As on October 15, 2026

Trust is built through everyday experiences. SEBI Check, validated UPI handles and verified trading-app labels help investors identify genuine channels. SCORES 2.0 and online dispute resolution provide ways to resolve complaints and disputes.

Yet a secure payment channel cannot tell you if an investment suits your needs. That requires knowledge. Through Project Jagrook, we are taking investor awareness to the investor, across TV, radio, print, WhatsApp and social media, in English, Hindi and 11 regional languages. Since its launch on October 5, the campaign has drawn over 25 crore impressions and more than 18 crore views on social media.

Awareness must be matched by action against those who mislead investors. We have escalated over 2.2 lakh instances of misleading online content to social media platforms for take down. Our in-house AI tool, Sudarshan, has accounted for over 40% of these escalations.

We are also taking firm enforcement action. In some of our recent orders involving unauthorized investment schemes and advisory activities, we have directed entities to refund money collected from investors.

The third outcome is resilience. Cyberattacks and system outages can affect thousands of investors and damage confidence.

That is why governance of exchanges, clearing corporations and depositories matters. So do business continuity, disaster recovery and cybersecurity. Technology helps us spot unusual activity earlier. Human judgement guides the response.

Artificial intelligence is changing financial services. But an algorithm cannot take responsibility. The institutions using it must remain accountable for outcomes and investor data.

Markets will always see volatility. Investors should still be able to rely on fair rules and dependable systems.

Way Ahead

As our markets grow, regulation must keep pace with new opportunities and emerging risks. Looking ahead, I see four priorities.

First, make regulation simpler and access easier.

We are reviewing listing and disclosure obligations and will also be revisiting the framework governing mainboard IPOs and Follow-on Public Offers.

We are examining net settlement for mutual fund transactions and aligning the listing timelines of REITs and InvITs with those for equity.

For foreign investors, we will keep simplifying the entire investment journey. We are engaging with RBI to harmonize SWIFT-based certification of KYC documents for FPI bank accounts. We are also examining longer KYC review cycles for eligible FPIs. This will reduce repetitive compliance, while preserving material-change reporting and safeguards.

We are also reviewing the framework for ESG Rating Providers. We aim to shift from prescriptive rules to a principles-based framework, allowing greater flexibility while ensuring transparency and accountability.

Second, deepen markets and widen financing choices.

A growing economy needs financing options for businesses of different sizes and at different stages of development. We are reviewing the SME IPO framework and the Innovators Growth Platform to improve access to public capital for growing businesses.

In corporate bonds, we are speaking directly with issuers about the hurdles they face. We are also consulting on Fixed Income Channel Partners to widen distribution of bonds through regulated online bond platforms beyond major cities.

Third, strengthen governance and investor protection.

Public capital brings public responsibility. Companies must be accountable for how they use investors' money. We have proposed stronger monitoring of issue proceeds to ensure greater transparency and accountability.

We are also reviewing the framework for Debenture Trustees, with a focus on stronger oversight and safeguarding investor interests.

Protection also depends on what investors are told. From November 1, Direct Plans will be the default option on digital platforms of AMCs. Investors choosing Regular Plans must be informed about their higher expense ratio.

Fourth, harness technology for smarter regulation and responsible innovation.

Our R(AI)DAR tool already checks advertisements of mutual funds and distributors for compliance. We are extending it to check advertisements issued by other intermediaries.

We are developing an in-house system to carry out AI-driven analysis of compliance reports submitted by portfolio managers and AMCs.

We are also piloting an AI-based tool to monitor disclosures by debenture trustees, stock exchanges, depositories and credit rating agencies. It will help flag early signs of corporate debt defaults.

Our objective is to make AI accessible, affordable and secure, particularly for smaller regulated entities. To this end, we are exploring a domestically governed AI model for the securities market. We are examining its technical feasibility, governance and data requirements.

Closing

India’s growth story is often told through big numbers. But what matters equally is how effectively we channel savings into productive investment, and how confidently investors participate in our markets.

Our responsibility is to make markets more accessible, efficient and resilient, while protecting investors and preserving market integrity.

That is how capital markets can contribute to India’s growth and lasting prosperity.

I thank NDTV Profit for this opportunity. I wish all of you a happy and prosperous Diwali.

Thank you. Jai Hind!