

Address by
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Distinguished leaders of the banking, insurance, and financial services sectors, esteemed colleagues, and friends - a very good morning.

It is a pleasure to join you at the Mint BFSI Summit on the theme "Finance's Next Frontier". We often view banking, markets, and insurance as distinct domains - credit, equity, and risk. But those walls no longer exist - India's financial system now functions as one integrated ecosystem.

Consider a typical Indian corporation today. Mutual funds and retail investors hold its equity, insurers and pension funds subscribe to its bonds, and banks finance its working capital. These linkages have fused these segments into a single economic ecosystem, enhancing efficiency and widening capital access.

These linkages also heighten systemic interdependence, where an event in one segment can rapidly transmit to another. Steering India Inc. today requires a holistic, system-wide perspective.

Long-Term Capital for India Inc.

To build a Viksit Bharat by 2047, we need to fundamentally rethink how we finance our growth. For decades, India Inc. has leaned on bank credit, but future growth requires diversifying risk beyond a single balance sheet.

Our markets are now ready to shoulder this burden. India is transitioning decisively from a bank-led to a market-led financing model. Our equity and debt markets raised over ₹9 trillion in the first 8 months of this financial year. Corporate bond outstanding has reached nearly ₹55 trillion, now standing at close to 60% of bank credit to industry and services.

On its part, SEBI has progressively strengthened India's capital-raising ecosystem. We have simplified listing frameworks, reduced listing timelines, and recommended easing of Minimum Public Offer thresholds for large issuers. To encourage new-age companies to list, we have allowed founders to retain ESOPs post-listing while maintaining transparency.

We have introduced measures to make the corporate bond market more accessible to retail. Framework for REITs and InvITs has been tweaked to boost retail participation, liquidity, and governance. For AIFs, which channel risk capital into our markets, we have provided operational flexibilities to their Accredited Investor-only schemes and reduced the minimum investment threshold for Large Value Funds.

Going ahead, India's priorities in science and technology will bring innovation in strategic sectors like AI, semiconductors, clean energy, biotech, advanced materials, defence-tech, and space-tech. The Government has also recently announced the launch a fund of ₹1 trillion to support high-risk, high-reward R&D in these sectors¹.

¹ <https://rdifund.anrf.gov.in/>

While such enterprises may receive government and venture capital funding, what role can our markets play to provide long-term capital for such enterprises? Can SEBI's Innovators Growth Platform be modified to enable such companies to better access our markets?

Smart Regulation

SEBI's goal has been very clear - "optimum regulation". Regulation is not the destination - it is the instrument. Over-regulation may kill the very innovation that drives our economy, while under-regulation may breed systemic risk.

We have undertaken a comprehensive review of SEBI Stock Broker and Mutual fund regulations to make them more objective, contemporary, easier to comply with, while strengthening investor protection. Going ahead, we will be reviewing the LODR regulations on similar lines.

We recently standardized the framework for penalties levied by stock exchanges on stock brokers. A major ease was to do away with the imposition of penalties by multiple exchanges for common violations. Now, penalties will be levied by a single exchange across exchanges. Extending this approach, we will now seek to establish similar common framework for companies listed on multiple stock exchanges.

We are streamlining the provisions governing the administration of our MIIs. The exercise for Stock Exchanges is underway and we will take up Clearing Corporations and Depositories in a phased manner.

While we stress on optimum regulation, we will not compromise on investor protection and market integrity. Our objective is not forced compliance, but voluntary adherence because well designed rules align with good business practice.

Investor Centric Markets

We now have over 13.5 crore unique investors in our markets. This is a massive demographic dividend, but it comes with a responsibility. Our investor survey has highlighted the challenges and opportunities that lie before us. While 63% households are aware of securities products, only 9.5% actually invest, with 80% households being risk-averse. Moreover, only 36% investors possess adequate knowledge about the securities market, making them vulnerable to performance claims.

We are tackling this head-on. Our investor focused campaigns, like "**SEBIvsSCAM**", will be in multiple formats - digital, multi-media, physical interaction - and in multiple languages. The 'Valid UPI Handles' and the 'SEBI Check' utility of SEBI have created a secure digital pathway for investors, ensuring that payments go only to registered intermediaries. Direct pay-out of securities into client accounts and upstreaming of client funds has enhanced protection of investor assets.

SEBI is actively monitoring Social Media Platforms for misleading content related to the securities market. Over the last one and half year, we have escalated more than 1 lakh such instances to the concerned platform for taking down. We will intensify our efforts to take down

such content, especially now that SEBI has been notified as an authorised agency under the Information Technology Act².

The Past Risk and Return Verification Agency (PaRRVA) has been recently launched. This will give investors access to verified performance data of intermediaries, enabling informed investment decisions.

We are looking at further simplifying the on-boarding of retail clients. Apart from doing away with redundant documentation, investors will not be required to provide supplementary information³ repeatedly to each intermediary during account opening. Re-KYC norms will also be streamlined to ensure that only updated records reside in our KRAs. Public consultation on these measures will be carried out shortly.

Just this week, we have made it easier for NRI clients to invest in India by doing away with the requirement of their physical presence in India during re-KYC. Now, we will look at further easing the on-boarding requirements of NRIs, in consultation with all stakeholders.

For our global investors, we have introduced the SWAGAT-FI framework to facilitate easier investment access and unified registration. We have also eased regulatory compliances for FPIs investing only in Government Securities. Our aim is complete digitization of the FPI registration process, to reduce the registration timeline from months to just a few days.

Technology - The New Regulatory Frontier

The markets of today and of future will run on code as much as on contracts. While this brings efficiency, it also introduces risks. A single cyber incident at a key market institution can destabilize the entire ecosystem. We are no longer regulating entities - we are regulating resilience. As leaders, you must treat technology and resilience as a boardroom priority.

We have strengthened the governance framework of our MIIs, ensuring that public interest always comes first. A comprehensive Cybersecurity and Cyber Resilience Framework has been mandated for all regulated entities.

SEBI has rapidly scaled its SupTech capabilities, deploying AI-driven analytics and upgraded data systems to enhance speed and quality of oversight. Our revamped surveillance architecture now generates predictive, rule-based alerts on manipulative trading patterns. SEBI's upgraded data warehouse and offsite tools allow continuous supervision of the MIIs and intermediaries.

SEBI will constitute a Working Group of experts to prepare a five year and a ten year technology roadmap for the MIIs. The goal is to prepare a comprehensive vision for the MIIs considering their systemic importance and rapid changes in emerging technologies. We will aim to strengthen organizational competencies, enhance technological capabilities, and prioritize workforce development.

² Gazette notification S.O. 5684(E) dated December 8, 2025

³ Income range, networth, FATCA status, expiry date of documents, etc.

Conclusion

The path forward is clear - it is one of partnership and shared purpose. We are not merely building markets - we are building a financial architecture in line with our vision for Viksit Bharat. This journey demands that we recognize our collective role in the larger narrative of India's growth. Whether you are a banker financing a highway, an insurer anchoring a bond issuance, or a fund manager deploying retail savings, your decisions today shape the resilience of our economy tomorrow.

The road ahead will undoubtedly bring new challenges - technological shifts, global uncertainties, and evolving investor expectations. But it also offers unprecedented opportunities to innovate, to deepen our reach, and to empower millions of Indians to participate in their nation's prosperity.

SEBI remains committed to being a responsive, consultative, and forward-looking regulator, walking this path with you. I invite each of you to join us in building a capital market ecosystem that is efficient, trusted, inclusive, and future ready.

Thank you. Jai Hind!