

# Securities & Exchange Board Of India (SEBI)- At a Glance



## Introduction

SEBI is a Statutory Body , Under Act 1992 establishment of a Board to protect the interests of investors in Securities & to promote and regulate the Security market.

- **Established** -12 April 1992 under SEBI Act , 1992
- **Jurisdiction** – Government of India
- **Agency Executive** – Upendra Kumar Sinha
- **SEBI Chairman-** Upendra Kumar Sinha was appointed in 2011 replacing C.B.Bhave

- **Objective-** To manage the fraudulent cases and stop fraudulent activities in stock market
- **Headquarter** – Mumbai
- **Regional offices-** Delhi , Kolkata , Chennai , Ahmedabad

## Two major functions of SEBI Act, 1992

**a.** Regulatory Function

**b.** Development Function

## SEBI promotes

**a.** The development of Securities Market

**b.** Protect the interests of investors in Securities

**c.** It is to regulate the Security market

## Board members of SEBI

- The Chairman (Nominated by Government of India)
- Two Board members (Officers Appointed from Finance Ministry)
- One member is appointed from RBI (Reserve Bank of India)
- The other five member is appointed by the Government of India out of which minimum three of them is shall be Whole Time Member

Designation	Name
Chairman	U.K.Sinha
Whole time Member	Nishant Rathi
Joint Secretary , Ministry of finance	Prakash Chandra

<b>Member Appointed</b>	<b>V.K.Jairath</b>
<b>Deputy Governor , RBI</b>	<b>N.S. Vishwanathan</b>
<b>Secretary , Ministry of Corporate affair</b>	<b>Naved Masood</b>

## History of SEBI

- Initially SEBI was an Un-statutory Body without having Statutory Power
- In 1995 SEBI was given an special Statutory Power by the Government of India under SEBI Act 1992
- In 1998 SEBI was constituted as the regulator of Capital Market in India under a Resolution Passed by The Government of India

## Roles of SEBI

- In 1993 SEBI notified a regulations for the Mutual Fund
- SEBI has also issued a Guideline for the Mutual funds from time to time for protecting there interests of investors
- All the Mutual Fund which is promoted by Public sector of Private sector is purely monitored by SEBI
- SEBI regulate the business in Stock market & any other securities market
- It is to promoting investors education and training of intermediaries in Security Market
- SEBI disallow insiders trading in Securities Market

## SEBI also regulate –

- Primary Market
- Secondary Market
- Mutual Funds
- Foreign Institutional Investment (FII)

## Three functions rolled into one body

- Quasi-Legislative
- Quasi-Judicial
- Quasi-executive

## Role of SEBI in IPO (Initial Public offering)

- The rules and regulations related to Public Issues in India /IPO are purely governed by SEBI
- Any New Organisation / Company going public in india i.e. Selling of IPO , Should get approval from SEBI
- SEBI validate the IPO(Initial Publif offering) and make sure that document has complete information to help investors to take ready decision before applying shares in an IPO.

## Major Department's of SEBI

- **MIRSD** – Market Intermediaries Regulation and supervision Department
- **DNPD** - Derivatives and New Product Department
- **IVD** - Investigation Department
- **LAD** - Legal Affairs Department
- **IMD** - Investment Management Department
- **ISD** - Integrated Surveillance Department
- **MRD** - Market Regulation Department
- **CFD** - Corporation Finance Department