

Member's Profile

Name of Regulator: Securities and Exchange Board of India (SEBI)

Country/Region: India

The Executive/President: Mr. J. N. Gupta, Executive Director

Number of Officers and Employees: 601 (as on June 24, 2010)

Brief History: SEBI was formed by an act of the parliament of India in the year 1992 (The Securities and Exchange Board of India Act, 1992) and is headquartered in Mumbai with regional offices in New Delhi, Kolkata, Chennai and Ahmedabad.

Statutory Objectives / Mandate: The duty of SEBI is to protect the interests of investors in securities and to promote the development of, and to regulate the securities market

Functions:

The following are some of the key functions performed by SEBI:

- a) To register and regulate intermediaries in the securities market, namely stock exchanges, depositories, stock brokers, custodians of securities, merchant bankers, underwriters, portfolio managers, investment advisers etc.;
- b) To promote and regulate and regulating self-regulatory organisations;
- c) To prohibit fraudulent and unfair trade practices relating to securities markets;
- d) To promote investors' education and training of intermediaries of securities markets;
- e) To prohibit insider trading in securities;
- f) To regulate acquisition of shares and take-over of companies;
- g) To call for information from, undertaking inspection, conducting inquiries and audits of the stock exchanges, mutual funds, other persons associated with the securities market, intermediaries and self- regulatory organizations in the securities market;
- h) To regulate or prohibit issue of prospectus, offer document or advertisement soliciting money for issue of securities.

Powers:

The salient features of the power vested by the Act of the Parliament of India with SEBI are mentioned hereunder:

- a) SEBI has have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 (5 of 1908), while trying a suit, in respect of the following matters, namely, the discovery and production of books of account and other documents, at such place and such time as may be specified by SEBI; summoning and enforcing the attendance of persons and examining them on oath; inspection of any books, registers and other documents of any person dealing in securities market; etc.
- b) SEBI has power to issue directions in the interest of investors, or orderly development of securities market; or to prevent the affairs of any intermediary or other persons being conducted in a manner detrimental to the interest of investors or securities market; or to secure the proper management of any such intermediary or person; or to any person or class of persons associated with the securities market; or to any company in the interest of investors in securities and securities market.

- c) Investigate the affairs of intermediaries or persons associated with the securities market if it has reasonable ground to believe that the transactions in securities are being dealt with in a manner detrimental to the investors or the securities market; or if any intermediary or any person associated with the securities market has violated any of the provisions of this Act or the rules or the regulations made or directions issued by the Board there under;
- d) SEBI, in interest of investors or securities market may suspend the trading of any security in a recognized stock exchange; or restrain persons from accessing the securities market and prohibit any person associated with securities market to buy, sell or deal in securities; or suspend any office-bearer of any stock exchange or self- regulatory organization from holding such position; or impound and retain the proceeds or securities in respect of any transaction which is under investigation; or attach, after passing of an order on an application made for approval by the Judicial Magistrate of the first class having jurisdiction, for a period not exceeding one month, one or more bank account or accounts of any intermediary or any person associated with the securities market

We regulate:

- a) Business in stock exchanges and any other securities markets
- b) Working of brokers, sub-brokers, share transfer agents, bankers to an issue, trustees of trust deeds, registrars to an issue, merchant bankers, underwriters, portfolio managers, investment advisers and such other intermediaries who may be associated with securities markets in any manner;
- c) Working of the depositories,[14] [participants,] custodians of securities, foreign institutional investors, credit rating agencies and such other intermediaries;
- d) working of [15][venture capital funds and collective investment schemes],including mutual funds;
- e) Self-regulatory organisations;

Contact Information:

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