

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 245
TO BE ANSWERED ON 22 JULY 2025**

PROTECTING RETAIL INVESTORS

245: SHRI RAJEEV SHUKLA:

Will the Minister of *Finance* be pleased to state:

- (a) whether Government is taking/plans to take measures to protect retail investors from losing money due to increasing volatility in the stock market;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor;
- (d) the progress made in this respect and the benefits realised;
- (e) the challenges faced thereof; and
- (f) the proposed measures to be taken in this respect?

**ANSWER
MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)**

Ans (a) to (c): Stock market movements are a function of investor perceptions along with other factors which may include, inter-alia, global economic and geo-political uncertainties affecting foreign capital flows, domestic macro-economic parameters and corporate performance.

Securities and Exchange Board of India (SEBI), has put in place regulatory and surveillance frameworks for effecting market stability and for the protection of interest of investors from volatility in the stock market.

1. It conducts regular surveillance of trends in the securities markets to enhance market integrity and safeguard interest of investors. Surveillance systems are put in place to check the abnormal rises in the prices of securities which are not aligned with fundamentals of companies.
2. The alerts generated by SEBI's surveillance mechanism along with complaints alleging non-compliance with above Regulations are treated as inputs for market intelligence by SEBI.
3. Trading members have also been mandated to disseminate scrip specific cautionary messages so as to increase awareness and caution the investors.

4. SEBI, in co-ordination with stock exchanges and depositories, also carries out regular investor education and awareness programs across different parts of the country. These free of cost programs, inter-alia, cover various topics such as basic investing principles, product features, risks involved, investor rights and responsibilities, common features of investment scams etc.
5. Various measures have been taken up to increase investor protection and market stability with respect to the risks and volatility associated with the Futures & Options (F&O) segment.

Ans(d) to (f): Enforcement action has been taken against 886 entities during the period April 01, 2024 to June 30, 2025, for violation of provisions of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003.

Continuous monitoring of key parameters is done to assess the effectiveness of measures implemented in the market. Surveillance systems, data analytics tools and digital forensics tools are constantly upgraded to detect manipulations.
