

ROLE OF SEBI IN REGULATING THE FUNCTIONING OF INDIAN CAPITAL MARKET

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ABSTRACT

India is one of the few countries among the developing nations. Capital market is the growing component of financial system of India. A healthy growth of capital market is essential to promote and expanding savings and investments on the country. Despite the rapid growth of capital market in 1980's a number of abuses existed such as insider trading, misleading prospects of company, manipulation of price etc., for prevent the investors from this malpractices the government of India taken various measures. One of the important measures is Securities Exchange Board of India. On 31st March 1992, the SEBI was established as an autonomous and statutory body. The SEBI is the regulatory authority to oversee the new issues, protect the interest of investors, and promote the development of capital market and to regulate the workings of Stock Exchange.

KEY WORDS: Role of SEBI and Capital Market