FINANCIAL REGULATORY BODIES OF INDIA

RBI

Full Form- Reserve Bank Of India (also known as Central Bank Of India)

Website- https://www.rbi.org.in/

Establishment- April 1, 1935 as per the Reserve Bank of India Act, 1934 on the recommendation of Hilton Young Commission**.**

Nationalization- 1st Jan 1949

Headquarters- Mumbai

Emblem of RBI- Panther and Palm Tree**.**

Governors – Dr. Raghuram Rajan- 23rd Governor (Since Sept 4, 2013)

Former Governor- Dr. D. Subbarao (Sept 5 2011 to Sept 4, 2013)

Functions-

1. Sole Authority to issue Bank Notes in India.
2. Prints currency in 15 languages.
3. At present, 90 bank + Bhartiya Mahila Bank in the second schedule of RBI Act, 1934.
4. It formulates, implements and monitors the monetary policy as well as it has to ensure an adequate flow of credits to productive sectors.
5. Bankers to the Government: Performs merchant banking function for the central and the state governments, **also act as a banker**.
6. Transfer funds and settle inter-bank transactions.
7. All Bank operating in the country have accounts with the Reserve Bank.
8. It acts as a custodian and manages the Foreign Exchange Act, (FEMA) 1999.
9. **RBI buys and sells foreign currency** to maintain the exchange rate of Indian Rupee v/s foreign currencies like the US Dollar, Euro, Pound and Japanese Yen.
10. **Credit Control** is a major weapon of the RBI used to control Demand & Supply of money in the economy.

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Other Functions-

1. RBI has a separate Department of statistics for collecting, compiling and disseminating statistical information and conducting research related to bank and other financial sectors of the economy including supply of money, credit banking operation and foreign exchange.
2. RBI act and Bank Act have both conferred extensive powers of regulations & supervisions to the RBI over commercial & cooperative banks to check malpractices & protect interests of the investors.
3. RBI has been aiding development & promoting saving & Banking habits. Development of the institutional agriculture and other rural activities has been an area of focus right from its inception.

Policy Rates at present-

- **Repo Rate**- 7.25% (recently reduce by 0.25%)
- **Reverse Repo rate**- 6.25%
- **MSFR**- 8.25%
- **Bank Rate**- 8.25%
- **CRR-** 4%
- **SLR-** 21.5%
- **Base Rate**- 9.75% -10.00%
- **Saving Deposit Rates**- 4.00%
- **Term Deposit Rate> 1year**- 8.00-8.50%

SEBI

Full form- Securities and Exchange Board of India.

Website- http://www.sebi.gov.in/

Establishment- Set up by GOI in 1988,

April 2, 1992 (Legal Status)

Jurisdiction- Government of India.

Headquarters- Bandra-Kurla Complex, Bandra, Mumbai**.**

Head of SEBI- Upendra Kumar Sinha –Chairman and MD

Opening Remarks- "...to protect the interests of investors in securities and to promote the development of, and to regulate the securities market and for matters connected therewith or incidental thereto"

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Functions of SEBI-

1. Regulating the business in stock exchanges and any other securities markets.
2. Registering and regulating the working of stock brokers, sub- brokers, share transfer agents, bankers to an issue, trustees of trust deeds, registrar to an issue, merchant, bankers, portfolio managers, investment advisers.
3. Prohibiting fraudulent and unfair trade practices relating to securities markets.
4. The duty of the Boards to protect the interests of investors in securities and to regulate the securities market.

Responsibilities of SEBI

SEBI has to be responsive to the needs of three groups, which constitute the market:

a) The issuers of securities
b) The investors
c) The market intermediates

Departments of SEBI

1. Market Intermediaries Regulation and supervision Department **(MIRSD)**
2. Market Regulation Department **(MRD)**
3. Derivatives and New Product Department **(DNPD)**
4. Corporation Finance Department **(CFD)**
5. Investment Management Department **(IMD)**
6. Integrated Surveillance Department **(IVD)**
7. Legal Affairs Department **(LAD)**

IRDA

Full form: Insurance Regulatory and Development Authority

Establishment- By an act enacted by Indian Parliament known as IRDA Act 1999 and was amended in 2002.

Headquarters- Hyderabad, Telangana

Head of IRDA- Mr. T.S. Vijayan –Chairman

Opening Remarks- "to protect the interests of the policyholders, to regulate, promote and ensure orderly growth of the insurance industry and for matters connected therewith or incidental thereto."

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Functions of IRDA

1. Registration (licensing) including renewal of registration of insurance companies.
2. Licensing of insurance intermediaries such as agents, surveyors and loss assessors, third party administrators, brokers, etc.
3. Official approval of agents training institutions.
4. Monitoring all non-tariff products including pricing of products, terms and conditions thereof, etc.
5. Supervision of the functioning of the companies and intermediaries including review of company annual statements.
6. Formulation of regulations.
7. Enforcement of discipline.
8. Consumer education and assistance.

FMC

Full form- Forward Market Commission

Website- http://www.fmc.gov.in/

Establishment- It is a statutory body set up in 1953 under the Forward Contract (Regulations) Act, 1952.

Headquarters- Mumbai

Parent Agency- Ministry of Finance

Head of FMC- Shri Ramesh Abhishek, Chairman

Functions of FMC

The functions of the Forward Markets Commission are as follows:

1. To advise the Central Government in respect of the recognition or the withdrawal of recognition from any association or in respect of any other matter arising out of the administration of the Forward Contracts (Regulation) Act 1952.
2. To keep forward markets under observation and to take such action in relation to them, as it may consider necessary, in exercise of the powers assigned to it by or under the Act.
3. To collect and whenever the Commission thinks it necessary, to publish information regarding the trading conditions in respect of goods to which any of the provisions of the Act is made applicable, including information regarding supply, demand and prices, and to submit to the Central Government, periodical reports on the working of forward markets relating to such goods;
4. To make recommendations generally with a view to improving the organization and working of forward markets;

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5. To undertake the inspection of the accounts and other documents of any recognized association or registered association or any member of such association whenever it considers it necessary.

PFRDA

Full form-Pension Fund Regulatory and Development Authority

Website- http://pfrda.org.in/index.cshtml

Establishment- August 23, 2003 by GOI.

Headquarters- New Delhi

Parent Agency- Ministry of Finance

Head of PFRDA- Shri Hemant G Contractor. Chairman

Opening Remarks- "To establish and promote pension system to serve the old age income needs of all citizens through guided development and prudent regulation of the pension industry, with focus on institution-building, capacity development and enabling framework for innovations in products, schemes and programs across all stakeholders and market participants, in the best interest of the subscribers and the pension system."

Functions of PFRDA

The functions and powers of the Authority includes-

1. Regulating the National Pension System and the pension schemes.
2. Approving the schemes, terms and conditions thereof and laying down norms of the management of the corpus of the pension funds.
3. Registering and regulating intermediaries,
4. Issuing to an intermediary, on application, a certificate of registration and renewing, modifying, withdrawing, suspending or cancelling such registration.
5. Protecting the interests of subscribers by- (a) ensuring safety of the contribution of subscribers to various schemes of pension funds, (b) ensuring the intermediation and other operational costs under the National Pension System are economical and reasonable.
6. Establishing mechanism for redressal of grievances of subscribers to be determined by regulations.
7. Promoting Professional organizations connected with the pension system.

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8. Adjudication of disputes between intermediaries and between intermediaries and subscribers.

9. Collecting data and requiring the intermediaries to collect such data and undertaking, commissioning studies, research and projects.

MCA

Full Form- Ministry of Corporate affairs

Website- www.mca.gov.in

Jurisdiction- Republic of India

Headquarters- Shastri Bhawan, New Delhi

Agency Executive- Mr. Arun Jaitley, Minister of Corporate Affiars

The **Ministry of Corporate Affairs** (**MCA**) is an Indian government ministry. The Ministry is primarily concerned with administration of the Companies Act 2013, the Companies Act 1956, the Limited Liability Partnership Act, 2008 & other allied Acts and rules & regulations framed there-under mainly for regulating the functioning of the corporate sector in accordance with law. It is responsible mainly for regulation of Indian enterprises in Industrial and Services sector.

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