

SEBI launches SMARTs program to strengthen investor education framework

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Markets regulator Sebi on Wednesday launched the Securities Market Trainers (SMARTs) program, an initiative aimed at enhancing investor education and awareness.

"In the present scenario of uncertainty in economic growth and extra ordinarily buoyant market, there is a dire need to further ramp up the investor education and awareness efforts," Sebi Chairman Ajay Tyagi said.

"In that sense there couldn't have been any better time to launch SMARTs an initiative of Sebi to strengthen the existing investor education framework," he said in a statement.

He also exhorted SMARTs to keep abreast of developments in the securities market and expressed confidence that they would take investor education to all parts of the country.

The launch of SMARTs program comes amid World Investor Week being celebrated across the country.

Tyagi raised concerns over convoluted distribution of active investors across the country and said that the SMARTs program would aim to address it by increasing investor outreach in far flung areas.

Complementing the trainers who have been empanelled as SMARTs, Tyagi highlighted the need for hand-holding retail investors since there has been a surge of new investors in the securities markets in the last few months.

He recounted Sebi's efforts towards financial education through its empanelled resource persons and investor education in association with exchanges, depositories and recognised investors associations. The first batch of SMARTs empanelled by Sebi includes 40 individuals across 16 states and union territories, covering 31 districts on a pan-India basis. They have also undergone four days of training at the National Institute of Securities Market (NISM). The regulator said it would be empanelling more trainers at a pan-India level under the SMARTs program. SMARTs will conduct investor education programs in their respective geographical areas.

Under the SMARTs program, the trainers are empanelled for the district they belong to, subject to fulfilling the required eligibility criteria.

In addition to individuals, organisations engaged in similar activity can get enrolled as SMARTs. They would undergo training at NISM and then they would be eligible to conduct programs. The programs are conducted under the aegis of Sebi and are monitored directly by it. These programs will also be conducted in the local language. SMARTs program is likely to be a game changer as investor education programs are taken directly to the investors, the statement said.

The education programs to be conducted by SMARTs will be free of cost to investors. The cost for conducting the programs would be met from Sebi's Investor Protection and Education Fund, it added.