

SECP was created to succeed the Corporate Law Authority, which was an attached Department of the Ministry of Finance. The process of restructuring the Authority was initiated in 1997 under the Capital Market Development Plan of the Asian Development Bank (ADB). Securities and Exchange Commission of Pakistan Act was passed by the Parliament and promulgated in Dec. 1997. In pursuance of this Act, the Securities and Exchange Commission of Pakistan, having autonomous status, became operational on Jan. 1 1999. The Act gave the organization the administrative authority and financial independence to carry out the reform program of Pakistan's capital market with the assistance of the ADB. Powers of the Commission have been delegated to the individual Commissioners and Appellate Benches, as envisaged in the Act.

There is great work done on performance of stock markets around the globe and also some work done on regularity impact but there is no concrete work done in Pakistan to investigate the role of SECP from investors' perspective in stock markets. There is also no methodology to check the performance of regulator except IOSCO methodology in which by using qualitative approach stake holders' opinion through questionnaires and interviews can be ascertained. So the researcher got the stake holders' opinion/view through questionnaires and discussion while getting the questionnaire filled. There were 40 questions and all questions were close ended to investigate the role of Securities & Exchange Commission of Pakistan from investors' perspective in Stock Market.

These questionnaires were got filled from all four stake holders to know the point of view of investor, broker, agent and regulator as well. Every question was analyzed in depth, every question was analyzed stake holder wise, city wise and answer wise along with percentage of every section.

The research found that SECP is playing very positive role in stock market not only from investors' perspective but also from government point of view. Since the SECP came into action there is remarkable time decrease in registration of company, it was very good feeling to know that 100% of all stake holders replied that SECP officials never asked them for any type of gift/bribe or any other favor. SECP has open door policy and any complainant can come and can lodge complaint against any person. SECP has a number of qualified individuals on its payroll who are being paid market based salaries and are fully equipped to monitor stock markets on daily basis.

During discussion with people while getting the questionnaire filled it was found that most of the investors don't know their rights and duties as an investor and that is the major cause of their loss if any in stock markets. Investors don't inquire completely before investing in a particular stock/security. Most of the people have never seen the audited financial statements of the company in which they are going to invest, they simply try their luck and want to make hay while the sun shines.