

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2162  
ANSWERED ON:06.08.2010  
STATUS OF STOCK EXCHANGES  
Tewari Shri Manish

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

- (a) the details of legislation governing the functioning of the stock exchanges in the country;
- (b) whether stock exchanges are subject to the provisions of Right to Information (RTI) Act;
- (e) if so, the details thereof and if not, the reasons therefor;
- (d) the details of status of NSE; and
- (e) whether NSE is a Government body or have element of Government investment; and
- (f) if so, the details thereof?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

- (a): The Stock Exchanges are governed by the provisions of the Companies Act, 1956, the Securities & Exchange Board of India (SEBI) Act, 1992, the Securities Contracts (Regulation) Act, 1956 and the Rules/Regulations framed under these Acts.
- (b) to (d): As informed by SEBI, only those stock exchanges which can be considered as 'public authority' under the Right to Information (RTI) Act, are subject to the provisions of the RTI Act. The Central Information Commission has held that Stock Exchanges are public authorities under the RTI Act. As regards status of Stock Exchanges as public authority' under the Act however, the matter is subjudice before the Hon'ble Courts.
- (e): There is no direct shareholding of central or state governments in the National Stock Exchange (NSE), NSE was initially set up by public financial institutions, banks, insurance companies and other companies in the financial sector from public and private sector. The shareholding pattern of NSE as on 03-08-2010, indicate that banks & insurance companies, private equity funds, mutual funds, private sector companies, individuals and foreign investors are the share holders in NSE.
- (f): The details of the shareholding pattern of NSE as on 03-08-2010 is provided at Annexure.