

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2700
ANSWERED ON:11.03.2011
FII RELATED FIGURES
Joshi Dr. Murlī Manohar; Roy Shri Arjun

Will the Minister of FINANCE be pleased to state:

- (a) whether vast differences occur in the Foreign Institutional Investment (FII) related figures published by Securities and Exchange Board of India (SEBI) and those by NSE-BSE;
- (b) if so, the reaction of the Government thereto;
- (c) whether there is a need for improvement in the system for bringing authenticity in the figures;
- (d) if so, the reaction of the Government thereto; and
- (e) the new directions issued by the Government in this regard?

Answer

MINISTER OF THE STATE FOR FINANCE (SHRI NAMO NARAIN MEENA)

(a): Yes Sir. Securities and Exchange Board of India (SEBI) has informed that the Foreign Institutional Investors (FII) related provisional figures reported on the websites of National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) are not comparable to the FII Investment Figures published on the SEBI website for the following reasons:

- i. The FII data reported on the BSE-NSE website is provisional trade data reported on the trade date (T day) as per the trades posted by the brokers in the exchanges' trading system.
- ii. The FII investment data as reported on SEBI website is confirmed trade data provided by custodian of securities after confirmation of transactions on behalf of FII, to the stock exchange(s).
- iii. The FII investment data on SEBI website is provided by custodians of securities after their confirmation on T+1 basis.
- iv. The provisional trade data reported by NSE/BSE on their website is limited only to transactions in secondary market, whereas the custodian reporting to SEBI includes the following transaction types:-

Purchase and sale in secondary market

Purchase and sale of mutual fund units in secondary market

Purchase in primary market

Preferential allotment

Purchase through rights issue

Conversion of debentures into equity shares

Receipt of bonus shares

Redemption of debenture /units of mutual funds

Lodging shares in terms of open offer

Repurchase of units by mutual fund

Buyback of shares by company

Payment of allotment/call money

Square off - on account of short delivery received

Square off and auction- on account of short delivery given

Consolidation sub division of securities.

(b) to (e): Do not arise in view of (a) above.