

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2064
ANSWERED ON:02.12.2011
STOCK EXCHANGES
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Will the Minister of FINANCE be pleased to state:

- (a) the location-wise details of Stock Exchanges functioning in the country as on date;
- (b) the exchange-wise details of the shares listed;
- (c) the approximate number of shareholders in the country;
- (d) the exchange-wise detail of the annual turn-over recorded during each of the last three years;
- (e) the details of the measures taken during the last three years to protect the interest of shareholders and to promote the awareness about share market to people;
- (f) whether any suggestions regarding the functioning of stock exchanges have been received by the Government; and
- (g) if so, the action taken/proposed to be taken by the Government thereon?

Answer

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

- (a) & (b) The location-wise details of the recognised Stock Exchanges in the country along with the number of companies listed with them are at Annexure A.
- (c) According to, Securities & Exchange Board of India (SEBI), precise data on the total number of shareholders in the country is not available. However, the number of persons holding demat account with the two depositories i.e., National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd. (CDSL) as on November 19, 2011 is 117.44 lakh and 77.89 lakh respectively. However, there is a possibility of some shareholders holding the accounts with both the depositories.
- (d) The annual turn-over recorded at the recognised Stock Exchanges during the last three years is at Annexure B.
- (e) Many organisations involved in securities market undertake measures to protect and promote the interest of shareholders. The primary role is, however, played by the securities market regulator, Securities and Exchange Board of India (SEBI). It protects the interest of investors in securities markets and promotes the development of and regulation of securities markets. Towards this end, SEBI has framed various regulations/guidelines under various Acts. To protect the interests of shareholders and promote awareness about share market, the activities undertaken by SEBI include:
 - # quick investor grievance redressal,
 - # educating investors to enable them to take informed investment decisions,
 - # taking deterrent enforcement actions against errant entities, and
 - # compensating investors in case of defaults.
- (f) & (g) SEBI receives suggestions from stakeholders on various issues including the functioning of stock exchanges and takes action, as appropriate. Some of the actions taken by SEBI to improve the functioning of stock exchanges include, disclosure of investor complaints against members of stock exchanges on the websites of exchanges, review of arbitration mechanism, introduction of call auction, introduction of securities trading using wireless technology, facility of smart order routing etc. A Committee was also constituted by SEBI under the Chairmanship of Dr. Bimal Jalan, to review the ownership and governance norms of Market Infrastructure Institutions, including that of stock exchanges. The Committee submitted its report on 23rd November, 2010 to SEBI. The same was posted on the website of SEBI for public comments. These comments have since been received by SEBI.