

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:17  
ANSWERED ON:08.08.2012  
INVESTMENT IN EXCHANGES QUESTION  
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**Will the Minister of FINANCE be pleased to state:**

- (a) the number of people investing in various exchanges across the country;
- (b) whether the Government has taken steps to promote private individuals to invest in various primary and secondary markets and if so, the details thereof for the last three years;
- (c) whether any skill development courses are being run by Central universities and institutions to educate the people about investing in various primary and secondary markets; and
- (d) if so, the details thereof?

**Answer**

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

(a) There are no reliable estimates of the number of people investing in various exchanges across the country. The Securities and Exchange Board of India (SEBI)-National Council for Applied Economic Research (NCAER) Survey published in July 2011, has, however estimated that during 2008-09 there were 24.46 million investor households in India.

(b) Government and SEBI, have taken a number of initiatives to promote individual investment in the primary and secondary markets. The major initiatives taken in the last three years in this regard, include the following:

# A new scheme called Rajiv Gandhi Equity Savings Scheme (RGESS) to promote the participation of first-time retail investors in equity markets was announced in the 2012-13 Budget. The scheme would allow for income tax deduction of 50 percent to new retail investors, who invest up to Rs. 50,000 directly in equities and whose annual income is not more than Rs.10 lakh.

# Reduction in Securities Transaction Tax by 20% for delivery based cash transactions.

# Scheme to enable foreign individuals also to invest in the Indian equity market under the Qualified Foreign Investor Scheme.

# Expansion of the online ASBA (Applications Supported by Blocked Amount) facility to individual investors.

# Raising the monetary limit on individual investment in issues from Rs. 1 lakh to Rs.2 lakhs.

# Introduction of securities trading using wireless technology (mobile trading).

# Strengthening of the Internet Based Trading (IBT) framework.

# Better disclosure of price sensitive and other relevant information to the individual investors.

# Simplification and rationalization of the opening of trading accounts and Know Your Client (KYC) requirements.

# Facilitating transactions in Mutual Fund schemes through the Stock Exchange infrastructure.

# Investor Awareness Programs/ Workshops conducted by SEBI through Investor Associations (IA), National Institute of Securities Markets (NISM), Exchanges, Depositories and various trade bodies like the Association of Mutual Funds in India (AMFI).

(c) and (d) Information is being collected and shall be placed on the Table of the House.