

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5077
ANSWERED ON:26.04.2002
INTEREST OF SHARE HOLDERS
SADASHVRAO DADOBA MANDLIK;SUKDEO PASWAN

Will the Minister of FINANCE be pleased to state:

- (a) the estimated number of share holders in the country ;
- (b) the steps taken by the Government to safeguard the interests of the share holders ;
- (c) whether some suggestions have been received by the Government from public, MPs and organisations during the last one year; and
- (d) if so, the details thereof with the action taken thereon ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) The Securities and Exchange Board of India (SEBI) has intimated that according to a study conducted by SEBI, through the National Council of Applied Economic Research and published in June, 2000, it was estimated that 7% of all Indian households representing approximately 18 million individual investors owned equity shares.

(b) The steps taken to protect the interests of shareholders, inter-alia, are that:

(i) SEBI has taken several measures to give impetus to the dematerialisation of securities and trading of securities in dematerialised form,

(ii) With the introduction of rolling settlement for trades, operational efficiency has improved,

(iii) SEBI has issued public notice to educate and caution the investors about risk associated with the investments in securities,

(iv) Under the investors` grievances redressal mechanism established by SEBI, complaints received by SEBI from Investors against companies are acknowledged and a reference number is sent to the complainant. These complaints are taken up with the concerned companies/ taken on record for redressal. SEBI monitors redressal of grievances periodically, until resolved.

(c) and (d) Government has received suggestions and representations from MPs and organisations regarding protection of interests of share holders. These, inter-alia, include issues concerning SEBI Takeover Code and delisting norms. SEBI has initiated appropriate action.