

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**MECHANISMS TO MONITOR AND ASSESS FOREIGN INSTITUTIONAL
INVESTMENTS**

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The Government and the Securities and Exchange Board of India (SEBI) have put in place mechanisms to monitor and assess foreign institutional investments. These mechanisms help to promote safe, transparent and efficient markets and protect market integrity. The systems established include advanced risk management mechanisms comprising of on-line monitoring and surveillance, circuit filters, prescription of limits on positions etc. The possible effects of investments made by Foreign Institutional Investors (FIIs) on the Indian economy are also assessed on a continuous basis. The endeavour is to build systems and practices and deepen and broaden markets which can withstand the impact of flight of capital.

In the financial years 2009-10, 2010-11 and 2011-12 (till 29th August 2011), a total of eighteen companies have delisted from the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). Of these companies, only six companies had more than 50 percent foreign promoter shareholding. This reveals that not many companies with substantial foreign holding have delisted from Indian stock exchanges.

This information was given by the Minister of State for Finance Shri Namo Narain Meena in a written reply to a question raised in Lok Sabha today.

DSM/SS/SL