

MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS
LOK SABHA

QUESTION NO. 4294

TO BE ANSWERED ON MONDAY 22nd MARCH, 2021/ CHAITRA 1, 1943 (SAKA)

Reputation of Indian Stock Exchange

4294. SHRI ANUMULA REVANTH REDDY:

Will the Minister of FINANCE be pleased to state:

- (a) whether a sudden halt in trading for four hours at the National Stock Exchange on 24th February 2021, is likely to damage the reputation of Indian Stock Exchange at a time when foreign investors have been flooding the markets and taking them to historic highs;
- (b) if so, the details thereof along with the reaction of the Government in this regard;
- (c) the details of Foreign Institutional Investors (FIIs) investment in Indian Market on 22nd, 23rd, 24th, 25th, 26th February 2021; and
- (d) whether FIIs investment was highest on 24th February 2021 and if so, the details thereof?

ANSWER

MINISTER OF STATE FOR FINANCE
(SHRI ANURAG SINGH THAKUR)

(a) and (b) On February 24, 2021, the National Stock Exchange of India Limited (NSE) took a decision to halt trading from 11:40 a.m due to technical issues. However, the system of interoperability among clearing corporations which allows market participants to consolidate their clearing and settlement functions at a single Clearing Corporation, irrespective of the stock exchange on which the trade is executed, continued to remain functional. The trading at NSE resumed from 03:30 pm and trading hours were extended from 03:30 p.m. to 05:00 p.m. for the day in all the three stock exchanges, viz. NSE, BSE and MSEI to enable investors to square off their existing positions.

The Department of Economic Affairs (DEA) has advised SEBI to review the issues leading to the halt in trading in NSE and the corresponding disaster recovery process. DEA has further advised SEBI to take necessary measures to ensure that all the underlying issues leading up to the market disruption are addressed appropriately.

(c) The details of investment made by Foreign Portfolio Investors (FPI)/ Foreign institutional investors (FIIs) in the Indian Market on 22nd, 23rd, 24th, 25th and 26th February 2021 are as follows:

Date	Equity (in ₹ crores)	Debt (in ₹ crores)	Hybrid (in ₹ crores)	Debt (Voluntary Retention Route*) (in ₹ crores)	Total (in ₹ crores)
22-Feb-2021	932	(648)	(68)	134	349
23-Feb-2021	(493)	(796)	(68)	2	(1,356)
24-Feb-2021	(345)	465	(44)	2,256	2,332
25-Feb-2021	(300)	(1,730)	(37)	(731)	(2,799)
26-Feb-2021	1,790	(2,028)	(47)	192	(93)

(d) FPIs made a net investment of Rs.2,332 Crores on February 24, 2021. However, it was not historically the highest.
