

NSE sees 25% rise in retail participation



Ravi Varanasi

Chief – Business Development, NSE
talks to Sanjeev Sharma

India's premier stock exchange, National Stock Exchange (NSE) has seen an increase of 25% in retail participation by investors in the past one year. Ravi Varanasi, chief – Business Development, NSE talks about the growing retail interest, financial awareness and tie-up with the CBSE to promote financial literacy in 15,000 schools.

Q: What are the trends in participation of investors on the NSE?

A: Pan-India we have around

1.9 crore people registered with us. All our segments are getting participation. The NSE has more than 85% market share in almost all segments. Apart from traditional segments such as equity, cash and derivatives, we are witnessing increased participation in currency and bond futures markets. Some globally popular retail savvy segments like exchange traded fund (ETF) is getting traction from the people maybe because historically Nifty ETF has given about 16% return while CPSE ETF value has almost doubled in one year.

Q: What is the participation from the northern region?

A: North India is very important. Around 20% of our members are from Delhi and surrounding areas. Trading activity in the region has grown manifold over the



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years due to extensive awareness sessions conducted by the NSE.

Q: What is the retail participation on the ETF segment and how can it go up?

A: India is a huge country. Awareness levels are still not very high. Retail participation still has grown by close to 25% in the exchange in the past one year time frame in the cash market. Now, most of the products in ETF segment are related to the equity.

Assets under management (AUM) of equity ETFs grew almost five-fold to around Rs 4,200 crore during the one-year period since March 2014.

Q: Tell us about the awareness campaign launched by the NSE and its objectives.

A: Awareness campaigns are a routine feature in our yearly calendar now. We are spending huge amount of our energy and resources into it.

Last year, the NSE conducted close to 1,000 awareness programmes. This financial year, the aim is even higher.

Q: What is the market share of NSE?

A: It varies across segments, for example in equity cash and derivative, it's more than 85%. In currency futures, it's about 55% while in bond futures, it's around 90%.

Q: What are the initiatives on financial inclusion?

A: Apart from sensitising people through our awareness programmes, product innovations in ETF space etc in particular, we are also focusing on formal education. We have tied up with various schools, colleges, universities, institutions for carrying out our programmes.

Certain state governments such as Gujarat and Nagaland have also signed MoU with us. Recently, we have signed up with the CBSE for making students of 9th and 10th standards aware about basics in financial world.