
FII's asked to reduce holdings in NCDEX

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PTI reported that Foreign institutional investors, Goldman Sachs and Intercontinental Exchange have been asked to bring down their combined holdings to 10% by June 2009.

Mr R Ramaseshan chairman & MD of NCDEX said that as per government stipulations, no FII can hold more than 5% in any commodity stock exchange in the country. He said that "This has been already informed to the two investors."

In the case of NCDEX, Goldman Sachs held 7% while the other FII had 8% with their combined holdings touching 15%. The other promoters of NCDEX were NSE, Canara Bank, IFFCO, Nabard and Punjab National Bank.

Mr Ramaseshan said that asked whether NCDEX would make an IPO to provide an exit route to the two FIIs, he added that there were no such plans at the moment, the exit price would be determined by the promoters. Daily turnover of the commodity exchange is around INR 2,500 crore.

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