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## Securities Markets

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Securities markets' performance in terms of information-processing, risk management and liquidity-provision functions improved further in 2005. In December 2005, there were 2,540 companies, where stock market trading took place on at least two-thirds of the days. These companies had a market capitalisation of Rs.24.7 lakh crore or \$550 billion.

Household and institutional investor participation increased through growing confidence in the transparency and robustness of the market design which was put in place over the period 1993-2001. Such participation was also assisted by stock market index returns of 11 per cent in 2004 followed by 36 per cent in 2005.