

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1486
ANSWERED ON:04.03.2011
ACTION AGAINST ERRING COMPANIES
Alagiri Shri S. ;Singh Rajkumari Ratna

Will the Minister of FINANCE be pleased to state:

(a) the details of companies involved in irregularities over allotment of shares alongwith action taken thereon during each of the last three years, company-wise; and

(b) the reaction of the Government in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a): The details of the companies involved in irregularities over allotment of shares and the action initiated against them by SEBI during the financial years 2008-09, 2009-10 and 2010-11 (till date) are annexed. The action taken may, however, spill over to subsequent years.

(b): SEBI maintains a constant vigil in the market, and in case of any abnormality, takes appropriate action against the concerned entities. The authorities have put in place systems and practices to promote a safe, transparent and efficient market and to protect market integrity. The systems instituted include advanced risk management mechanisms comprising on-line monitoring and surveillance, various limits on positions, margin requirements, circuit filters, etc. The systems and practices are reviewed continuously and modified to meet emerging needs.