

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2653
ANSWERED ON:11.03.2011
BEAR PHASE IN STOCK MARKET
Vardhan Shri Harsh

Will the Minister of FINANCE be pleased to state:

- (a) whether unnecessary and sudden bear phase has been witnessed in the share market of the country during the last few months;
- (b) if so, the reaction of the Government thereto;
- (c) whether there is any possibility of irregularities for this bear trend in the share market;
- (d) if so, whether any enquiry is being conducted in this regard;
- (e) if so, the name of the such agency entrusted with the task; and
- (f) the findings of the enquiry?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRINAMONARAINMEENA)

- (a) During the period November, 2010 to February 28, 2011, Sensex fell by 2532.23 points and daily percentage change ranged from -3.00 per cent to 2.67 percent.
- (b) Market movements are the outcome of perceptions of the investors - domestic and overseas, retail and institutional - about the economy, the industry / sector and the company. SEBI has reported that fluctuations in markets are not unusual. It is also not uncommon for markets to witness corrections after a sharp bull run. Market movements are however, closely monitored by the securities market regulator, SEBI, and Exchanges, irrespective of the levels of Indices.
- (c) Nothing has come to the notice of SEBI to suspect any irregularity in the recent fall in the share market.
- (d) In view of reply to part (c) above, SEBI has not initiated any specific probe into the movement of Indices.
- (e) Does not arise in view of reply to part (d) above.
- (f) Does not arise in view of reply to part (d) above.