

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2466
ANSWERED ON:07.12.2012
IRREGULARITIES IN SHARE PRICES
Dhurve Jyoti

Will the Minister of FINANCE be pleased to state:

- (a) whether the Securities Exchange Board of India (SEBI) has received complaints of large scale irregularities committed in the share prices of some companies;
- (b) if so, the details thereof for the last three years; and
- (c) the findings thereof and the action taken thereon?

Answer

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

(a) & (b): Securities and Exchange Board of India (SEBI) has received 344 complaints alleging irregularities in share prices of companies during the period April 1, 2009 to November 30, 2012. The number of such complaints received is given below:

Sl.No.	Period	Number of Complaints received by SEBI
--------	--------	--

- | | | |
|----|----------------------------------|-----|
| 1. | April 01, 2009-March 31, 2010 | 144 |
| 2. | April 01, 2010-March 31, 2011 | 67 |
| 3. | April 01, 2011-November 30, 2012 | 133 |

Exchanges as part of their surveillance functioning monitor trading activity of companies and in case of any abnormal activity, the matter is taken up for examination. For the purpose of monitoring trading activity of companies, exchanges gather information from various sources including complaints received against them, pursuant to examination, exchanges send their reports to SEBI in addition to initiating appropriate action against the entities involved at their end.

SEBI also monitors trading activity in addition to overseeing the functioning of the exchanges. Aberrations noted in trading activity, if any, exchange reports and complaints received are examined by SEBI. Whenever any violations of SEBI rules and regulations are observed, appropriate action as warranted is taken by SEBI against concerned entities. Such actions include debarring from the securities market and initiation of enquiry and adjudication proceedings.

(c): Details of findings and actions initiated by SEBI against entities for irregularities observed during the period April 1, 2009 to till November 30, 2012 is given at Annexure.