

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1573
ANSWERED ON:27.11.2009
INVESTIGATION OF COMPANIES BY SEBI
Rawat Shri Ashok Kumar

Will the Minister of FINANCE be pleased to state:

(a) the details of investigation carried out by Securities and Exchange Board of India (SEBI) against companies with regard to their alleged involvement in steep fall of share prices alongwith findings thereon during each of the last three years and the current year till date, company-wise; and

(b) the further steps taken/being taken on the findings thereon?

Answer

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

(a): The market regulator, Securities and Exchange Board of India (SEBI), maintains a constant vigil in the market, and in case of any abnormality, takes appropriate action against the concerned entities. There are systems and practices in place to promote a safe, transparent and efficient market and to protect market integrity such as advanced risk management mechanisms comprising on-line monitoring and surveillance, various limits on positions, margin requirements, circuit filters etc. These systems and practices are reviewed continuously and modified to meet emerging needs. SEBI has informed that it has not investigated companies specifically with regard to their alleged involvement in steep fall of their share prices during last three years and the current year till date.

(b):In view of reply to part(a) as above, does not arise.