

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 871
ANSWERED ON TUESDAY, JULY 30, 2024/ SRAVANA 8, 1946 (SAKA)**

STOCK MARKET MANIPULATION

871. Shri Derek O' Brien:

Will the Minister of **Finance** be pleased to state:

- (a) whether Government has initiated an investigation into the alleged stock market manipulation on 4th June 2024, if so, the details thereof and if not, the reasons therefor;
- (b) whether it is a fact that Indian investors lost over ₹ 30 lakh crore on 4th June 2024, if so, the details thereof;
- (c) the reasons for stock market crash of 4th June 2024; and
- (d) the amount of funds (in ₹) invested and liquidated by the foreign investors in the Indian stock market from 27th May, 2024 to 7th June, 2024, day-wise?

**ANSWER
MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)**

(a) to (c): The stock market benchmark indices, Sensex and Nifty-50, showed an upward trend since 1st January 2024 and increased by 5.8% and 7.0% respectively till 3rd June, 2024. On 4th June, 2024, Sensex and NIFTY-50 decreased by 5.7% and 5.9% respectively. The indices recovered within three days and have registered an increase of 11.0% and 11.5% respectively as on 25th July, 2024 as compared to 4th June, 2024. The decrease of around ₹30 lakh crore in market capitalisation of companies listed on NSE and BSE on 4th June, 2024 was recovered within a period of five days and it has increased by around ₹54 lakh crore since then as on 25th July, 2024.

Stock market movements are a function of investor perceptions along with other factors which may include, *inter-alia*, global economic scenarios affecting foreign capital flows, domestic macro-economic parameters and overall corporate performance.

Securities and Exchange Board of India (SEBI), as the statutory regulator of securities markets, is mandated to put in place regulatory and surveillance frameworks for effecting stable operations and development of the securities markets. It conducts regular surveillance of trends in the securities markets to enhance market integrity and safeguard interest of investors. Any alleged violation of its Regulations is investigated and based on the findings of the investigation; appropriate enforcement action is initiated by SEBI under the powers given by the SEBI Act, 1992.

(d): The day-wise value of securities bought and sold by Foreign Portfolio investors (FPIs) from 27th May 2024 to 7th June 2024 in the Indian stock markets is at Annexure.

Annexure

**Table 1: Traded Value by FIIs
(Equity cash market)**

(in ₹ crore)

Trade Date	NSE			BSE			Total		
	Buy value	Sell value	Net value	Buy value	Sell value	Net value	Buy value	Sell value	Net value
27.05.2024	14,243	14,622	(379)	390	314	76	14,633	14,937	(304)
28.05.2024	13,377	14,506	(1,129)	1,606	2,152	(546)	14,983	16,658	(1,675)
29.05.2024	13,952	19,019	(5,067)	435	1,220	(785)	14,386	20,239	(5,853)
30.05.2024	17,737	20,899	(3,162)	994	1,196	(202)	18,732	22,095	(3,363)
31.05.2024	95,550	94,009	1,541	615	577	38	96,165	94,586	1,579
03.06.2024	23,408	16,790	6,618	702	366	336	24,109	17,157	6,952
04.06.2024	26,226	38,737	(12,511)	579	633	(54)	26,805	39,370	(12,565)
05.06.2024	21,385	27,867	(6,482)	421	392	29	21,806	28,259	(6,453)
06.06.2024	15,032	22,040	(7,008)	227	273	(46)	15,259	22,313	(7,054)
07.06.2024	21,299	15,238	6,061	431	1,038	(607)	21,730	16,276	5,454

Source: SEBI

Note: Figures in brackets indicate Negative value.
