

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO. 3410
TO BE ANSWERED ON FRIDAY, AUGUST 5, 2016/SHRAVANA 14, 1938 (SAKA)

STOCK MARKET MANIPULATIONS

QUESTION

3410. DR. BHOLA SINGH:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is aware that banned stock brokers in collaboration with others have been illegally manipulating the stock markets of the country and if so, the details thereof;
- (b) whether any investigation has been conducted by SEBI/RBI to ascertain the dimension of such alleged activities in the stock market by the banned stock brokers and if so, the details and the outcome thereof; and
- (c) the action taken/being taken by the Government to protect the common investors?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)

(a) & (b): Securities and Exchange Board of India (SEBI), the securities markets regulator, has informed that no such instances have been observed by SEBI, wherein a banned stock broker in collaboration with others, has illegally manipulated the stock markets. Therefore, SEBI has not conducted any investigation in this regard. The Reserve Bank of India (RBI) has also informed that no such information is available with them.

(c): SEBI maintains constant vigil in the market, and in case of any abnormality, takes appropriate action against the concerned entities. In order to ensure integrity of the market, SEBI undertakes market surveillance, inspections and investigations, and takes enforcement measures in cases of breach of norms. SEBI has also been conducting regular meetings with officials of the stock exchanges and depositories, to advise them to step up their own surveillance measures and to initiate expeditious demonstrative action, wherever warranted, so as to protect investors' interest and ensure orderly functioning of the stock market.
