

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:3435

ANSWERED ON:07.09.2007

FINANCIAL CRIMES

Agarwal Shri Dharendra;Chavda Shri Harisinh Pratapsinh

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

- (a) the number of financial crimes committed in the capital market during the last three years, State-wise;
- (b) the details of the provision made by the Government to check financial crime in capital market; and
- (c) the number of people found guilty and action taken thereon?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI P. K. BANSAL)

(a): SEBI has initiated criminal prosecutions during the last three years as under:

Year No. of cases No. of persons/ entities

2004-05	84	410
2005-06	27	81
2006-07	21	149

A total of 2709 civil enforcement actions and 1047 cases of criminal prosecutions initiated by SEBI for violation of securities laws are pending at various stages.

During last three years, CBI has registered twelve cases relating to share transactions and financial crimes in capital market.

(b) The prosecutions for violations of securities laws attract imprisonment up to 10 years and fine up to Rs. 25 crore. The civil enforcement actions for violations of securities laws include debarring violating persons from dealing in securities or from accessing capital market, suspension and cancellation of certificate of registration in the case of registered intermediaries and imposition of monetary penalties up to Rs. 25 crore or three times of the gain, whichever is higher.

(c) 60 criminal cases filed by SEBI against 293 persons have resulted in convictions. It has also passed 2998 civil enforcement orders against persons/ entities who have been found guilty of violating securities laws.