

Sebi notice to Delhi resident for buying over Rs 2,000 crore shares

Santosh Kumar Garg, a resident of west Delhi, has got a notice from the Securities and Exchange Board of India (Sebi) over share purchases worth more than Rs 2,000 crore on Friday when markets scaled new heights.

"We have showcased an individual investor," a senior Sebi official told ET. "We want to examine the transaction closely." The investor hadn't traded extensively on the markets before Friday. Garg, who bought select banking stocks, has been asked to explain the reasons behind the transactions, the official said. Garg couldn't be reached for comment.

The Sebi official didn't divulge details about the individual's antecedents owing to the sensitivity of the ongoing enquiry. The market regulator is keeping a close watch on the market with its surveillance team looking to spot abnormal or suspicious trading patterns.

Anything that stands out from routine trading patterns will come under the regulator's scrutiny and be investigated further to prevent any unscrupulous elements from destabilising the market, officials have said.

On Friday, the benchmark Sensex crossed the 23,000 level for the first time to close at 22,994.23, posting its biggest single-day gain of 650.19 points since September 2013. The NSE 50-share Nifty shot up 164.00 points to 6,858.80.

The rally was attributed to buying by foreign institutional investors but the market regulator is closely looking at arbitrary trading patterns detected by its internal monitoring mechanism.

The stock markets scaled new heights on Monday and Tuesday as well amid confidence that the Bharatiya Janata Party-led National Democratic Alliance would form the next government. The Sensex climbed 320.23 points to 23,871.23 while the Nifty surged 94.50 points to 7,108.75 on Tuesday.

(Economic Times)