

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5060
ANSWERED ON:25.08.2000
SPECIAL COURTS TO PROTECT THE INVESTORS
A. VENKATESH NAIK;RAMSHETH THAKUR

Will the Minister of FINANCE be pleased to state:

- (a) whether the SEBI has urged the Government to set up a redressal mechanism in the form of special courts to protect the investors ;
- (b) if so, the details thereof;
- (c) whether SEBI is not able to compensate investors directly as it has no powers on this front; and
- (d) if so the steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE SHRI BALASAHEB VIKHE PATIL

(a), (b) , (c) & (d) SEBI has sent a proposal to the Government for Investor Protection. It includes, inter alia, safeguards against asset stripping, siphoning of funds and provisions to award compensation. It is Government's endeavour to simplify and streamline procedures for redressing grievances of investors. In this context Government constantly reviews relevant Acts, rules and regulations.