

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:7275  
ANSWERED ON:12.05.2000  
INVESTOR PROTECTION FUND  
SRIPRAKASH JAISWAL

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

- (a) whether the Government propose to form Investor Protection Fund (IPF);
- (b) if so, the details thereof; and
- (c) the time by which the IPF is likely to be formed and made operational?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(BALASAHEB VIKHE PATIL)

(a) to (c) : The Central Government has, in exercise of powers conferred by sub-section 4 of section 205 C of Companies Act, 1956 (1 of 1956) has constituted a committee under Chairmanship of Secretary, Department of Company Affairs with ten other members to administer the Investor Education and Protection Fund and to maintain separate accounts and other relevant records in relation to that Fund in such form as may be prescribed in consultation with the Comptroller and Auditor General of India. The members of the Committee shall hold office for a period of two years. The Fund shall be utilized for promotion of Investor awareness and protection of the interest of Investors in accordance with such rules as may be prescribed. The first meeting of the Committee was held on 17th December, 1999 and the second meeting was held on 24th January, 2000. As per decisions taken in the meetings, finalisation of the Rules for Investor Protection Fund, 1999 and the Head of account wherein the funds will be accrued is under consideration of the Government.