

**GOVERNMENT OF INDIA  
COMPANY AFFAIRS  
LOK SABHA**

UNSTARRED QUESTION NO:734  
ANSWERED ON:04.03.2005  
PROTECTION OF INVESTORS FUND  
Chitthan Shri N.S.V.

**Will the Minister of COMPANY AFFAIRS be pleased to state:**

- (a) the amount deposited by companies during the last three years under Section 205(A)(5) of the Companies Act, 1956 in the protection of Investors Fund;
- (b) the expenditure incurred for the objects & purpose of protection of investors during each of the above period;
- (c) whether the expenditure incurred is not commensurate with the objects of investors protection; and
- (d) if so, the reasons for the inadequate expenditure?

**Answer**

MINISTER OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA)

(a) During the last three years (01.10.2001 to 31.03.2004) an amount of Rs.241.59 crores has been credited to the Investor Education and Protection Fund (IEPF) under section 205-C of the Companies Act, 1956. The amount is maintained in the Consolidated Fund of India.

(b) The expenditure incurred for the objects and purpose of protection of investors during each of the above period is as under: -

FINANCIAL YEAR	EXPENDITURE (Amount in Rupees)
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2001-2002	67,00,000
2002-2003	1,79,40,000
2003-2004	2,83,55,000

(c) As the activities under IEPF are evolving over the period of time, it cannot be said for the present that the expenditure incurred is not commensurate with the objects of Investor's protection. The expenditure is expected to increase substantially now with expansion of activities under IEPF.

(d) The question does not arise.