

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2665
ANSWERED ON:12.03.2010
MISAPPROPRIATION OF FUNDS MEANT FOR INVESTOR EDUCATION
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Will the Minister of FINANCE be pleased to state:

- (a) the amounts being spent on Investor Education by National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) during the last three financial years;
- (b) the details of grants received by each of the Non Government Organization (NGO) and other bodies during the same period for investing in the education and training;
- (c) whether complaints regarding the misappropriation of funds by some NGOs have been received; and
- (d) if so, the details thereof and the action taken by the Government thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a): The amount spent on Investor education during the last three financial years, as reported by National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) is given as under:
(Rs. in lakhs)

Stock Exchange FY 06-07 FY 07-08 FY 08-09

NSE 533.45 315.88 353.87

BSE 1625.48 844.51 598.99

(b): The details of grants received by each of the NGOs and other bodies, as reported by Ministry of Corporate Affairs (MCA) during the same period is at Annexure. SEBI does not provide any grant to NGOs or other bodies for investor education activities. The Investors` Associations recognized by SEBI are eligible for reimbursement of expenses for conducting investor education workshops / seminars and a portion of their capital expenditure. The details of such reimbursements for the last three years are given in the table below:

Financial Year	Workshop / Seminar Expenditure (Rs.) SEBI A/c	Capital Expenditure (Rs.) SEBI A/c
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2006-2007	3,23,735.00	2,34,513.00
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2007-2008	5,27,409.00	2,52,284.00
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2008-2009	7,51,801.00	2,78,158.00
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(c): As informed by the Ministry of Corporate Affairs, it has not received any complaints regarding misappropriation of funds by some NGOs. SEBI is reported to have received a complaint against Consumer Guidance Society of India, Mumbai, a SEBI recognized Investors` Association, alleging submission of inflated bills for reimbursement.

(d): The matter was reportedly examined by SEBI and the allegation was not established.