

**GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:4442
ANSWERED ON:22.04.2010
INVESTOR PROTECTION FUND
Deo Shri Kalikesh Narayan Singh

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) the status of Investor education and protection fund during the last three years;
- (b) the steps taken by the Government to educate the investor;
- (c) whether the Government has identified any benefits accrued to investors due to this programme; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF CORPORATE AFFAIRS (SHRI SALMAN KHURSHID)

(a): Under the provisions of section 205C, the following amounts are required to be credited to the Investor Education and Protection Fund by the companies:

- (i) Amounts in the unpaid dividend accounts of companies;
- (ii) The application moneys received by companies for allotment of any security and due for refund;
- (iii) Matured deposits with companies;
- (iv) Matured debentures with companies;
- (v) The interest accrued on the amounts referred to in clauses
(i) to
(iv);
- (vi) Grants and donations given to the Fund by the Central Government, State Governments, Companies or any other institutions for the purposes of the Fund; and
- (vii) The interest or other income received out of the investments made from the Fund.

At present, no separate fund has been created by the Government and the amounts collected towards Investor Education and Protection Fund are credited into the Consolidated Fund of India. The Ministry gets a budgetary allocation for investor protection initiatives every year and expenditure on various activities is being met out of this allocation.

(b): The Government has taken the following steps to educate the investors:

- (i) The Ministry of Corporate Affairs has created the website www.iepf.gov.in for providing simple, user friendly educational and awareness content to all the investors. This website is presently available in English and Hindi. The efforts are being made to make this website available in other regional languages.
- (ii) The Ministry has created the website www.watchoutinvestor.com for providing information to all the investors about such persons and entities, who have been indicted under different economic laws of the country.
- (iii) The Ministry has also created the website www.investorhelpline.com for providing online investor grievance redressal facility to the investors.
- (iv) The Ministry undertakes investor awareness programmes in partnership with the Institute of Chartered Accountants of India (ICAI), Institute of Company Secretaries of India (ICSI) and Institute of Cost and Works Accountants of India (ICWAI), specifically targeting investors in tier II and tier III cities.
- (v) The Ministry provides technical and financial assistance to voluntary organizations for undertaking investor awareness related activities.

(vi) The Ministry also undertakes multi-lingual media campaigns through print and electronic media to reach out to investors across the country.

(c) & (d): The IEPF initiatives have benefitted the investors in a number of ways. The investor awareness camps, multilingual media campaigns and the content available at the website www.iepf.gov.in have taken the message of prudent investment decision making to a large section of the population. The registry of economic offenders at the website www.watchoutinvestor.com has also helped the investors in knowing about the persons and entities who have been found guilty of economic offences so that they can be cautioned in making investments with such entities. The investor grievances redressal mechanism at the website www.investorhelpline.com is also serving as a useful electronic platform for the investors.