

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:4043

ANSWERED ON:26.08.2011

COMPLAINTS AGAINST MF HOUSES

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

(a) whether complaints against Mutual Fund (MF) houses have been received by the Government /Securities and Exchange Board of India (SEBI);

(b) if so, the details of complaints received during each of the last three years and the current year;

(c) the action taken thereto during the said period, company-wise and nature of such complaints; and

(d) measures taken to address investor grievances of Mutual Fund Houses?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRINAMONARAINMEENA)

(a) Yes, Sir.

(b) The details of the complaints received during each of the last three years and the current year are as follows:

Financial year    Received

2008-09	4381
2009-10	4553
2010-11	6989
2011 -12 (till 22nd August 2011)	2516

(c) SEBI has put in place a comprehensive mechanism to address complaints/ grievances against Mutual Funds. The Mutual Funds (MFs) are required to respond to them in a prescribed standard format. The MFs are required to take action on the complaints/grievances and furnish Action Taken Reports (ATRs) which are, uploaded on SEBI's website. Where the response of the MF is considered to be insufficient / inadequate. SEBI requires the concerned MF to take further action on the complaint/grievance.

The details of action taken by SEBI on the complaints received in the years 2008-09, 2009-10, 2010-11 and the current financial year 2011 -12 (upto 22nd August, 2011) are given below:

Financial year    Received    Resolved

2008-09	4381	4261
2009-10	4553	4385
2010-11	6989	6390
2011-12 (till 22nd August 2011)	2516	1650

The company- wise details of action taken are annexed.

Complaints are mainly in the nature of:

# Non- receipt of dividends

# Non- receipt of redemption proceeds

# Interest on delayed payment of dividend and redemption proceeds

# Non-receipt of Statement of Account/Unit Certificate

# Discrepancy in Statements of Account

# Non- receipt of Annual Report/Abridged Summary

(d) As a part of the initiative to address investor grievances, including complaints against MFs, SEBI has implemented SEBI Complaint Redressal System (SCORES) to facilitate the online filing of complaints and to subsequently view the status of complaints.

Further, SEBI has mandated MFs to disclose on their and AMFI websites, as also in the Annual Reports of the MFs, details of investor complaints received by them from all sources, vetted and signed by the Trustees of the concerned MFs.