

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2675
ANSWERED ON:09.12.2011
VIOLATION OF RULES BY MF HOUSES
Singh Rajkumari Ratna

Will the Minister of FINANCE be pleased to state:

- (a) the details of Mutual Fund (MF) Houses served notice for violation of rules/guidelines/Acts during each of the last three years and the current year;
- (b) whether the response received by Securities and Exchange Board of India (SEBI) therefrom have been found to be insufficient/inadequate in any cases;
- (c) if so, the number of such cases during each of the last three year and the current year, company –wise and action taken thereon;
- (d) whether punishment has been meted out to any MF Houses in this regard;
- (e) if so, the details thereof and if not, the reasons therefor; and
- (f) the measures taken or proposed to be taken to apply the laws strictly and make them more stringent?

Answer

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

(a): Yes, Sir.

The details of Mutual Fund houses which were served notice for violation of rules/guidelines/acts during each of the last three years and current year are provided as follows:

Sr.No.	Date	Mutual Fund
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FY 2011-12 till 05.12.2011

NIL

FY 2010-11

1	24-Dec-10	Sundaram MF (Formerly Sundaram BNP Paribas Mutual Fund)
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2	26-Nov-10	UTI MF
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FY 2009-10

1 3-Jun-09 Reliance MF

2 3-Aug-09 Birla Sunlife MF

3 7-Aug-09 HSBC MF

4 9-Sep-09 ICICI Prudential MF

5 13-Nov-09 Religare MF

FY 2008-09

NIL

(b, c, d & e): Yes, Sir.

The action taken by Securities & Exchange Board of India (SEBI) on the show cause notices issued is given in Annexure.

(f) SEBI regularly reviews regulations and issues circulars and amends them as and when required with a view to increasing their effectiveness.