

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 4401
ANSWERED ON FRIDAY, THE 8TH AUGUST, 2014
[SHRAVANA 17, 1936 (SAKA)]**

PROTECTION OF INVESTORS

QUESTION

4401. SHRI GODSE HEMANT TUKARAM:

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

- (a) whether the cases of misleading the investors, while raising money by the promoters of companies, have increased during each of the last three years and the current year;**
- (b) if so, the details thereof company-wise and Government's reaction thereto;**
- (c) whether the Government has set up an Investor Education and Protection Fund in the country; and**
- (d) if so, the details thereof along with the objectives for setting up of such funds?**

ANSWER

**THE MINISTER OF STATE
IN THE MINISTRY OF CORPORATE AFFAIRS**

(SMT. NIRMALA SITHARAMAN)

(a) & (b) Mis-leading the investors while raising the money by promoters in respect of 78 Companies came to the notice of this Ministry during last three years and the current year. This Ministry has ordered investigation into the affairs of the said companies under Section 235 of the Companies Act, 1956, by the SFIO.

(c) & (d) This Ministry has established a fund called 'Investor Education and Protection Fund (IEPF)' under Section 205C of the Companies Act, 1956. The objectives of the fund is to support the activities relating to Investor Education, Awareness and Protection.
