

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 176
ANSWERED ON THURSDAY, DECEMBER 05, 2013/
AGRAHAYANA 14, 1935 (SAKA)**

MANDATORY COVER FOR PUBLIC DEPOSITS

QUESTION

176. SHRI KULDEEP BISHNOI:

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

कारपोरेट कार्य मंत्री

- (a) whether the Government proposes mandatory insurance cover for public deposits garnered by companies;**
- (b) if so, the details thereof; and**
- (c) the initiatives taken/being taken by the Government to safeguard the investors from fraudulent money collection schemes?**

ANSWER

**THE MINISTER OF STATE
(INDEPENDENT CHARGE)
IN THE MINISTRY OF CORPORATE AFFAIRS**

(SHRI SACHIN PILOT)

कारपोरेट कार्य मंत्रालय में राज्य मंत्री (स्वतंत्र प्रभार)

(श्री सचिन पायलट)

(a) to (c):- There is an enabling provision in Section 73 (2) (d) of the Companies Act whereby Companies permitted to accept deposits from the public will be required to “provide such deposit insurance in such manner and to such extent as may be prescribed”. The operationalization of this provision would require framing of suitable rules in consultation with the Reserve Bank of India.
