

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS**

**LOK SABHA  
UNSTARRED QUESTION NO. 3961**

**TO BE ANSWERED ON MONDAY, AUGUST 18, 2025/SRAVANA 27, 1947 (SAKA)**

**COMPLAINTS OF PUMP-AND-DUMP ACTIVITIES**

**3961. Shri Suresh Kumar Shetkar:**

Will the Minister of Finance be pleased to state:

- (a) the number of complaints related to suspected pump-and-dump activities received by SEBI during the last three years and the number of them resulted in regulatory action or compensation;
- (b) the eligibility criteria for retail investors to seek redress/claim compensation in pump-and dump frauds and whether there is any mechanism to provide interim relief to affected investors;
- (c) the details of the awareness and investor education programmes conducted by the Government, SEBI and the Investor Education and Protection Fund Authority (IEPFA) to help investors identify and avoid pump-and-dump schemes;
- (d) whether the Government propose any amendments to existing securities laws or the SEBI Act for stronger enforcement powers against pump-and-dump operators including swift asset freezes and arrest powers; and
- (e) whether the Government commit to publishing annual white paper or report in Parliament listing all pump-and-dump cases, actions taken and pending prosecutions to ensure transparency & public accountability?

**ANSWER  
MINISTER OF STATE FOR FINANCE  
(SHRI PANKAJ CHAUDHARY)**

Ans(a): SEBI administers SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 (PFUTP Regulations) and SEBI (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations), for ensuring protection of investors' interest. The number of investor complaints related to suspected pump-and-dump activities received by SEBI during the last three financial years is as under:

Year	No. of investor complaints received by SEBI
FY 2022-23	34
FY 2023-24	41
FY 2024-25	25

During the period, April 2020 to March 2025, SEBI levied penalty for INR 1860.03 Crores and has passed directions of disgorgement of unlawful gains for INR 452.60 Crores under SEBI (PFUTP) Regulations, 2003.

Ans(b): Under the SEBI (Investor Protection and Education Fund) Regulations, 2009, disgorged amounts are credited to the Investor Protection and Education Fund, from which SEBI may reconstitute funds to identifiable investors who suffered losses from securities law violations.

Ans(c): SEBI and the Investor Education and Protection Fund Authority (IEPFA), undertake extensive investor education and awareness initiatives to safeguard investors' interests in the securities market.

1. Between FY 2019-20 and FY 2024-25, IEPFA, along with various organisations, conducted over 71,000 investor awareness programmes nationwide promoting prudent financial practices such as saving, budgeting, and investing, while cautioning investors against fraudulent activities.
2. SEBI, in co-ordination with stock exchanges and depositories, also carries out regular investor education and awareness programs across the country. These free of cost programs, inter-alia, cover various topics such as basic investing principles, investor rights and responsibilities, common features of investment scams such as pump-and-dump schemes, fake trading apps, unregistered investment advice via social media platforms and other channels, social media experts giving stock tips, deepfake videos of public figures, paid trading courses with guaranteed return promises, impersonation of SEBI officials and intermediaries and unsolicited tips promising unrealistic or guaranteed returns.
3. SEBI in collaboration with Market Infrastructure Institutions (MIIs) runs a dedicated campaign on 'Fraud and Scam Prevention in the Securities Market', sharing tips to avoid investment scams, healthy digital practices etc. The campaign is widely disseminated through digital media.
4. In FY 2024-25 SEBI, along with MIIs, Association of Mutual Funds in India (AMFI) and Asset Management Companies (AMC), conducted investor awareness programs in 724 districts across 36 States and Union Territories, covering nearly 32 lakh investors. SEBI has also launched the Saaṛṭhi Mobile App, readily offering educational resources and investment information.

Ans (d) and (e): SEBI has put in place regulatory and surveillance frameworks for effecting stable operations and development of the securities markets. Surveillance systems generate a variety of alerts indicating possible instances of insider trading, front running, price-volume manipulation, and other irregularities. Such alerts, along with investor complaints, serve as inputs for detailed examinations, on the basis of which SEBI conducts investigations and takes enforcement action under the SEBI Act, 1992. For violations such as pump-and-dump schemes or other fraudulent activities, SEBI may impose measures including debarment of entities for specified periods, levy of penalties, and disgorgement of wrongful gains, as provided under the SEBI Act, 1992 and related regulations.