

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 5857
ANSWERED ON MONDAY, 30th MARCH, 2026
CHAITRA 09, 1948 (SAKA)**

PROTECTION OF INVESTORS

5857. DR. M P ABDUSSAMAD SAMADANI :

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) the steps taken by the Government to protect the interests of investors in the country;**
- (b) the steps taken by the Government to simplify company registration procedures for small companies;**
- (c) the extent to which Corporate Social Responsibility projects have been helpful in the development of rural areas;**
- (d) the steps taken by the Government to speed up the registration process of companies;**
- (e) the policies adopted by the Government to create new job opportunities through the growth of large companies; and**
- (f) the schemes implemented by the Government to make Indian companies competitive in the global market?**

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS; MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS.

(SHRI HARSH MALHOTRA)

(a) : The Ministry administers the Companies Act, 2013 which includes various provisions of enforcement, compliance mechanism to ensure protection of interests of investors. The enforcement mechanism includes ordering of inquiries, inspections or investigations under sections 206, 210/ 212 of the Companies Act, 2013 in cases of misuse of funds, fraud, non-compliances of statutory provisions of the Companies Act, 2013. Similar

enforcement actions are undertaken in respect of Limited Liability Partnerships (LLPs) under the LLP Act, 2008. Based on the non-compliances reported, proceedings of adjudication, fine and prosecution, as the case may be, are initiated against such companies / LLPs and / or their directors/ partners, Key Managerial Persons, auditors, etc. Further, compliance under different sections of the Act is implemented through mandatory filings by companies with a view to ensure that relevant information is available to the investors/ stakeholders.

In addition to above, this Ministry has constituted Investor Education and Protection Fund Authority under section 125(5) of the Companies Act, 2013. This Authority is entrusted with the responsibility of administration and utilisation of the Investor Education and Protection Fund (IEPF) for making refunds of shares, unclaimed dividends, matured deposits/ debentures, etc. to investors, promoting awareness among investors, thereby protecting the interests of the investors.

(b) : The Government from time to time has taken several initiatives for speedier incorporation of companies including small companies and also to provide single window services at the time of incorporation. The significant initiatives taken in this regard, so far are as under:

- (i) The Central Registration Centre (CRC) has been set up to expedite and streamline the process of company and Limited Liability Partnership (LLP) incorporations.**
- (ii) A single integrated new web form called SPICe+ along with AGILE PRO-S has been deployed. This form provides eleven services related to starting a business namely (i) Name Reservation (ii) Incorporation (iii) Permanent Account Number (PAN) (iv) Tax Deduction Account Number (TAN) (v) Director Identification Number (DIN) (vi) Employees Provident Fund Organisation (EPFO) Registration (vii) Employees State Insurance Corporation (ESIC) Registration (viii) Goods and Services Tax (GST) number (ix) Bank Account Number (x) Profession Tax Registration (Mumbai, Kolkata and Karnataka) (xi) Delhi Shops and Establishment Registration.**
- (iii) No fee is charged for incorporation of all companies with authorized capital up to Rs. 15 lakh or with up to 20 members where no share capital is applicable.**

(c) : Under the Companies Act, 2013 (Act), Corporate Social Responsibility is a Board driven process and the Board of the company is empowered to plan, decide, execute and monitor CSR activities of the company based on the recommendation of its CSR Committee. This Committee formulates and recommends the CSR policy, which outlines the activities to be undertaken by the company in alignment with the areas (including rural areas) or subjects as specified in Schedule VII. The first provision to Section 135 (5) of the Act provides that the company shall give preference to the local area and areas around it where it operates. However, the emphasis on local areas is only directory and not mandatory in nature and companies need to balance local area preference with national priorities. The amount spent in last two years sector-wise is at Annexure.

(d) : The steps taken by Government to speed up registration process of companies is as per the reply to part (b) (i) & (ii) above.

(e) & (f): The provisions of the Companies Act, 2013 and the LLP Act, 2008 enable companies/LLPs to pursue any lawful object thereby encouraging them to pursue activities which result in growth, innovation and creation of new job opportunities. The Government has been making, from time to time, various changes in the provisions of the Companies Act, 2013 and the LLP Act, 2008 and the rules made thereunder to facilitate ease of doing business, rationalize compliance framework and enable business friendly environment for such entities. These initiatives are aimed at promoting growth of the corporate sector including large companies and making them competitive in global market.

Annexure**In reply to Part(c) of Parliament Question No. 5857 for 30.03.2026.****Sector-wise CSR expenditure for FY 2022-23 and FY 2023-24****(Amount in Rupees crore)**

Sl.No.	Sector-wise	FY 2022-23	FY 2023-24
1	Agro forestry	67.28	74.47
2	Animal welfare	325.44	531.14
3	Armed Forces, Veterans, War Widows/ Dependents	63.63	68.04
4	Art And Culture	449.21	704.04
5	Clean Ganga Fund	46.15	62.96
6	Conservation of natural resources	584.65	423.47
7	Education	10,414.93	12,134.57
8	Environmental Sustainability	2,008.04	2,429.97
9	Gender Equality	121.15	204.17
10	Health Care	7,023.60	7,150.81
11	Livelihood Enhancement Projects	1,703.64	2,360.09
12	Other Central Government Funds	187.70	208.14
13	Poverty, Eradicating Hunger, Malnutrition	1,282.73	1,233.93
14	Prime Minister's National Relief Fund	855.23	589.61
15	Rural development projects	2,059.41	2,408.09
16	Safe drinking water	252.78	327.45
17	Sanitation	438.81	375.23
18	Senior citizens welfare	153.91	159.82
19	Setting up homes and hostels for women	49.50	41.80

20	Setting up orphanage	44.99	31.57
21	Slum area development	94.22	38.82
22	Socio-economic equalities	159.19	200.81
23	Special education	319.50	396.57
24	Swachh Bharat Kosh	56.69	140.12
25	Technology incubators	1.48	1.91
26	Training To Promote Sports	542.53	692.09
27	Vocational skills	1,206.75	1,396.55
28	Women Empowerment	417.26	454.22
29	NEC/Not Mentioned*	1.65	68.32
Total		30,932.07	34,908.75

(Data up to 31.03.2025) (Source: Corporate Data Management Cell).

*** Companies either did not specify the names of sectors or indicated more than one sector where projects were undertaken.**
