

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1840
ANSWERED ON:24.08.2007
INVESTMENT IN MUTUAL FUNDS
Bhadana Shri Avtar Singh

Will the Minister of FINANCE be pleased to state:

- (a) whether investment in Mutual Funds (MFs) is on the rise;
- (b) if so, the details thereof for the last one and a half year;
- (c) whether the Union Government has given encouragement to investing in MFs; and
- (d) if so, the details thereof and response therefrom?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) : Yes, Sir.

(b) : The growth of investments in mutual funds has been as under:

Period	Net Inflows (Rs. Crore)
2005-06	52,779
2006-07	93,985
April-July 2007	1,30,764

(c) : Yes, Sir.

(d) : The income of SEBI registered Mutual Funds as well as income (other than on sale/redemption) of an investor from such mutual funds is exempt from income tax.