GOVERNMENT OF INDIA
LAW , JUSTICE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:654
ANSWERED ON:27.07.2000
CASES AGAINST NON-BANKING FINANCIAL COMPANIES
ANANT GANGARAM GEETE;DR. KIRIT SOMAIYA

Will the Minister of LAW , JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) the number of branches of Company Law Board are functioning at present in the country;

(b) the number of cases of Non-Banking Financial Companies default pending with Company Law Board all over the country; (

(c) whether Government are planned to expedite this justical process by provided more and easy legal network;

(d) if so, the details thereof;

(e) the number of NBFCs depositors have approached, for default in getting repayment of deposits to the CLB during the last three years;

(f) whether the number of NBFCs have failed to implement the revised repayment schedule;
(g) if so, the details thereof alongwith the number of depositors and total amount involved, therein;

(h) whether Department of Company Affairs has taken up this issue with RBI to simplify the process to help the small depositors; and
(i) if so, the details thereof?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF INFORMATION AND BROADCASTING AND MINISTER OF STATE OF MINISTRY OF LAW,JUSTICE AND COMPANY AFFAIRS (SHRI ARUN JAITLEY)

(a) Besides Principal Bench at New Delhi, there are 4 regional benches of Company Law Board, one each at New Delhi, Chennai, Mumbai and Calcutta. (b)to (i) :The affairs of the Non-Banking Financial Companies (NBFCs) are regulated by Reserve Bank of India. The Company Law Board has been given powers to pass orders u/s 45 QA of the Reserve Bank of India Act, where there is default by the NBFCs in repayment of deposits.In the case of non-compliance of CLB orders, the RBI has been authorized to take penal action against NBFCs u/s 58E of the RBI Act.The details of cases of Non-Banking Financial Companies where default has been made in repayment of deposits is being collected and will be laid on the Table of the House.