

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:6268
ANSWERED ON:06.05.2005
NON BANKING FINANCE COMPANIES
Chavda Shri Harisinh Pratapsinh;Patel Shri Jivabhai Ambalal

Will the Minister of FINANCE be pleased to state:

- (a) the number of non-banking finance companies registered in the country;
- (b) the number of companies functioning out of them;
- (c) the number of companies which have vanished after collecting money from the investors;
- (d) the number of companies traced so far and the number of investors helped to get their money back; and
- (e) the steps taken by the Government to trace these vanished NBF Companies ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

- (a) & (b) :- After cancellation of 537 Certificates of Registration, the number of registered Non-Banking Finance Companies with Reserve Bank of India (RBI) stands at 13238 as on March 31, 2005.
- (c):- 351 companies are reported to have vanished.
- (d) & (e):- RBI have reported that whenever a company is identified as vanishing, the case is referred to Economic Offences Wing of the concerned State Government. The onus is on State police machinery to investigate the case and take legal action as deemed appropriate including penal action as per Indian Penal Code/Criminal Procedure Code.