

**GOVERNMENT OF INDIA
COMPANY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:2550

ANSWERED ON:09.12.2005

LEGAL PROFESSIONALS FOR VANISHED COMPANIES

Mehta Shri Alok Kumar;Singh Shri Ganesh Prasad

Will the Minister of COMPANY AFFAIRS be pleased to state:

- (a) whether the Government have appointed legal professionals to fight the cases especially in regard to the vanished companies;
- (b) if so, the details of such legal professionals appointment so far; and
- (c) the further efforts being made to appoint more legal professionals to fight out these cases with a time bound programme?

Answer

MINISTER OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA)

(a) Yes Sir.

(b) Legal professionals are engaged in all the cases of prosecutions filed against the Vanishing Companies and their promoters/directors. These professionals are engaged from the panels` approved/maintained by the Department of Legal Affairs, Ministry of Law & Justice at various locations through out the country, as per requirement. Number of Vanishing Companies in which such legal professionals have been appointed are given as under:

i) Northern Region	:	16
ii) Eastern Region	:	3
iii) Western Region	:	10
iv) Southern Region	:	10

(c) Legal professionals are engaged to pursue these cases as per requirements. However, the Ministry has already issued instructions for engaging `Senior Government Counsels` in cases of companies having vanished after mobilising funds to the tune of Rs. 5.00 crore or above.