

**GOVERNMENT OF INDIA
LAW , JUSTICE AND COMPANY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:2712
ANSWERED ON:13.03.2000
COMPLAINTS AGAINST ESCORTS FINANCE LIMITED
M.V.CHANDRASHEKHARA MURTHY

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

- (a) whether the Government have received complaints against the Escorts Finance Limited, Faridabad/New Delhi for the non-payment of interest on deposits received from public and the non-refund of the Principal amounts of deposits;
- (b) if so, the number of complaints received in this regard during the last three years; and
- (c) the action taken against the company?

Answer

THE MINISTER OF LAW, JUSTICE & COMPANY AFFAIRS (SHRI RAM JETHMALANI)

(a), (b) & (c) : 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, under Section 45QA of the Reserve Bank of India Act, where there is default by NBFCs in repayment of deposits. In case of non-compliance of CLB orders, the RBI has been authorised to take penal action against NBFCs under section 58E of the RBI Act.

In the last three years no complaint against M/s Escorts Finance Limited has been received in the Company Law Board.