

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:303

ANSWERED ON:25.02.2000

VANISHED COMPANIES

BASUDEB ACHARIA;RAOSAHEB PATIL DANVE;SAMAR CHOUDHURY

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government have any plan to recover the amount and punish those promoters, companies or the likes who took advantage of stock market boom and vanished after collecting over Rs. 25000.00 crore from common people and financial institutions but still are operating in the circuit;
- (b) if so, whether most of these operators are not listed;
- (c) the reasons for which these operators are still operating and how the Government are proposing to deal with them;
- (d) whether the Government propose to disclose their names into the media; and
- (e) if not, the reasons therefor?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI BALASAHEB VIKHE PATIL)

(a) & (b) Action against several companies which have defaulted in their commitments made to the public while mobilizing funds, has been taken by the regulatory agencies, namely, the Securities and Exchange Board of India (SEBI)/ Reserve Bank of India (RBI) Department of Company Affairs (DCA). A Central Co-ordination and Monitoring Committee has been set up with representatives of SEBI and DCA. The Committee has also set up seven task forces to identify defaulting companies and to take action against them under the respective laws. As per available information, 129 companies have been identified as `vanished` companies. These were all listed companies.

(c) As per available information, SEBI has passed orders against 51 companies and 142 promoters/directors, debarring them from associating with any capital market activity for a period of 5 years; RBI has issued prohibitory orders to 73 NBFCs; winding-up petitions have been filed against 10 and prosecution proceedings have been launched against 17; DCA has launched prosecution in terms of the Companies Act, 1956 in respect of 54 companies.

(d) The names of the companies which did not comply with listing requirements and could not be traced at their registered office addresses have been published in newspapers by SEBI.

(e) Does not arise.