

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

STARRED QUESTION NO:352
ANSWERED ON:16.08.2001
NON PAYMENT OF DEPOSITS
DR. KIRIT SOMAIYA;GADDE RAMAMOHAN

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

- (a) whether the Government are aware that various companies are not paying/refunding of fixed deposits accepted from small investors;
- (b) if so, the details thereof and the number of complaints received against each company during the last one year; (
- (c) the action taken by the Government against such companies;
- (d) whether Cable Corporation of India are not paying/delaying the repayment to the depositors; and
- (e) if so, the number of complaints received and the action taken against the said company?

Answer

THE MINISTER OF LAW, JUSTICE & COMPANY AFFAIRS AND SHIPPING (SHRI ARUN JAITLEY)

Parts:(a) to (c)- Yes Sir. To mitigate problems being faced by the depositors in respect of non repayment of matured deposits, the powers have been given to the Company Law Board under section 45QA of the Reserve Bank of India Act 1934 where there is default by the Non-Banking Financial Companies in repayment of deposits and under section 58A of the

Companies Act, 1956 in case of default by Non-Banking Non-Financial Companies. The Company Law Board can direct the defaulting Company to make repayment of such deposits or part thereof or within such time and subject to such conditions as may be specified in the order.

As regards collection of details relating to number of complaints received against each company during the last one year it is mentioned that the time and effort involved in compiling this information will not be commensurate with the results likely to be achieved. However, as per the information furnished by the Company Law Board which is a quasi judicial body, the details of applications received by it from the depositors during the year 2000-2001 are as follows:

Under Section 58A(9) of Companies Act.1956

Period	B/f	Received	Total	Disposed off	Pending
1.4.00 to 31.3.01	4,201	5,957	10,158	6,354	3,804

Under Section 45QA of RBI Act,1934

Period	Blf	Received	Total	Disposed Off	Pending
1.4.00 to 31-3-01	9,347	11,347	20,694	14,274	6,420

Part : (d) to (e):- Yes Sir. Mls. Cable Corporation of India Ltd. is in default of making the repayments of deposits to deposit holders with effect from the financial year 2000-2001.

In this connection the CLB (WR Bench) had received 693 applications from various depositors spread all over the country for non payment of deposits alongwith interest thereon. The CLB after considering the applications of the depositors has passed an order dated 9.7.2001 to be effective from 1.8.2001 for repayment of matured deposits and all those which would be maturing in future

along with interest over a period of 4-1/2 years. Non-compliance with CLB order entails fine with or without imprisonment etc.