

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1533

ANSWERED ON:13.12.2013

FRAUDULENT INVESTMENT OPERATIONS

Mani Shri Jose K.;Punia Shri P.L. ;Ray Shri Saugata;Singh Shri N.Dharam

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

(a) whether there are proposals / directions to constitute an expert committee of various Government departments / agencies to devise a long-term plan to end all the unauthorized and illegal deposit / collective investment schemes by financial institutions across the country; and

(b) if so, the details thereof?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) and (b): An Inter-Ministerial Group (IMG) was constituted on 1st May, 2013 under the Chairmanship of Additional Secretary (Financial Services) in the Department of Financial Services, Ministry of Finance for proper enforcement of regulatory framework for Non-Banking Finance Companies (NBFCs) and companies running Collective Investment Schemes (CIS) and also to suggest a coordinated approach so that the problem of unauthorized collection of deposit or money by entities is addressed. The task of the Group was to address issues for re-evaluating the regulatory framework for Multi-level Marketing Companies, Non-Banking Financial Companies and companies running Collective Investment Schemes and for safeguarding against non-recurrence of events where unregistered entities defalcate the monies collected by these entities.