

[14 December, 2004]

RAJYA SABHA

Statement

State-wise details of prosecutions launched under Sections 63, 68 and 628 of the Companies Act, 1956 against vanishing companies

Sl. No.	State	Number of companies against which prosecution filed under Sections 63, 68 & 628 of the Companies Act, 1956.
1.	Bihar	4
2.	Orissa	2
3.	West Bengal	5
4.	Delhi	10
5.	Punjab & UT of Chandigarh	5
6.	Uttar Pradesh	5
7.	Andhra Pradesh	15
8.	Karnataka	3
9.	Tamil Nadu	14
10.	Gujarat	33
11.	Madhya Pradesh	5
12.	Maharashtra	10
TOTAL:		111

Lowering of penalties of companies by Securities Appellate Tribunal

1176.SHRI JIBON ROY: Will the Minister of FINANCE be pleased to state:

(a) whether in recent past Securities Appellate Tribunal has drastically lowered down the-penalties of some companies that were imposed by SEBI; and

(b) If so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SH. S.S. PALANIMANICKAM): (a) and (b) It is observed, from the orders passed by the Securities Appellate Tribunal (hereinafter referred to as "SAT") for the period January to November, 2004 that it has reduced the penalties which

were levied by Securities and Exchange Board of India (hereinafter referred to as "SEBI").

The penalties levied by SEBI have been reduced by SAT, *inter-alia*, on the following grounds:

- (i) Violation being a mere technical breach;
- (ii) Financial capability of the appellant to pay the penalty;
- (iii) Advanced age of the appellant;
- (iv) The order is not workable; and
- (v) None of the factors laid down in section 15J of SEBI Act are satisfied.

Nationalisation of private sector banks

1177. SHRI JANARDHANA POOJARY: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that it is proposed to nationalise certain private sector banks in the country; and
- (b) if so, the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir.

- (b) Does not arise.

Decline in GDP

1178. SHRI SANJAY NIRUPAM: Will the Minister of FINANCE be pleased to state:

- (a) whether the GDP of the country is declining;
- (b) whether it has an adverse impact on industrial and manufacturing sector; and
- (c) if so, the details thereof and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) As per the revised estimates released by