

Money Circulation Schemes (Banning) Act, 1978 (PCMCSB Act) is an Act to ban the promotion or conduct of prize chits and money circulation schemes.

(c) Investor Education and Protection Fund Authority (IEPF) organizes Investors Awareness Programmes (IAPs) in the rural areas through Common Service Centres (CSC) set up under Ministry of Electronics and Information Technology with the objective of creating awareness amongst the investor about fraudulent schemes and facilitating informed investment decisions. The IAPs cover various topics such as importance of savings, basics of capital market, Do's and Don'ts of investment etc. including one module on basic information about ponzi schemes and how not to fall prey to such schemes. In addition to this, the Authority also carries out Investor Awareness and education through electronic media. CSC has conducted 26409 programmes for IEPF Authority since beginning of F.Y. 2018-2019. At present, no specific campaign is under consideration in respect of ponzi schemes.

Ministry of Corporate Affairs also organizes Investor Awareness Programmes (IAPs) in partnership with the three Professional Institutes, namely Institute of Chartered Accountants of India (ICAI), Institute of Company Secretaries of India (ICSI), and Institute of Cost Accountants of India (ICoAI), with the objective of creating awareness amongst the investors about fraudulent schemes and facilitating informed investment decisions.

Mandatory appointment of company secretary

2538. SHRI T. RATHINAVEL: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether it is a fact that many companies in the country registered under the Companies Act, 1956 have not appointed Company Secretary as required under the law;

(b) if so, the details thereof;

(c) whether it is also a fact that Government is considering to make it mandatory to appoint such officials in the Companies; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS (SHRI ANURAG SINGH THAKUR): (a) to (d) Yes, Sir. As per the company filings on MCA21, 19,272 Companies registered under the Companies Act, 2013 have not appointed whole-time company secretary. Section 203 of the Companies Act, 2013 read with Rule,

8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 mandates every company whose paid-up Capital is ₹ 5 crores or more to appoint a whole-time company secretary.

Recovery from shell companies

2539. SHRI KUMAR KETKAR: Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) the number of directors disqualified post director KYC drive during the financial years 2017-18 and 2018-19;
- (b) the number of them reinstated;
- (c) the number of companies identified in same drive, alleged to be shell companies;
- (d) the number of them reinstated; and
- (e) the amount recovered from such companies?

THE MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS (SHRI ANURAG SINGH THAKUR): (a) Number of Directors' DIN deactivated but not disqualified as per the law for non-filing of DIR-3 KYC forms during 2017-18, 2018-19 and 2019-20 (current year) is 16,94,414.

(b) Number of Directors DIN further reinstated after filing of DIR-3-KYC form with required fees is 4,29,771.

(c) to (e) The term "Shell Companies" is not defined in the Companies Act, 2013 and therefore, the question of reinstatement and amount recovered from such companies does not arise.

Deregistration of shell companies/firms

2540. DR. K.V. P. RAMACHANDRA RAO: Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether it is a fact that Government has deregistered several shell companies throughout the country during the last two years;
- (b) if so, the details thereof; and
- (c) the details of number of companies deregistered and criteria adopted for recognising a company as a shell company' ?