

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE**

**LOK SABHA
UN-STARRED QUESTION NO. 5275**

TO BE ANSWERED ON MONDAY, THE APRIL 3rd, 2023

Money Laundering by Corporates

5275. SHRI N.K. PREMACHANDRAN:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes to prevent the money laundering by the corporates, if so, the details of action taken thereon;
- (b) the details regarding the corporates arrested for alleged money laundering during the last five years;
- (c) whether the Government proposes to monitor the Non-Banking Finance Companies (NBFC), if so the details of action taken thereon;
- (d) whether the action taken by the Government to promote the corporates were misused, if so, the details thereof;
- (e) whether the corporates have furnished their audited stand alone and consolidated financial statement as per the SEBI norms, if so, the details thereof, if not, the action taken against the defaulters during the last 5 years; and
- (f) whether the banks have taken action against the corporates for defaulting on interest payments for external commercial borrowings, if so, the details of action taken in this regard?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)**

(a) to (d): Central Government has enacted various laws such as FEMA, PMLA and Fugitive Economic Offenders Act, 2018 (FEOA) to prevent money laundering. Directorate of Enforcement is mandated with the task of enforcement of provisions of these laws.

The number of persons arrested by ED in the last five years (1.4.2018 to 28.2.2023) is 374, which includes a number of directors of corporates involved in money laundering. No separate data related to corporate fraud is being maintained because PMLA cases generally involve several other offences also. However, in major cases of corporate fraud viz. Sterling Biotech, fraud committed by companies of Vijay Mallya, Nirav Modi & Mehul Choksi, Directorate has attached properties worth Rs. 33,862.20 crore. Out of which, assets worth Rs.15113.02

crores have been confiscated and restituted to the Public Sector Banks. Further, the consortium of banks led by SBI has realized Rs.7975.27 crore by sale of assets handed over to them by Directorate of Enforcement.

To strengthen the Know Your Customer Anti-Money Laundering (KYC AML) Supervision of NBFCs and in alignment with the supervisory strategy adopted for Scheduled Commercial Banks and select urban co-operative banks(UCBs), RBI is in the process of implementing the Risk Based Approach (RBA) for KYC AML Supervision of select NBFCs. The RBA inter-alia includes an analytical model developed to risk score and risk profile the targeted NBFCs, based on their submission to a specifically designed supervisory data template covering various aspects relating to KYC AML such as Customer Due Diligence, Transaction Monitoring, Customer Risk Profiling etc.

(e) As per the information submitted by the stock exchanges (BSE, NSE and MSEI), details of listed companies regarding submission of audited financial statements as per SEBI regulations from the Financial Year 2017-18 to 2021-22 are as under:

Particulars	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18
Total Number of Listed Companies	5339	5267	5252	5202	5479
Number of listed companies which have submitted standalone/ consolidated financials as specified by SEBI	4715	4688	4701	4697	4699
Number of listed companies which have not submitted standalone/ consolidated financials as specified by SEBI	624	579	551	505	780
Number of listed companies against whom action has been taken by Exchange for non-compliance.	281	228	187	160	101
Number of listed companies against whom action has not been taken by Exchange.*	343	351	364	345	679

* Includes companies under insolvency proceedings, suspension, subsequently delisted, etc.

(f) The information is not maintained by RBI.