

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS  
LOK SABHA  
UN-STARRED QUESTION NO. 3588  
ANSWERED ON MONDAY, August 8, 2022/ Sravana 17 , 1944 (SAKA)  
FUND RAISING BY PRIVATE COMPANIES  
QUESTION**

**3588. DR. SHASHI THAROOR:**

**Will the Minister of CORPORATE AFFAIRS**

**be pleased to state:**

- (a) whether fund raising of private, non-listed companies through crowd funding medium is a prevalent practice and allowed in India and if so, the details thereof and if not, the reasons therefor;**
- (b) whether the Ministry has kept a record of the total financing conducted through such route for such private, non-listed companies in India and if so, the details thereof and if not, the reasons therefor; and**
- (c) whether the Government plans on introducing legislation to regulate fundraising through crowd funding option and if so, the salient features of the proposed legislation and if not, the reasons therefor?**

**ANSWER**

**MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION; MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING; AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS**

**[RAO INDERJIT SINGH]**

**(a): The Term “Crowdfunding” is not defined under the provisions of the Companies Act, 2013 and hence, no information is available.**

**(b): In view of above, reply does not arise.**

**(c): There is no such proposal with the Ministry of Corporate Affairs.**

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