

**GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:2094
ANSWERED ON:12.12.2008
COMPLAINTS OF FRAUDS FROM IFCI
Khaire Shri Chandrakant Bhaurao

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether the Government has received any complaints about fraud from Industrial Finance Corporation of India(IFCI);
- (b) if so,the details of the complaints made by the IFCI;
- (c) whether the Government has referred the complaints for investigation to Serious Fraud Investigation Office(SFIO);
- (d) if so,the details thereof; and
- (e) the present status thereof?

Answer

THE MINISTER OF CORPORATE AFFAIRS(SHRI PREM CHAND GUPTA)

(a)to(e): No complaint was received by the Ministry directly from IFCI.However,investigations were ordered by the Company Law Board,under Section 237(b) of the Companies Act,1956 on the basis of petitions filed by IFCI against M/s Usha India Limited,M/s Malvika Steel Limited and M/s Koshika Telecom Limited before the Board.These investigations,ordered by the Company Law Board,were assigned by the Ministry on 18.5.2005 to Serious Fraud Investigation Office (SFIO) and have since been completed.Based on the findings of the SFIO,prosecutions were authorized to be filed against the concerned persons for violations of provisions of Law.Such prosecutions are under progress in the Court of law.