

**GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:447

ANSWERED ON:20.02.2009

FINANCIAL ASSISTANCE TO INVESTORS IN SCSL

Ahir Shri Hansraj Gangaram;Chakraborty Shri Ajay;Gangwar Shri Santosh Kumar;Kaushal Shri Raghuvir Singh;Sen Smt. Minati

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) the loss suffered by investors following irregularities committed in Satyam Computer Services Ltd. and its subsidiaries;
- (b) whether the Government proposes to provide any financial assistance to these investors/ companies to bail them out of present crisis; and
- (c) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CORPORATE AFFAIRS (SHRI PREM CHAND GUPTA)

(a): As per reports available on the trading of the scrip of Satyam Computer Services Ltd, the scrip opened at Rs.188 on 7.1.2009 but on revelations by the former Chairman of the Company the same day about falsification of its financial statements, fell to Rs 30.70 before closing at Rs. 38.40. It has been trading at different prices ever since.However,the losses suffered by investors following the above events are not quantifiable as capital market fluctuations are caused by a variety of factors and the shares of companies are bought and sold continuously by investors at their own choice at various prices and at different times.

(b) & (c): The Government has no plan to provide financial assistance to the investors or the companies involved.Equities traded in the capital market are risk bearing instruments.Insofar as Satyam Computer Services Ltd is concerned,on the basis of the order by the Company Law Board, the former Board of the company has been suspended and six new directors appointed.The new directors of the Company are taking necessary steps to secure finances from banks and financial institutions on the basis of the commercial viability and financial strength of the Company to enable the continuity of the business and operations of the company in the interest of its stakeholders.