

**GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:1496

ANSWERED ON:18.11.2010

SFIO

Lal Shri Kirodi

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether the Serious Fraud Investigation Office (SFIO) and the Registrar of Companies (R.O.C.) have received complaints against various companies/legal establishments including private telecommunication companies during the last three years and current year;

(b) if so, the details thereof including the nature of complaints; and

(c) the follow-up and actions taken by the Government into this regard?

Answer

THE MINISTER OF CORPORATE AFFAIRS(SHRI SALMAN KHURSHID)

(a), (b) & (c): Registrars of Companies (RoC) received complaints against various companies from stakeholders, such as shareholders, creditors, financiers, other Government Departments, members of public etc. The allegations pertaining to Company Law violations are looked into by Registrars of Companies and other matters outside the domain of this Ministry are looked into by concerned agencies like, Ministry of Finance, Reserve Bank of India, Securities and Exchange Board of India, Deptt. of Telecommunication, Enforcement Directorate, Central Bureau of Investigation etc. for necessary action. In case of allegations including financial implications, scrutiny is taken up by the ROCs under Section 234 of the Companies Act, 1956 for logical conclusions and the ROCs initiate necessary legal actions/prosecutions against the errant companies. In cases, where wider public interest and serious allegations such as non-payment of fixed deposits/interest on deposits and debentures, non-redemption of debentures/bonds, diversion of funds, manipulation/fudging of accounts, mismanagement etc. are involved, inspections under Section 209A or investigations under Section 235/237 are carried out and thereafter, prosecutions for violations of provisions of Companies Act, 1956, Indian Penal Code, 1860 etc. noticed during such inspections and investigations are filed. During the last three complete years and current year, 46 cases have been referred to SFIO for investigation including one private telecom company.