

**GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:2532
ANSWERED ON:25.11.2010
FINANCIAL FRAUDSTERS
Shantha J.

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether the Government is aware that a lot of consumers were cheated in moneychain programmes like the Gold-Quest;
- (b) if so, the details thereof;
- (c) whether the Government is taking any measures to regulate such mushrooming of financial fraudsters; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF CORPORATE AFFAIRS(SHRI SALMAN KHURSHID)

(a) & (b) Complaints were received against M/s Goldquest International Private Limited. The allegations levelled in the complaints include illegal international chain of criminal acts, money laundering by illegally selling of valuable articles illegally imported, grabbing of money from Indians living in India and abroad.

(c) & (d) Investigation has been ordered into the state of affairs of M/s Goldquest International Private Limited under section 235 of the Companies Act, 1956 on 28.07.2010. Further, the Ministry of Corporate Affairs introduced the Companies Bill, 2009 to replace the existing Companies Act, 1956. The Bill, inter-alia, seeks to provide for various new provisions in respect of 'Good Governance', more disclosure/transparency and accountability on the part of corporates and their directors/officers, stringent provisions in respect of related party transactions, more accountability for auditors of the companies etc. The Bill also seeks to provide for new concepts like Independent Director etc.