

**GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA**

STARRED QUESTION NO:337
ANSWERED ON:02.12.2010
OUTSOURCING OF INVESTIGATION WORK
Patil Shri Sanjay Dina ;Sule Supriya

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether the Government has taken note of the various corporate frauds taking place in the country;
- (b) if so, the details thereof including the cases under investigation;
- (c) whether requests have been received from various quarters to outsource the investigative power vested with the Registrar of Companies (RoCs), to specialized Chartered Accountant firms, so as to complete investigation within a time bound period;
- (d) if so, the reaction of the Government thereto;
- (e) whether the relevant statute is proposed to be amended; and
- (f) if so, the details thereof?

Answer

THE MINISTER OF CORPORATE AFFAIRS (SHRI SALMAN KHURSHID)

- (a) to (f) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN ANSWER TO PARTS (a) TO (f) OF LOK SABHA STARRED QUESTION NO 337 REGARDING
OUTSOURCING OF INVESTIGATION WORK

(a) & (b) Taking into account the complaints from various stakeholders and reports from Registrars of Companies under Section 234 of the Companies Act, 1956, the Government has ordered investigation into the affairs of companies under Section 235/237 of the Companies Act, 1956. Since January 2007, 45 cases have been ordered for investigation by SFIO and 4 cases by officials from Office of Regional Director, Northern Region.

- (c) No, Madam.
- (d) Does not arise.
- (e) No, Madam.
- (f) Does not arise.