

**GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:227

ANSWERED ON:22.11.2012

VIOLATION OF COMPANY LAW

Das Shri Ram Sundar;Karwariya Shri Kapil Muni;Thamaraiselvan Shri R.

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether the Government has taken cognizance of the companies which have violated the provisions of Company Law;
- (b) if so, the details thereof during the last three years and current year alongwith reasons therefor; and
- (c) the number of cases in which an enquiry has been conducted alongwith the number of cases in which action was taken against the company?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF CORPORATE AFFAIRS (SHRI SACHIN PILOT)

(a) to (c) - Companies Act, 1956 is a voluminous legislation under which companies are required to make large number of disclosures and meet many procedural requirements as provided in the Act. Scrutiny of filings of companies to detect technical violations of the Act in such cases is carried out on a regular basis by Registrars of Companies all over the country and action for non-compliance is largely in the form of collection of additional fee and compounding fee. In more serious cases enquiry/inspection/investigation are carried out and cases of violations result in prosecutions. During the last three years (2009-2012) such prosecutions have resulted in 8186 convictions.