

**GOVERNMENT OF INDIA  
CORPORATE AFFAIRS  
LOK SABHA**

UNSTARRED QUESTION NO:3367  
ANSWERED ON:13.12.2012  
FRAUD COMPANIES  
Shivanagouda Shri Shivaramagouda

**Will the Minister of CORPORATE AFFAIRS be pleased to state:**

- (a) whether the Government is aware that many fraud companies are operating in the country;
- (b) if so, the details thereof, State-wise;
- (c) whether the Government is making efforts to strengthen the regulatory framework;
- (d) if so, the details thereof;
- (e) whether the Government is intending to bring a stringent legislation to save huge money belonging to the citizens of the country; and
- (f) if so, the response of the Government in this regard?

**Answer**

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

- (a) & (b) Ministry of Corporate Affairs has established Serious Fraud Investigation Office (SFIO) to investigate frauds committed by the companies. During last 4 years ( 2008-2009, 2009-10, 2010-11, 2011-12 and till date) 83 companies were ordered for investigation by SFIO. The state-wise list of such companies is enclosed to this reply vide Annexure'A'.
- (c) to (f) Yes Madam. The Government is intending to bring stringent legislation through Companies Bill, 2011 by providing adequate provisions and measures to ensure that companies raise money in a more transparent and accountable manner and also propose to grant statutory recognition to SFIO and to increase its powers to curb frauds.