

**GOVERNMENT OF INDIA  
CORPORATE AFFAIRS  
LOK SABHA**

UNSTARRED QUESTION NO:1765  
ANSWERED ON:07.03.2013  
PHALGUNA SAKA CORPORATE FRAUDS  
Dhotre Shri Sanjay Shamrao;Mahtab Shri Bhartruhari

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

- (a) whether the Government is considering to set up a new intelligence unit to detect corporate frauds at the earliest possible stage;
- (b) if so, the details thereof along with the time by which the unit is likely to be operational;
- (c) the number of corporate frauds detected along with the amount involved therein and investigated by the Serious Fraud Investigation Office (SFIO) during each of the last three years and the current year;
- (d) the number of such fraud cases settled by SFIO during the said period; and
- (e) the corrective steps taken/being taken by the Government to keep a check on recurrence of such corporate frauds?

**Answer**

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

- (a) & (b) It is proposed to revamp the existing Market Research & Analysis Unit (MRAU) in the Serious Fraud Investigation Office (SFIO) to enable it to function as an intelligence unit. A Committee has been constituted by the Ministry for the purpose of revamping MRAU. The Report of the Committee is expected to be submitted shortly. Pilot testing of the proposed unit is expected to be carried out during the Financial Year 2013-14.
- (c) From 2009-10 to 2011-12 till the current financial year, SFIO has completed investigations in 63 cases. In these investigations, siphoning of funds amounting to Rs 5607.37 crore involving 18 companies has been detected.
- (d) It is not within the purview of SFIO to settle cases as they are authorised to file complaints in the jurisdictional courts.
- (e) It is the continuous endeavour of the Ministry to upgrade skills, systems and knowledge through improved coordination mechanisms with other investigating agencies for maintaining a check against recurrence of corporate frauds.