

**GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:2567

ANSWERED ON:17.03.2017

Swindling by Shell Companies

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Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether a number of shell companies have swindled large amount of money approximately equal to Rs. 3900 crore in November-December 2016, post demonetisation and if so, the details thereof;
- (b) whether the Serious Fraud Investigation Office (SFIO) has also identified at least 54 people who helped 559 beneficiaries in laundering the illicit cash and if so, the details thereof;
- (c) whether the Government was not well prepared to tackle this issue after demonetisation; and
- (d) if so, the details of steps taken to identify and punish the perpetrators and to prevent such fraudulent activities?

Answer

THE MINISTER OF STATE IN THE (SHRI ARJUN RAM MEGHWAL)
MINISTRY OF CORPORATE AFFAIRS

- (a) The term 'shell companies' is not defined in the Companies Act. However, in one of the investigations by SFIO, it was found that a group of 11 companies had laundered money to the extent of Rs 3790 crore during the period 2004-05 to August, 2010.
- (b) SFIO, during the course of one of the investigations, has identified 54 professionals who helped 559 beneficiaries in laundering the illicit cash. These professionals included 34 Chartered Accountants, 3 Company Secretaries, 04 Advocates and 13 others.
- (c) & (d) The matters relating to laundering the illicit cash laundering are handled by various agencies, such as Enforcement Directorate, Economic Offences Wings of the States, Income Tax authorities, etc.
