

(b) whether, according to the Ministry, steel sector's demand for coking coal is expected to go up by another 18-20 percent in 2010-11 and the Coal India Ltd. Which currently meets 82 per cent of the power sector's thermal coal demand will not be able to keep pace with the growing needs because of hurdles in mining projects;

(c) if so, whether the Ministry of Finance has agreed to the proposals; and

(d) by when a final decision in this regard is likely to be taken?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI SHRIPRAKASH JAISWAL):

(a) No, Sir. Ministry of Coal has not made any proposal to reduce import duty on either thermal coal or coking coal.

(b) The Steel Sector's demand for coking coal for the year 2010-11 is expected to be 13 % more than the revised demand of 44.52 million tonnes in the current year 2009-10.

The supply from Coal India Ltd. to the power sector (Utilities & Captive Plants) in 2009-10 was about 82% of the total off-take by power sector and the proposed supply from CIL in the year 2010-11 to the power sector is about 77% of the proposed demand because of some hurdles being faced for enhanced coal production & evacuation.

(c) and (d) In view of the reply to part (a) above the question does not arise.

Action against vanishing companies

1066. SHRI B.S. GNANADESIKAN: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether his Ministry has directed the Registrar of Companies in the States to identify vanishing companies with public shares and start legal proceedings against them;

(b) if so, the details thereof;

(c) whether the Ministry and SEBI have jointly suggested tightening norms for vanishing companies following multi crore Satyam fraud and also in the interest of small investors; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS (SHRI SALMAN KHURSHEED): (a) to (d) 238 companies were identified as vanishing companies out of all companies that came out with Initial Public Offers (IPOs) during 1992-2001 on the basis of the criteria developed by the Coordination and Monitoring Committee, which is co-chaired by Secretary, Ministry of Corporate Affairs and Chairman, Securities and Exchange Board of India (SEBI). With the efforts of the CMC and the field offices of the Ministry, 117 companies out of these traced back and are now regular in their filings. Prosecutions under the provisions of the Companies Act, 1956 have been filed against the companies as well as their directors.

Although, no company that came out with an IPO after 2001 has been identified as vanishing company, the Ministry has instructed all Registrars of Companies to carry out technical scrutiny of balance sheets of the companies that came out with IPOs after 2001. The technical scrutiny of the balance sheets will enable the Ministry to keep a watch on the state of affair of such companies.

Further, the Ministry has also developed an Early Warning System in which the database of MCA 21 and the information filed by the company is used for detecting early warning of a possible business fraud/failure through the use of information technology. An Expert Group has also been set up with joint membership from the Ministry and SEBI to review the system of monitoring of proceeds of IPOs by the companies so that the regulatory authorities can keep a watchful eye on the issue of siphoning of the funds by fraudulent companies. This Expert Group is submitting its report shortly.

Transfer of shares of Reliance Infocomm

1067. SHRI AMAR SINGH: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether it is a fact that Reliance Communication Infrastructure Ltd. (RCIL) had transferred 500 million shares of Reliance Infocomm to Shri Mukesh Ambani at Rs.1 per share when the market value of shares were at Rs.53.71 per share;

(b) if so, the details of the transaction; and

(c) whether these transactions were as per the norms laid down by the Securities and Exchange Board of India (SEBI)?

THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS (SHRI SALMAN KHURSHED): (a) and (b) As per the record maintained in the concerned office of Registrar of Companies, the Reliance Communication Infrastructure Ltd. has transferred 50 crores shares of Reliance Infocomm Ltd. @ Re.1/- per share to the key Managerial Personnel i.e. Shri Mukesh D. Ambani during the year 2004-05 and the same were transferred back to the company at the same price during the same year. No such record regarding market value of shares is maintained by the Registrar of Companies.

(c) Being unlisted company, the norms laid down by Securities and Exchange Board of India (SEBI) are not applicable to the aforesaid transactions.

Progress of probe on Satyam scam

1068. SHRI VARINDER SINGH BAJWA: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) the present status of investigations into Satyam Computers scam;

(b) the number of Chartered Accountantst/firms suspended/disqualified for audit duties and removed from the membership as Chartered Accountants, as a result of the investigations into the scam; and