

Submission of financial statement of accounts by PSUs

3239. SHRID. RAJA:
SHRI R.C. SINGH:
MS. SUSHILA TIRIYA:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether it is a fact that many Public Sector Undertakings, both Central and State PSUs have not submitted their financial statement of accounts with the Registrar of Companies for so many years;

(b) if so, the number of PSUs, Central as well as State which have not submitted their accounts and for how many years, State-wise; and

(c) the action proposed to be taken against such PSUs?

THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS (SHRI SALMAN KHURSHEED): (a) to (c) The Comptroller and Auditor General (CAG) audits the accounts of the State and Centrally, run PSUs. The audit reports of the (CAG) alongwith accounts are laid before the State Assembly for the State PSUs, and before the Parliament for Centrally run PSUs. Recently, CAG had sent a reference to this Ministry in February, 2010 requesting for action under Companies Act in case of 658 out of 867 operational State PSUs whose accounts are in arrears. Accordingly, this Ministry has addressed letters to all the State Chief Secretaries with the request to prevail upon the Chairpersons and Managing Directors of defaulting State PSUs to complete the accounts in a definite time frame. To ensure regular filing of accounts, the Ministry has issued advisories as well as show cause notices for non-filing from time to time through Registrars of Companies.

SFIO's request to trace money stashed abroad

3240. SHRI A. ELAVARASAN: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether the Serious Fraud Investigation Office (SFIO), the corporate investigating body, has been asking for power to trace money stashed abroad by corporates to carry out investigation abroad;

(b) whether SFIO is one of the agencies probing multi crore Satyam scam on which it has submitted a 14,000 page report and stated that since they are not permitted to carry out investigation abroad, it could not complete probe in the Satyam scam case;

(c) if so, the details thereof; and

(d) the action proposed by Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS (SHRI SALMAN KHURSHEED): (a) Yes, Sir.

(b) to (d) The Investigation of Satyam is being carried out by the Government through various investigative agencies, namely, Serious Fraud Investigation Office (SFIO), Central

Bureau of Investigation (CBI), Enforcement Directorate (ED), etc., in coordination with each other. Based on the report of SFIO, prosecutions have been filed for violation of provisions of the Companies Act, 1956. Further investigation regarding diversion of funds outside the country, if any, is being carried on by the CBI and ED for which they have the requisite powers.

Stake of foreign companies in joint ventures

3241. DR. T. SUBBARAMI REDDY: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether foreign companies could soon be allowed to incrementally raise their stakes in Indian Joint Ventures through stock market deals;

(b) whether the policy relaxation would mean that an overseas company does not necessarily have to approach the Foreign Investment Promotion Board or use the FII route to increase its stake in an Indian company as long as the deal can not potentially lead to its taking control of the company or breach the relevant sectoral FDI cap; and

(c) if so, to what extent this relaxation has helped the foreign companies in the country?

THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS (SHRI SALMAN KHURSHEED): (a) to (c) As per information received from SEBI, Investment by Foreign Institutional Investors (FIIs) is regulated under SEBI (FII) Regulations, 1995 and regulation 5 (2) of Foreign Exchange Management Act, notification No. 20 dated 3.5.2000. SEBI acts as the nodal point in the registration of FIIs. The Reserve Bank of India has granted general permission to SEBI regulated FIIs to invest in India under Portfolio Investment Scheme. Investment by individual FIIs/Sub accounts cannot exceed 10% of paid up capital. Investment by Foreign corporate cannot exceed 5% of paid up capital. All FIIs and their sub accounts taken together cannot acquire more than 24% of the paid up capital of the Indian Company. An Indian company can raise the 24% ceiling to the Sectoral cap as applicable subject to approval of Board of Directors and shareholders.

Health projects in Arunachal Pradesh

3242. SHRI RAJKUMAR DHOOT: Will the Minister of DEVELOPMENT OF NORTH EASTERN REGION be pleased to state:

(a) whether it is a fact that the Ministry had sanctioned five health projects for Arunachal Pradesh at a cost of Rs. 36.25 crores;

(b) if so, the details thereof;

(c) whether all the projects have been completed; and

(d) if not, the reasons therefor?

THE MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION (SHRI B.K. HANDIQUE): (a) Yes, Sir. Ministry of Development of North Eastern Region had sanctioned 5 health projects for Arunachal Pradesh at a total cost of Rs. 3625.04 lakh.