

System (TPDS) by improving monitoring mechanism and vigilance, increased transparency in functioning of TPDS, adoption of revised Model Citizen's Charter and use of Information and Communication Technology (ICT) tools.

Curb on multi-level marketing companies

3467. SHR1 KUMAR DEEPAK DAS : Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether Government is aware of the facts that there is an economic discrimination made to the citizens of the country by some multi-national companies by means of legalising ponzi schemes (banned worldwide) through multi-level marketing;

(b) if so, the details of such companies including the areas of operation and the date of their registration in the country;

(c) whether Government has taken any action against any such company carrying fraudulent online investment through multi-level scheme; and

(d) if so, the details of appropriate action taken by the Ministry to safeguard the pecuniary interest of the country and ordinary gullible investors?

THE MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS (SHRI R.P.N. SINGH) : (a) to (d) Yes, Sir. One case of M/s. Speak-Asia Online Pte, a foreign company, has come to the notice of Ministry of Corporate Affairs. It is a multi-level marketing company. As per preliminary enquiry, it is found that the company is not registered under the Companies Act, 1956. Besides, the company has also not registered its place of business with the Registrar of Companies, Delhi as required under Section 592 of the Companies Act, 1956. However, the Ministry of Corporate Affairs has ordered investigation under Section 235 of the Companies Act, 1956 on 20.07.2011.

Corporate frauds

3468. DR. JANARDHAN WAGHMARE : Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether Government is aware that the corporate frauds are increasing in the country;

(b) if so, the details thereof;

(c) the nature of punishment meted out and penalty imposed on the defaulters during the last three years; and

(d) the steps taken/proposed to be taken for prevention of corporate frauds ?

THE MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS (SHRI R.P.N. SINGH) : (a) and (b) There is no verified information available to suggest that the cases of corporate frauds are on the increase.

(c) Number of prosecutions filed for the violations of the provisions of the Companies Act, 1956 for the last three years are as under :-

Year	No. of Prosecutions	Total fine imposed
2007-08	17080	Rs. 111.84 lakh
2008-09	13971	Rs. 110.58 lakh
2009-10	9021	Rs. 92.30 lakh

(d) Since 2006, the Ministry has implemented MCA-21, an e-Governance project, bringing greater transparency as the data available in the public domain can be viewed by any person. The Ministry has also evolved System to help in detecting likely fraud at an early state. In the process of development of Early Warning System (EWS), the Ministry has identified certain Risk Parameters which can be run on the data available with the Ministry of Corporate Affairs, on financial statements furnished by the companies in e-forms developed by the Ministry.

Expenditure on corporate social responsibility

3469. SHRI SHADI LAL BATRA : Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether Government has made it compulsory for every company to have a policy for corporate social responsibilities;

(b) if so, the details thereof, company-wise;

(c) the funds spent by the corporate sector for social responsibility during the last three years and as on date, company-wise; and