

against chemists and druggists for following anti-competitive practices during 2011-12 and 2012-13, so far;

(b) if so, the details thereof;

(c) whether proceedings against such chemists and druggists have started and completed, so far;

(d) if so, the details thereof, case-wise; and

(e) the details of such chemists and druggists on whom penalty has been imposed?

THE MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS (SHRI R. P. N. SINGH): (a) to (e) Yes, Sir. The Competition Commission of India (CCI) has passed orders on 11.06.2012 against Chemists & Druggists Association, Goa imposing a penalty of Rs.2.00 lacs for contravention of provisions of the Competition Act, 2002. The Commission has also directed Director General (DG), CCI to conduct investigation against five other Chemist & Druggist Associations. DG, CCI has submitted its Report in four cases. However, Karnataka High Court has granted stay in one of these cases. Report of Director General is awaited in fifth case.

#### **Probe into Reebok scam**

†1611. SHRI RASHEED MASOOD: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether it is a fact that a case of embezzlement of Rs.1,300 crore has come to light against former Managing Director of Reebok company;

(b) the action taken in this regard, so far;

(c) the names of people arrested for this embezzlement;

(d) whether the Ministry has constituted any committee to look into such type of embezzlements; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS (SHRI R. P. N. SINGH): (a) and (b) Yes, Sir. On the basis of media reports, this

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†Original notice of the question was received in Hindi.

Ministry has ordered investigation into the affairs of M/s Reebok India Company (a company with Unlimited Liability) under section 235 of the Companies Act, 1956, on 29-05-2012, to be conducted by the Serious Fraud Investigation Office of this Ministry.

(c) So far, no person has been arrested for violation of any of the provisions of the Companies Act, 1956.

(d) No, Sir.

(e) Since the Ministry has already established 'Serious Fraud Investigation Office' to investigate instances of such types of embezzlements, no need is felt to constitute any separate committee.

#### **Extra judicial powers of SFIO**

1612. SHRI JAI PRAKASH NARAYAN SINGH: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether it is a fact that instead of conducting investigation by the Registrar of Companies (RoCs) under Section 235 of the Companies Act, the same investigations are referred to the Serious Fraud Investigation Office (SFIO);

(b) if so, reasons therefor;

(c) whether SFIO has extra judicial powers under Section 235 of the Companies Act than RoCs; and

(d) if so, the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS (SHRI R. P. N. SINGH): (a) and (b) ROC has powers under section 234 of the Companies Act, 1956, to call for such information or explanation, as may be deemed necessary from any company based on the documents submitted to his office by the Company and submit a report to the Central Government under Section 234 (6) of the Act. Based on the report of ROC under Section 234 (6) of the Act, the Central Government can order investigation of the affairs of the company under Section 235 of the Act. Multi dimensional financial irregularities/ frauds of complex nature are normally assigned to the Serious Fraud Investigation Office of this Ministry which is a multi-disciplinary investigative agency comprising of experts from banking sector, capital market, company law, general law, forensic, audit, taxation, information technology etc.