

(b) if so, the quantum of foodgrains required under PDS, public welfare schemes etc. in the country per annum as per present assessments; and

(c) the estimated requirement of foodgrains in the country after the enactment of the National Food Security Bill?

THE MINISTER OF STATE OF THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K. V. THOMAS): (a) and (b) The stock of foodgrains in the Central Pool as on 1st April, 2013 was 596.75 lakh tons. During the year 2012-13 the Government has made allocation of 627.67 lakh tons of foodgrains under Targeted Public Distribution System (TPDS), Other welfare Schemes (OWS) and for Festival, calamity relief etc. During the current year 2013-14, Government of India has so far allocated a quantity of 463.95 lakh tons under TPDS and OWS. Further, additional allocation of approximately 61 lakh tons of foodgrains to Above Poverty Line (APL) families and 50 lakh tons of additional allocation of foodgrains to Below Poverty Line (BPL) families in States/Union Territories (UTs) has also been proposed. Apart from the above, a proposal to increase the allocation from 10kg - 35kg per APL family per month to 20kg - 35kg per APL family per month is also under consideration.

(c) As per the provisions of the Food Security Bill, estimated annual requirement of foodgrains, at 2011 population, is 607.4 lakh tons.

Curb on fraudulent MLM companies

3604. SHRI A.ELAVARASAN: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether the Ministry is working on a mechanism to curb fraudulent Multi-Level Marketing (MLM) companies that are swindling investors and indulging in fraudulent schemes;

(b) if so, the details thereof;

(c) whether the Department of Consumer Affairs has also issued draft guidelines on this issue; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS (SHRI SACHIN PILOT): (a) to (d) Multi Level Marketing (MLM) Schemes involving

enrolment of a vertical chain of investors/agents constitutes "Money Circulation" and is banned under the Prize Chits and Money Circulation (Schemes) Banning Act, 1978 which is implemented by the States. In order to facilitate effective control of MLM a Group of Officers from Ministries of Finance, Corporate Affairs and Consumer Affairs along with representatives of Reserve Bank of India, Central Economic Intelligence Bureau (CEIB) and the Serious Fraud Investigation Office (SFIO) have prepared Model Rules called Money Circulation Scheme (Banning) Rules, to explicitly cover MLM under the said Act. Ministry of Finance (Department of Financial Services) has sent the rules for notification to the States.

Inspection of fraudulent companies

3605. SHRI K. C. TYAGI: Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether Government has conducted inspection of companies which were found to have indulged in irregularities;
- (b) if so, the names of such companies inspected after receiving complaints against them during the last five years; and
- (c) the steps taken by Government, including amendment of the laws, if any, to keep effective check on frauds/irregularities committed by companies against the investors?

THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS (SHRI SACHIN PILOT): (a) and (b) Yes, Sir. During last five years *i.e.* from 2008-09 to 2012-13, 782 inspection reports in respect of companies were received in the Ministry. Based on the findings in the inspection reports, penal actions have been taken against the companies and their directors/officers in default for violation of various provisions of the Companies Act, 1956.

(c) The Ministry has taken following steps to keep effective check on frauds/irregularities committed by companies:

- (i) An Early Warning System has been devised to generate alerts on the basis of certain parameters;
- (ii) Market Research and Analysis Unit has been set up in the Serious Fraud Investigation Office; and