

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
RAJYA SABHA
UNSTARRED QUESTION NO. 2258
ANSWERED ON TUESDAY, THE 16TH MARCH, 2021
FRAUD IN CORPORATE SECTOR

QUESTION

2258. SHRI BINOY VISWAM:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether the cases of fraud by companies have increased in the last three years, if so, the reasons for the same despite the various steps taken by Government;
- (b) the total number of cases investigated by the Serious Fraud Investigation Office (SFIO) in the past three years ;
- (c) the total number of companies or individuals that have been prosecuted in the last three years; and
- (d) the total number of convictions for fraud by companies in the last three years?

ANSWER

**THE MINISTER OF STATE FOR
FINANCE AND CORPORATE AFFAIRS (SHRI ANURAG SINGH THAKUR)**

(a) to (d): Yes Sir, Ministry of Corporate Affairs (MCA) is aware of the corporate frauds reported in the last three years. Investigations have been ordered from time to time in terms of section 212 of the Companies Act, 2013 (the Act) into the affairs of the companies to be conducted by Serious Fraud Investigation Office (SFIO). Section 447 of the Act provides for punishment for fraud. The said section has also been included as Scheduled offence in the Schedule, in Part A, in paragraph 29 of the Prevention of Money-Laundering Act, 2002 vide Finance Act, 2018 (No. 13 of 2018).

The details of Investigations ordered and assigned to SFIO during the last 3 Financial Years are as under:

Financial year	No. of investigations ordered and assigned to SFIO		No. of companies or individuals Prosecuted	No. of convictions for fraud by companies
	No. of Cases	No. of Companies		
2017-18	22	226	16	23
2018-19	33	414	09	95
2019-20	26	326	19	114
