

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA  
UN-STARRED QUESTION NO. 820**

**ANSWERED ON TUESDAY, FEBRUARY 9, 2021/ 20 MAGHA, 1942 (SAKA)**

**CURBING THE CASES OF FRAUD AND THEFT BY COMPANIES**

**QUESTION**

**820. SMT. JHARNA DAS BAIDYA:**

**Will the Minister of CORPORATE AFFAIRS be pleased to state:**

- (a) whether Government is cognizant of the fact that fraud cases involving companies went up by the year 2020, if so, the details thereof;
- (b) whether Government is planning to take any step to curb the cases of fraud and theft; and
- (c) if so, the details thereof and, if not, the reasons therefor?

**ANSWER**

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

(a) to (c): The Government in the Ministry of Corporate Affairs (MCA) is aware of the corporate frauds reported in last years. Based on the reports/complaints etc., investigations are ordered from time to time. The details of number of companies against whom Investigations ordered during last Financial Years are as under:-

S. No.	Financial Year	No. of Investigations assigned to Serious Fraud Investigation Office (SFIO)	No. of Investigations assigned to RDs
1	2018-19	33	120
2	2019-20	26	46
3	2020-21(till 31.01.2021)	20	38

The Government has taken a number of measures to curb only corporate frauds which are as under:-

- (1) 'Fraud' as a substantive offence has been introduced in the Companies Act, 2013.
- (2) Statutory status to the SFIO has been granted under the said Act.
- (3) Stricter norms of Corporate Governance and their implementation have been prescribed in the Companies Act, 2013.
- (4) It has been made mandatory for every existing or prospective directors to obtain a "Directors Identification Number" (DIN).
- (5) In case of incorporation of a new company or change of address of an existing company, the Ministry has made it mandatory for professionals to verify details of the company and to personally visit their premises and certify that the premises are at the disposal of the company.

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