

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS  
RAJYA SABHA  
UN-STARRED QUESTION NO. 174  
ANSWERED ON Tuesday, February 4, 2025**

**Investigation under SFIO**

**174. SHRI K.R. SURESH REDDY:**

Will the Minister of Corporate Affairs be pleased to state:

- (a) whether the Ministry has noticed an increase in the number of corporate fraud cases in the last five years;
- (b) the steps been taken to enhance monitoring and investigation capabilities of the Serious Fraud Investigation Office (SFIO) in dealing with such cases; and
- (c) the number of corporate fraud cases resolved by SFIO in the past three years, along with the amount recovered?

**ANSWER**

**Minister of State in the Ministry of Corporate Affairs; Minister of State in the Ministry of Road Transport and Highways**

**(Shri Harsh Malhotra)**

(a) & (b) : No such verified information regarding an increase in the number of corporate fraud cases in the last five years have been noticed by this Ministry. The Ministry of Corporate Affairs takes action against frauds as defined under the Companies Act, 2013. Investigation in matter of serious frauds are assigned to the Serious Fraud Investigation Office (SFIO) under Section 212 of the Companies Act, 2013. The Investigations to SFIO is directed by the Central Government on the basis of report of the Registrar or Inspector or on receiving intimation of a special resolution passed by the Company or in public interest or on the request of any Department of the Central Government or State Government. Details of cases assigned for Investigation to SFIO during the last five years is as under :-

<b>Financial Year</b>	<b>Number of cases</b>
2019-20	26
2020-21	20
2021-22	14
2022-23	07
2023-24	05
<b>Total</b>	<b>72</b>

Further, to enhance monitoring and investigation capabilities of the SFIO, the following steps have been taken:

1. Enhanced manpower in SFIO through process of selection on vacant posts.
2. Upgradation of Computer Forensic and Data Mining Lab (CFDML) for extraction of digital evidences in respective cases.
3. Panel of CA firms have been constituted for engaging the CA firms in complex and high stake cases for assisting Investigation Units.
4. Market Research and Analysis Unit (MRAU) was set up in Serious Fraud Investigation Office (SFIO) vide O.M. No. 35011 I/27/2009-AD.III dated 20th August 2009 in New Delhi, with following objectives:-

- i. Repository of information;
- ii. Improving investigation skills;
- iii. Adoption of best practices;
- iv. Co-ordination with other investigative agencies.

MRAU carries out activities including analysis of the complaints received against the corporates for fraudulent activities.

5. Summons & Notices Management System(SNMS) Portal and SOP for regulating issuance of summons by Investigation Units has been implemented for better transparency and efficiency.

(c) : In the last 3 years (from 01.04.2021 to 31.03.2024) Investigation reports submitted by SFIO are as under :-

<b>Financial Year</b>	<b>Number of cases</b>
2021-22	13
2022-23	29
2023-24	40
<b>Total</b>	<b>82</b>

Further, no amount has been recovered by the SFIO during last three years.

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