

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 2040
ANSWERED ON FRIDAY, THE 31ST JULY, 2015
[SHRAVANA 9, 1937 (SAKA)]**

CORPORATE FRAUDS

QUESTION

**2040. SHRI RAVNEET SINGH:
SHRI P. C. MOHAN:
SHRI ADHIR RANJAN CHOWDHURY:
SHRI B. VINOD KUMAR:
DR. MANOJ RAJORIA:
SHRIMATI VANAROJA R.:
SHRI BIDYUT BARAN MAHATO:
SHRI NARANBHAI KACHHADIYA:**

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

- (a) whether the cases of corporate frauds/chit fund scams involving companies reportedly diverting public funds to their sister concerns and declare themselves insolvent in the country have come to the notice of the Government during each of the last three years and the current year, if so, the details thereof, company-wise along with the amount of public money stuck in such cases during the said period, State/UT-wise;**
- (b) the number of such cases investigated by the Government along with the number of Auditors/Directors of the companies punished in the country during the said period, company-wise, State/UT-wise;**
- (c) the monitoring and regulatory mechanism put in place by the Government in this regard;**
- (d) whether the Government has sought cooperation of the Institute of Chartered Accountants of India and Institute of Company Secretaries of India for framing guidelines to curb such frauds/scams and if so, the details thereof along with the response of the said Institutes so far; and**

(e) the other corrective steps taken/being taken by the Government to curb such frauds/scams and to protect the interests of the investors in the country?

ANSWER

THE MINISTER OF CORPORATE AFFAIRS

(SHRI ARUN JAITLEY)

(a) & (b): The Ministry, during the last three years and current year, has ordered investigation into the affairs of 145 companies which were allegedly involved in illegal deposit taking activities. A State-wise list of these companies is enclosed as Annexure. In many of the cases where investigations have been completed, diversion of funds so collected and/or default by the companies in repayment of such deposits has been observed.

(c) Regulation of such activities is covered by the following statutes:

- (i) Chit Funds Act, 1982, under which all chit funds require previous sanction from the respective State Governments.**
- (ii) Prize Chits & Money Circulation Schemes (Banning) Act, 1978, enforcement of which lies with State Governments, defines and prohibits illegal chit fund schemes.**
- (iii) RBI Act, 1934, administered by the Reserve Bank of India, bars any individual or a firm or unincorporated association of individuals from accepting deposits.**
- (iv) SEBI Act, 1992, administered by the Securities and Exchange Board of India, to regulate Collective Investment Schemes.**
- (v) Companies Act, 2013 (Sections 73 to 76) read with Companies (Acceptance of Deposit) Rules, 2014.**
- (vi) Special legislations passed by certain States to protect the interests of depositors.**

(d) & (e) Apart from enforcement of the above statutes and regulations, the following measures have been taken to protect the interests of the investors and to enable effective investigation into the affairs of companies allegedly involved in frauds:

- (i) 'Fraud' has been defined as a substantive offence in the Companies Act, 2013;**
- (ii) Section 143(12) of Companies Act, 2013 requires the auditor of a company to report any fraud to the Board of Directors or Audit Committee of that company or to the Central Government, depending on the amount of fraud.**

**ANNEXURE TO UNSTARRED QUESTION NO. 2040 FOR ANSWER IN LOK SABHA
ON 31-07-2015**

**LIST OF INVESTIGATION ORDERED IN RESPECT OF COMPANIES INDULGING IN
ILLEGAL COLLECTION OF DEPOSITS**

Year – 2012-13

Sl. NO.	Name of the Company	State/ UT	Suspected Quantum
1.	Basil International Ltd.	Delhi & UP	Rs 1721.00 crore
2.	Vamshi Chemicals Ltd.		
3.	Nixil Pharmaceuticals Specialities Ltd.		
4.	Appeline Cosmetics & Toiletries Ltd.		
5.	Basil Express Ltd.		
6.	Abcindya Networks Pvt. Ltd.	Delhi	Rs 48.00 crore
7.	Unigateway 2U Trading Pvt. Ltd.;	Tamil Nadu	Rs 791.53 crore
8.	Unipay2U Marketing Pvt. Ltd;		
9.	Unipay Creative Business Pvt. Ltd.;		
10.	Unipay2U Production Pvt. Ltd.		
11.	Life Business Project Pvt. Ltd.	Delhi	Not available
12.	Alchemist Infra Realty Ltd.	Delhi	Not available
13.	Speakasia Online Pte Ltd. (Singapore)	Maharashtra	Rs 3494.00 crore
14.	Tulsiyat Tek Pvt. Ltd.		
15.	Seamless Outsourcing LLP		

Year – 2013-14

16.	Rose Valley Real Estate & Construction Ltd.	West Bengal	Rs 10281.00 crore
17.	Rose Valley Industries Ltd.		
18.	Silver Valley Communications Ltd.		
19.	Rose Valley Food Beverages Ltd.		
20.	Rose Valley Marketing India Ltd.		
21.	Rose Valley Infotech Pvt. Ltd.		
22.	Rose Valley Hotels & Entertainment Ltd.		
23.	Rose Valley Projects Ltd.		
24.	Rose Valley Patrika Ltd.		
25.	Rose Valley Films Ltd.		
26.	Modern Investment Traders Pvt. Ltd		
27.	Rose Valley Travels Pvt. Ltd.		
28.	Brand Value Communications Ltd.		
29.	Rose Valley Housing Development Finance Corporation Ltd.		
30.	Rose Valley Airlines Ltd.		
31.	Rose Valley Fashions Pvt. Ltd.		
32.	Rupasi Bangla Projects India Ltd.		
33.	Rupasi Bangla Media & Entertainment Ltd.		
34.	Rose Valley Realcom Ltd.		

35.	Icore E-services Ltd.	West Bengal	Not available
36.	Icore Apparels Pvt. Ltd.		
37.	Icore Paints Pvt. Ltd.		
38.	Icore Iron & Steel Pvt. Ltd.		
39.	Icore Super Cements Pvt. Ltd.		
40.	Riju Cement Ltd.		
41.	Mega Mould India Ltd.		
42.	Papyrus Infotech		
43.	Icore Global Medicines Pvt. Ltd.		
44.	Icore Jewellery & Gems Pvt. Ltd.		
45.	Icore Polyfab Pvt. Ltd.		
46.	Icore Housing Finance Corpn. Ltd.		
47.	Saradha Realty India Ltd.	West Bengal	Rs 2394.00 crore
48.	Saradha Agro Development Ltd.		
49.	Saradha Exports Ltd.		
50.	Saradha Shopping Mall Pvt. Ltd.		
51.	Saradha Printing & Publication Pvt. Ltd.		
52.	Saradha Tours & Travels Pvt. Ltd.		
53.	Saradha Education Enterprise Ltd.		
54.	Saradha Construction Company Pvt. Ltd.		
55.	Saradha Garden Resorts & Hotel Pvt. Ltd.		
56.	Saradha Landmark Cement Pvt. Ltd.		
57.	Rose Capital Ltd.		
58.	Bengal Media Pvt. Ltd.		
59.	Bhasank Food Pvt. Ltd.		
60.	Global Automobiles Ltd.		
61.	Sunshine India Land Developers Ltd.	West Bengal	Rs 30.00 crore
62.	Sunshine Mutual Benefit Ltd.		
63.	Sunshine Land Projects Ltd.		
64.	Sahu Investment Mutual Benefit Company Ltd.		
65.	Sahu Investment Corporation Ltd.		
66.	Nirmala Sahu Business Complex Pvt. Ltd.		
67.	Shiv Nests Pvt. Ltd.		
68.	Synergy Tie-Up Pvt. Ltd.		
69.	Nirmala Dwellings Pvt. Ltd.		
70.	URO Infra Reality India Ltd.	West Bengal	Not available
71.	URO Hotels and Resorts India Ltd.		
72.	URO Hygienic Foods Ltd.		
73.	URO Infotech Ltd.		
74.	URO Lifecare Ltd.		
75.	URO Trexim Ltd.		
76.	URO Autotech Ltd.		
77.	URO Agro India Ltd.		
78.	URO Walkers Ltd.		

Year – 2014-15

79.	Mangalam Agro Products Ltd.	West Bengal	Not available
80.	Ramel Industries Ltd.	West Bengal	Not available
81.	Gan Laboratory Pvt. Ltd.	West Bengal	Not available

82.	Ramel Mart Pvt. Ltd.		
83.	Ramel Media and Advertising Pvt. Ltd.		
84.	Ramel Real Estate and Infrastructure Ltd.		
85.	Ramel Sea Food Ltd.		
86.	Tamanna IT Solutions Ltd.		
87.	Ramel Pharma Ltd.		
88.	Ramel Hospitality Pvt. Ltd.		
89.	Ramel Infotech Pvt. Ltd.		
90.	Ramel Agrotech Ltd.		
91.	Ramel Hotel & Resorts Pvt. Ltd.		
92.	Ramel Impex Pvt. Ltd.		
93.	Ramel Insurance Agency Pvt. Ltd.		
94.	Cygnus Publishers Ltd.		
95.	Ramel Bio Fertilizer Pvt. Ltd.		
96.	Rahul Hi Rise Ltd	West Bengal	Not available
97.	Shrishti Abha Food & Beverage Pvt. Ltd.		
98.	Rahull Media & Entertainment Ltd.		
99.	Rahul Wood Works Pvt. Ltd.		
100.	Veekayen Properties Pvt. Ltd.		
101.	Hotel Sea-Coast Pvt. Ltd.		
102.	Rahul Bhumi Vikas Ltd.		
103.	Rahul Heights Ltd.		
104.	Rahul Real Estate Projects Ltd.		
105.	Rahul Inn Hospitality Ltd.		
106.	Ideas Realcon Ltd.		
107.	Ideas Real Estate Ltd.		
108.	Ideas Healthcare Ltd.		
109.	Ideas Broking Ltd.		
110.	Zenix Technologies Pvt. Ltd.		
111.	Adventus Creations PVt. Ltd.		
112.	Seashore Securities Ltd.	Odisha	Not available
113.	Seashore Agriculture Promotion Company Pvt. Ltd.		
114.	Seashore Healthcare Pvt. Ltd.		
115.	Seashore Pharmaceuticals Pvt. Ltd.		
116.	Seashore Courier & Cargo Private Ltd.		
117.	Seashore Dairy Products Pvt. Ltd		
118.	Seashore Portfolio Management Services Ltd.		
119.	Seashore Consultancy & Construction Private Ltd.		
120.	Falcon Consultancy Private Limited		
121.	Royal Purple Hotels Private Limited		
122.	Sagiarien Systems Private Ltd		
123.	Florance Biotech Private Limited		
124.	Saubhagya Drinks Private Limited		
125.	Sri Krishna Agriculture Pvt. Ltd.		
126.	Jatish Agro and Oil Products Pvt. Ltd.		
127.	Sagar Media & Entertainment Pvt. Ltd.		

128.	Seashore Capital Pvt. Ltd.		
129.	Seashore Shipping Company Pvt. Ltd.		

Year – 2015-16

130.	Saradha Housing Pvt. Ltd.	West Bengal	Not available
131.	Ambujaatripuri Infra (India) Ltd.	Odisha	Not available
132.	Ambujaatripuri Business Private Ltd.		
133.	Artha Tatwa Consultancy Private Ltd.		
134.	Artha Tatwa World Ventures Private Ltd.		
135.	Artha Tatwa Food Mart Private Ltd.		
136.	Artha Tatwa Capital Limited		
137.	Ambujaatripuri Engineering Private Limited		
138.	Orisha Health & Medical Research Institute		
139.	Helios and Matheson Information Technologies Ltd.	Tamil Nadu	Not available
140.	Grand Vyapaar Private Ltd.	West Bengal	Not available
141.	Ultra Tie-up Pvt. Ltd.		
142.	Happy Tie-up Ltd.		
143.	Saphire Infradeveloper Pvt. Ltd.		
144.	Best Tie-up Ltd.		
145.	Sahu Land Developers Pvt. Ltd.		
