

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA  
UNSTARRED QUESTION NO. 2567  
ANSWERED ON FRIDAY, THE 17<sup>TH</sup> MARCH, 2017  
[PHALGUNA 26, 1938 (SAKA)]**

**SWINDLING BY SHELL COMPANIES**

**QUESTION**

**2567. SHRI RABINDRA KUMAR JENA:**

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

- (a) whether a number of shell companies have swindled large amount of money approximately equal to Rs. 3900 crore in November-December 2016, post demonetisation and if so, the details thereof;**
- (b) whether the Serious Fraud Investigation Office (SFIO) has also identified at least 54 people who helped 559 beneficiaries in laundering the illicit cash and if so, the details thereof;**
- (c) whether the Government was not well prepared to tackle this issue after demonetisation; and**
- (d) if so, the details of steps taken to identify and punish the perpetrators and to prevent such fraudulent activities?**

**ANSWER**

**THE MINISTER OF STATE IN THE (SHRI ARJUN RAM MEGHWAL)  
MINISTRY OF CORPORATE AFFAIRS**

- (a) The term 'shell companies' is not defined in the Companies Act. However, in one of the investigations by SFIO, it was found that a group of 11 companies had laundered money to the extent of Rs 3790 crore during the period 2004-05 to August, 2010.**
- (b) SFIO, during the course of one of the investigations, has identified 54 professionals who helped 559 beneficiaries in laundering the illicit cash. These professionals included 34 Chartered Accountants, 3 Company Secretaries, 04 Advocates and 13 others.**

**(c) & (d) The matters relating to laundering the illicit cash laundering are handled by various agencies, such as Enforcement Directorate, Economic Offences Wings of the States, Income Tax authorities, etc.**

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