

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 1355
ANSWERED ON FRIDAY, THE 09TH FEBRUARY, 2018
[MAGHA 20, 1939 (SAKA)]**

STRENGTHENING OF SFIO

QUESTION

1355. SHRI RADHESHYAM BISWAS:

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

- (a) whether the Government proposes to give more powers to the Serious Fraud Investigation Office (SFIO) and to create public awareness about companies which offer get rich quick schemes and if so, the details thereof; and**
- (b) the steps taken by the Government to bring an awareness among general public about online or offline fraudulent methods adopted by the unregistered companies which defraud the innocent public by making tall claims?**

ANSWER

**MINISTER OF STATE FOR LAW AND JUSTICE (SHRI P. P. CHAUDHARY)
AND CORPORATE AFFAIRS**

(a) & (b): Serious Fraud Investigation Office (SFIO) is a statutory body constituted under section 211 of the Companies Act, 2013 (Act) and power to investigate has been conferred to it under section 212 of the Act. The procedures and powers of the Inspectors to investigate has been laid down under section 217 of the Act, which include powers of the inspectors to examine on oath the officers, employees, agents including former officers, employees and agents of the company under investigation or any other person in relation to the affairs of the company. This also includes power to arrest any person who has been found guilty of any offence punishable under section 212(6) of the Act read with the Companies (Arrests in connection with Investigation by Serious Fraud Investigation Office) Rules, 2017 notified vide G.S.R. 1062(E) dated 24.08.2017. Regulatory action is a continuous process against any defaulting company, including unregistered fake entities. Further, through Investor Education and Protection Fund (IEPF) awareness programmes for the current & prospective investors are

regularly organized through Professional Institutes and also through electronic and print media.
