

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA  
UNSTARRED QUESTION NO. 4788  
ANSWERED ON FRIDAY, THE 23<sup>RD</sup> MARCH, 2018  
[CHAITRA 02, 1940 (SAKA)]**

**SFIO PROBE ON FINANCIAL IRREGULARITIES OF COMPANIES**

**QUESTION**

**4788. SHRIMATI ANJU BALA:**

**SHRI B. SRIRAMULU:**

**SHRI TEJ PRATAP SINGH YADAV:**

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

- (a) whether the Government has directed the Serious Fraud Investigation Office (SFIO) to initiate a probe into the alleged financial irregularities at Fortis Healthcare and if so, the details thereof;**
- (b) whether the Fortis Healthcare's promoters allegedly took at least USD 78 million out of the company without any board approval about an year ago and if so, the details thereof and the Government's reaction thereon;**
- (c) whether the Fortis Healthcare has also come under the lens of markets regulator Securities and Exchange Board of India (SEBI) which has launched an investigation into the alleged regulatory lapses and if so, the details thereof;**
- (d) the details of cases investigated and pending by the SFIO during the last three years; and**
- (e) the other corrective steps being taken or proposed to be taken by the Government to check the rising corporate crimes in the country?**

**ANSWER**

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

**(a) (b) & (c): The Ministry has ordered investigation into the affairs of Fortis Healthcare Ltd and has assigned the same to SFIO vide order dated 17.02.2018. During the investigation process all the issues in their entirety will be examined by the SFIO. The investigation is presently in initial stage.**

**Contd..... 2/-**

**(d): Following are the details of the cases involving companies assigned for investigation, completed and pending in SFIO during the last three years and current year:**

<b>Financial Year</b>	<b>Investigation of companies (Balance Forward)</b>	<b>Investigation assigned</b>	<b>Investigation completed</b>	<b>Investigation pending</b>
<b>2014-15</b>	<b>94</b>	<b>71</b>	<b>39</b>	<b>126</b>
<b>2015-16</b>	<b>126</b>	<b>184</b>	<b>60</b>	<b>250</b>
<b>2016-17</b>	<b>250</b>	<b>111</b>	<b>87</b>	<b>274</b>
<b>2017-18 (current as on date)</b>	<b>274</b>	<b>209</b>	<b>118</b>	<b>365*</b>

**\*(Including quashed/withdrawn and stayed cases involving 17 companies).**

**(e): Following are the steps taken by the Government to check the corporate Frauds:**

- i. Fraud as a substantive offence has been introduced in the Companies Act, 2013.**
- ii. Stricter Norms of Corporate Governance have been prescribed under the Companies Act, 2013.**
- iii. Information Communication Technology (ICT) tools are being used for early detection of frauds through data analysis, surveillance and forensics etc.**

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