

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 1635
ANSWERED ON TUESDAY, THE 04TH AUGUST, 2015**

EARLY WARNING SYSTEM PROJECT OF SFIO

QUESTION

1635. SHRI HUSAIN DALWAI:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether Government has shelved the Early Warning System Project of the Serious Fraud Investigation Office (SFIO) to detect frauds, if so, details thereof; and
- (b) how far the proposed replacing system would be effective in identification of frauds?

ANSWER

THE MINISTER OF CORPORATE AFFAIRS

(SHRI ARUN JAITLEY)

- (a) A pilot testing of an early warning system was done during the year 2013-14. That system had to be dropped on account of unsatisfactory results, as it generated many false positives.
- (b) In an effort to identify fraudulent activities at an early stage, Market Research & Analysis Unit (MRAU) of SFIO analyses information in public domain as well as inputs received from various other sources. Such alerts have necessarily to be corroborated through examination of books of account and other records by the field level offices of the Ministry for detection or identification of fraud. Further, MRAU's forensic lab assists investigating teams with digital data analysis.
