

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE**

**RAJYA SABHA  
UNSTARRED QUESTION NO. 1358**

**ANSWERED ON 01.08.2023**

**Money Laundering by Corporates**

1358 Shri Anil Desai

Will the Minister of Finance be pleased to state:

- a) whether Government proposes to prevent the money laundering by corporates or their directors;
- b) whether the facilities provided by Government to promote the industry were misused, if so, the details thereof;
- c) whether all the corporates have furnished their audited consolidated financial statement as per Government norms, if so, the details thereof and if not, the action taken against the defaulters during the last five years; and
- d) whether banks also blacklisted any of its big customers for violation of terms of grants of loans?

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PANKAJ CHAUDHARY)**

- a) & (b) Enforcement Directorate takes necessary action as per provisions of PMLA in cases involving money laundering including by Corporates.
- c) As per Section 129(3) of the Companies Act, 2013, a company having one or more subsidiary(s) or associate(s) companies required to prepare consolidated financial statement of all the subsidiary(s) / associate(s) in the same form and manner as that of its own and to lay such consolidated financial statement before the Annual General Meeting of the company for adoption. The consolidated financial statements are filed in the e-form AOC 4 CFS. The details are as under:

Financial year	No. of holding companies, who is having subsidiary/associate companies in India	No. of holding companies who have filed Form AOC 4 CFS	No. of holding companies who have not filed Form AOC 4 CFS
2018-19	22217	7109	15108
2019-20	22576	7495	15081
2020-21	22887	8073	14814
2021-22	23062	8330	14732
2022-23	23078	24*	23054

[\*Last date of Annual General Meeting (AGM) is 30.09.2023 and Form AOC 4 CFS is to be submitted within 30 days of the AGM]

Action is taken under Section 248(1) of the Companies Act, 2013, from time to time, to strike off the names of the companies wherein no public holding is involved.

- d)** Banks have board approved policies for examination of Willful defaulters, Non-Cooperative Borrower, Look out Notice, Red Flagging of Accounts and Examination of Fraud for big corporates for violation of approved sanction terms and conditions. Moreover, report of default of commitment is made to various agencies as follows:
- i) Sharing on credit default information of borrowers with Credit Information Companies.
  - ii) Reporting of Information on defaulters and willful defaulters to Reserve Bank of India.
  - iii) Reporting of frauds involving Rs. 3 crore and above to the Central Bureau of Investigation.

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