

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 4225
ANSWERED ON FRIDAY, THE 11th AUGUST, 2017/
SHRAVANA 20, 1939 (SAKA)**

SPECIAL COURTS

QUESTION

4225. SHRI DUSHYANT CHAUTALA:

Will the Minister of CORPORATE AFFAIRS

कारपोरेट कार्य मंत्री

be pleased to state:

- (a) whether the Government has planned to set up special courts in different States and Union Territories for speedy trials of serious corporate offences;
- (b) if so, the details thereof;
- (c) whether the Government is also concerned about the number of fake corporate companies which disappear after committing serious financial frauds; and
- (d) if so, the details thereof along with the total number of such cases identified by the Government during the last three years and the total number of cases solved during the said period?

ANSWER

**THE MINISTER OF STATE
IN THE MINISTRY OF CORPORATE AFFAIRS**
कारपोरेट कार्य मंत्रालय में राज्य मंत्री

(SHRI ARJUN RAM MEGHWAL)
(श्री अर्जुन राम मेघवाल)

(a) and (b): Yes, Section 435 of the Companies Act, 2013 (The Act) provides for establishment or designation of as many special courts as may be necessary. The Government has designated 21 existing courts of Sessions/Additional Sessions Courts as Special Courts under the said Act for trial of offences punishable with imprisonment of 2 years or more.

(c) and (d):- The term Fake Company is not defined under the Companies Act, 1956/2013. However, as per common parlance, a fake company is one which is not registered under the Companies Act, 1956/2013 but holding itself out to the public as a registered company. During the last three years, the following unregistered companies have come to the notice of this Ministry against whom the action has been taken as under:-

Sl. No.	Name of unregistered companies	Jurisdictional Registrar of Companies	Action against unregistered companies
1	Krishi Vipran Vikas Ltd.	Kanpur	Prosecution u/s 453 of the Companies Act, 2013 has been launched.
2	Bhagya Laxmi Financial Private Limited	Delhi	The Reserve Bank of India has intimated that it has taken up the matter with the then Department of Electronic and Information Technology (DEITY) (now a Ministry) to close the website.
3	Natraj Finance	Delhi	An FIR has been filed on 22.03.2017 by the Registrar of Companies, Delhi.

4	Webtern India Pvt. Ltd.	Pune	Prosecution u/s 453 of the Companies Act, 2013 has been launched on 12.05.2017 vide Case No. 14969/2017.
5	Tanishka Infotech Pvt. Ltd.	Pune	The case has been referred to the State Economic Offence Wing (EOW) on 06.10.2016.
