

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 1642
ANSWERED ON FRIDAY, THE 27th JULY, 2018
[SHRAVANA 5, 1940 (SAKA)]**

FREEZING ACCOUNTS OF LOAN FRAUDSTERS

QUESTION

1642. SHRI ASADUDDIN OWAISI:

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

कार्पोरेट कार्य मंत्री

- (a) whether the Government proposes to attach all assets of key accused in the Rs. 11,500 crore Punjab National Bank (PNB) fraud including companies owned by the accused;
- (b) if so, whether his Ministry under sections 221 and 222 of the Companies Act has approached the National Companies Law Tribunal (NCLT) to freeze all assets of the 64 respondents and if so, the details thereof; and
- (c) the time by which this process is likely to start and total money likely to be generated by this action of the Government?

ANSWER

**MINISTER OF STATE FOR LAW AND
JUSTICE AND CORPORATE AFFAIRS**

(SHRI P. P. CHAUDHARY)

(a) to (c): The Ministry of Corporate Affairs has ordered investigation on 17/02/2018 under Section 212(1)(c) read with Section 216 of the Companies Act, 2013 and Section 43(3)(c)(i) of the LLP Act, 2008, into the affairs of 107 companies and 7 LLPs belonging to Nirav Modi (Firestar Diamond Group) and Mehul Choksi (Gitanjali Group) to be carried out by the Serious Fraud Investigation Office. Simultaneously, in order to support the ongoing investigation, a petition under Section 221, 222, 241, 242, 246 read with section 339 of the Companies Act, 2013 was filed before the National Company Law Tribunal (NCLT), Mumbai Bench on 23/02/2018 seeking restraint order against alienation, creation of third party rights, lien or transfer or alienation in any other manner for all movable or immovable properties of 67 persons. The NCLT, Mumbai Bench while admitting the aforesaid petition, in its ad-interim order dated 23/02/2018, granted certain restraint orders against the respondents. The Ministry, thereafter, filed an appeal against the interim orders dated 23/02/2018 seeking further modification of the said ad-interim orders and also filed another appeal against the common order dated 02/04/2018, whereby relief was granted to 7 Independent Directors by the NCLT, Mumbai Bench. Further, some respondents also filed appeals before the National Company Law Appellate Tribunal (NCLAT) against the NCLT, Mumbai Bench orders dated 23/02/2018. The appeals filed by the Ministry have been allowed by the NCLAT vide its orders dated 12/07/2018. The NCLAT has ordered that the NCLT, Mumbai Bench orders dated 23/02/2018 shall continue till further orders, however the respondents/appellants have been allowed to withdraw a sum of Rs. 1,00,000/- (Rupees One Lakh Only) per month from any of their accounts.
