

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS  
LOK SABHA UNSTARRED QUESTION NO- 1368  
ANSWERED ON MONDAY THE 8<sup>TH</sup> DECEMBER, 2025  
Agrahayana 10, 1947 (SAKA)**

**Investigation of Companies by SFIO**

**1368, Dr. Rani Srikumar:**

**Will the Minister of Corporate Affairs be pleased to state:-**

- (a) the status of the ongoing investigations being conducted by the Serious Fraud Investigation Office (SFIO) into the 33 companies with Chinese investment links including the nature of the financial irregularities detected so far;**
- (b) the specific findings, if any, related to suspected shell operations, fund diversion, violations of the Companies Act or misuse of foreign investments by these firms;**
- (c) the reports/assessments provided by enforcement or intelligence agencies regarding the financial and national security risks posed by foreign-linked entities operating in India;**
- (d) the measures adopted by the Union Government to strengthen compliance monitoring, financial scrutiny and enforcement mechanisms for companies receiving foreign investments from high-risk jurisdictions; and**
- (e) the expected timeframe for completion of the SFIO investigations into these 33 companies and the further regulatory/legal actions proposed by the Government based on the outcomes of the inquiry?**

**ANSWER**

**THE MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS AND  
MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND  
HIGHWAYS**

**[SHRI HARSH MALHOTRA]**

**(a) to (c) : The investigations u/s 212 of the Companies Act, 2013 have been completed. On the basis of the findings reported, appropriate enforcement actions have been undertaken including initiating striking off of the companies from the registry, filing prosecutions against the accused persons for various violations under the Companies Act, 2013. The matters are sub judice.**

**(d): The provisions of the Companies Act, 2013 and the rules made thereunder contain provisions to ensure financial accountability and transparency in the management of companies. These provisions, inter alia, require maintenance of books of accounts and statutory registers at the registered offices, preparation of financial statements in accordance with applicable financial reporting/accounting standards and filing them with the Registrar after due approvals. Non-compliance of relevant provisions attracts penal action.**

**Some of the important aspects of the Companies Act, 2013 for safeguarding the interests of all stakeholders include:**

**(i) Accountability for management of companies through appointment of key managerial personnel, requirement for approvals by Board of directors and shareholders in accordance with the applicable provisions;**

**(ii) Requirement for audit of financial statements by an independent chartered accountant;**

**(iii) Requirement to make disclosures (in the form of notices, resolutions, postal ballots, etc.), from time to time, to the shareholders for information and approval by the shareholders.**

**(iv) Requirement to make adequate disclosures through Board's report including with regard to risk management, state of company's affairs, material changes affecting company's financial position and other crucial parameters.**

**(v) Requirements to file various documents, copies of resolutions, financial statements, returns, etc. with the Registrar from time to time.**

**(e): As per the reply to parts (a) - (c) above.**

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