



सत्यमेव जयते

**Serious Fraud Investigation Office
Government of India
Ministry of Corporate Affairs**

Information under section 4(1) (b) of the Right to Information Act, 2005

1. The particulars of organization, functions and duties:

Serious Fraud Investigation Office is a new organization. It started functioning from 1st October 2003 only. This organization was set up in the backdrop of recent stock market scams, failure of non financial banking companies, phenomena of vanishing companies and plantation companies.

The Government approved setting up of this organization on 9th January 2003 on the basis of the recommendations made by the **Naresh Chandra Committee** which was set up by the government on 21st August 2002 on corporate governance. This committee *inter alia* had made following recommendations on setting up of Serious Fraud Office:-

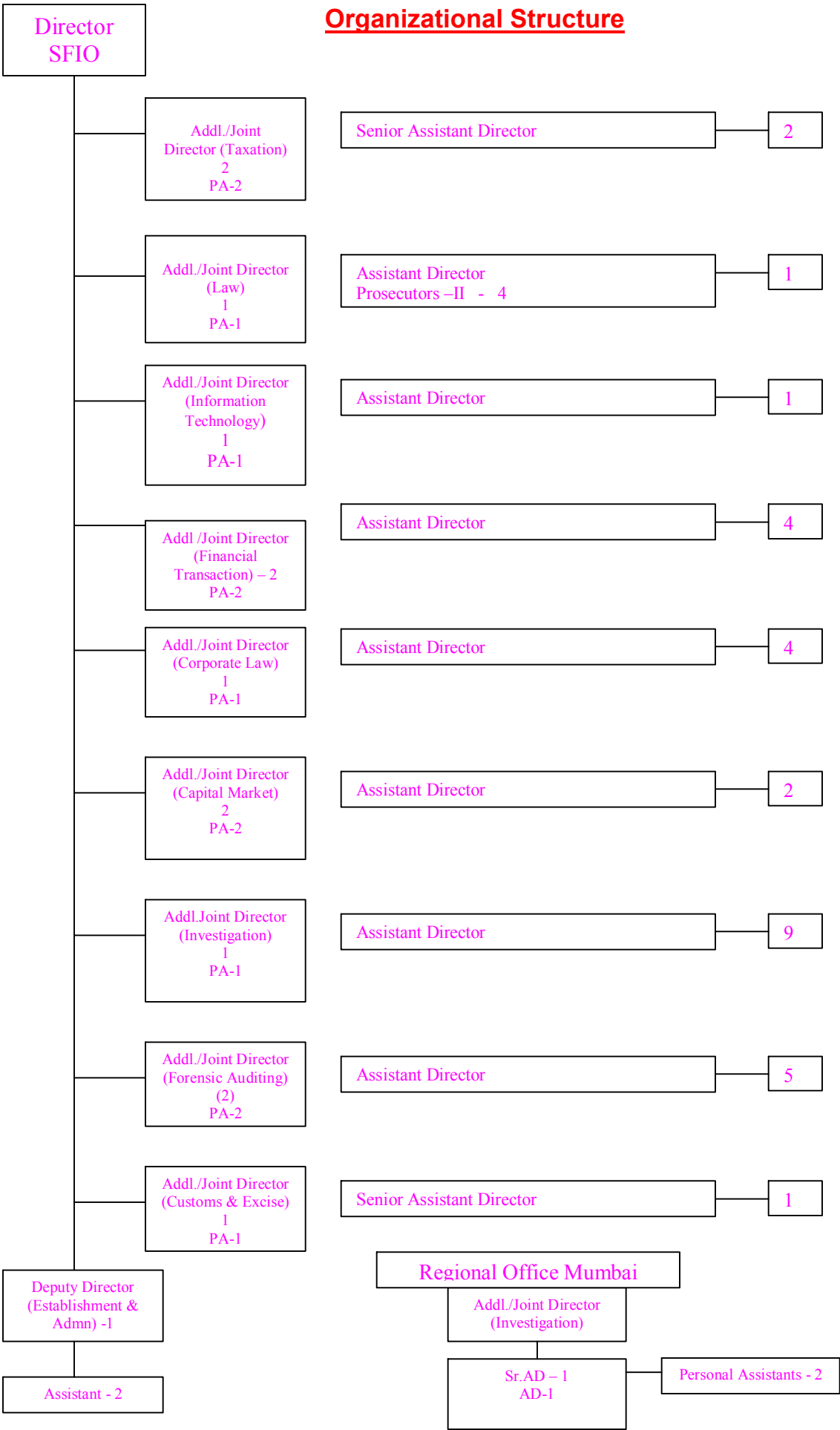
- *A Corporate Serious Fraud Office (CSFO) should be set up in the department of Company Affairs with specialists inducted on the basis of transfer/deputation and on special term contracts.*
- *This should be in the form of a multi-disciplinary team that not only uncovers the fraud, but is able to direct and supervise prosecutions under various economic legislations through appropriate agencies.*
- *There should be a Task Force constituted for each case under a designated team leader.*
- *In the interest of adequate control and efficiency, a Committee each, headed by the Cabinet Secretary should directly oversee the appointments to, and functioning of this office, and coordinate the work of concerned departments and agencies.*
- *Later, a legislative framework, along the lines of the SFO in the UK, should be set up to enable the CSFO to investigate all aspects of the fraud, and direct the prosecution in appropriate courts.*

The resolution constituting this office was issued by the Government on 2nd July 2003.

This organization has one regional office at Mumbai which started functioning from October 2004.

The Serious Fraud Investigation Office is a multi-disciplinary organization having experts from financial sector, capital market, accountancy, forensic audit, taxation, law, information technology, company law, customs and investigation. These experts have been taken from various organizations like banks, Securities & Exchange Board of India, Comptroller and Auditor General and concerned organizations and departments of the Government.

Organizational Structure



The Charter of SFIO was issued by the Government on 21st August 2003 and is at Annexure.

This is a new organization and does not have separate statute to govern it for the present and in the interim period the investigations are being carried out under the provisions of Companies Act 1956, under sections 235 to 247.

This organization takes up investigation of the cases of alleged frauds referred to it by the Central Government under section 235 / 237 of the Companies Act 1956.

The criteria for referring the cases to the Serious Fraud Investigation Office by the Central Government is as under:-

- i) complexity and having inter-departmental and multi-disciplinary ramifications;*
- ii) substantial involvement of public interest to be judged by size, either in terms of monetary misappropriation or in terms of persons affected, and;*
- iii) the possibility of investigation leading to or contributing towards a clear improvement in systems, laws or procedures.*

The Central Government is empowered under the provisions of sub-section (1) of section 235 of the Companies Act, 1956 to appoint one or more competent persons as Inspectors to investigate the affairs of a company and to report thereon in such manner as the Central Government may direct where a report has been made by the Registrar under sub-section (6) of section 234.

Similarly, the Central Government under the provisions of section 237 of the Companies Act 1956 shall appoint one or more competent persons as Inspectors to investigate the affairs of the company and to report thereon in such manner as the Central Government may direct if –

- (a) the company, by special resolution; or the Court, by order declares that the affairs of the company ought to be investigated by an inspector appointed by the Central Government.
- (b) in its opinion or in the opinion of the Company Law Board there are circumstances suggesting that (i) that the business of the company is being conducted with intend to defraud its creditors, members or any other persons or otherwise for a fraudulent or unlawful purpose, or in a manner oppressive of any of its members, or that the company was formed for any fraudulent or

unlawful purpose; (ii) that persons concerned in the formation of the company or the management of its affairs have in connection therewith been guilty of fraud, misfeasance or other misconduct towards the company or towards any of its members; or (iii) that the members of the company have not been given all the information with respect to its affairs which they might reasonably expect, including information relating to the calculation of the commission payable to a managing or other director or the manager, of the company.

II) The powers and duties of the officers and employees .

Investigations in this organization are carried out under the provisions of section 235 to 247 of the Companies Act. The Central Government appoints one or more officers of this organization as Inspector for investigation of the concerned case. The powers of the Inspector for carrying out the investigation as contained in section 239, 240 and 240 (A) of the Companies Act are as follows:-

- 1) The provisions of section 239 of the Companies Act, 1956 provide that if an Inspector appointed under the provisions of section 235 or 237 to investigate the affairs of the company thinks it necessary for the purposes of his investigation to investigate also the affairs of –
 - (a) any other body corporate which is, or has at any relevant time been the company's subsidiary or the holding company, or a subsidiary of its holding company, or a holding company of its subsidiary; or
 - (b) any other body corporate which is, or has at any relevant time been managed by any person as managing director or as manager, who is, or was at the relevant time, the managing director or the manager of the company; or
 - (c) any other body corporate which is, or has at any relevant time been, managed by the company or whose board of directors comprises of nominees of the company or, is accustomed to act in accordance with the directions or instructions of the company, or any of the director of the company, or any company, any of whose directorships is held by the employees or nominees of those having; the control and management of the first mentioned company; or
 - (d) any person who is or has at any relevant time been the company's managing director or manager, the Inspector shall subject to the prior approval of the Central Government have power so to do and shall report on the affairs of the other body corporate or of the managing director or manager, so far as he thinks that the results of his

investigation thereof are relevant to the investigation of the affairs of the first mentioned company.

- 2) The provisions of section 240 of the Companies Act, 1956 bestow the power to Inspector so appointed (a) to call all officers and other employees and agents of the company to preserve and produce before him or any person authorized by him in this behalf with the previous approval of the Central Government, all books and papers of, or relating to, the company or, as the case may be, or of relating to the other body corporate which are in their custody or power and (b) with the prior approval of the Central Government may require any body corporate other than a body corporate first one to furnish such information to, or produce such books and papers before him or any persons authorized by him in this behalf (with the previous approval of the Government) as he may consider necessary if the furnishing of such information or production of such books and papers is relevant or necessary for the purposes of his investigation.
- 3) Under the provisions of section 240A of the Act where the Inspector has reasonable ground to believe that the books and papers of, or relating to any company or other body corporate or managing director or manager of such company or body corporate may be destroyed, mutilated, altered, falsified or secreted, he may make an application to the Magistrate of the First Class or, as the case may be, the Presidency Magistrate, having jurisdiction for an order for the seizure of such books and papers.

III. The procedure followed in decision making process, including channels of supervision and accountability;

As the investigations are carried out under the provisions of the Companies Act, as stated in the preceding paragraphs, the Officer of SFIO appointed as Investigating Officer (IO) by the Government has the final say in the matter related to investigation. The working groups of the officers constituted by the Director, SFIO in consultation with the I O, to assist the Investigating Officer are required to render him all possible assistance in the respective areas of their specialization so that the issues are examined from a multidisciplinary angle. He supervises the entire investigation and coordinates with subject specific team leaders in the matters related thereto. The Investigating Officer, after conclusion of his investigation, submits the Investigation Report to the Central Government in the Ministry of Corporate Affairs.

For smooth functioning of the administration of the office, the Director has been declared 'Head of the Department' (HOD). He exercises the powers of HOD. He is assisted in this task by one of the Additional Directors who has been given the charge of Administration. Under him there is an administration unit headed by a Deputy Director who is assisted by two Assistants.

IV The norms set by it for the discharge of its functions;

For each investigation that is to be carried out by the officers of this organization, the Central Government while ordering the same assigns a time frame. The investigation has to be completed within that time frame. The subject specific groups of officers which render necessary assistance to the Investigating Officer have to examine the issues involved in the case within a given time frame and give requisite inputs to the Investigating Officer.

V. The rules, regulations, instructions, manuals and records used by the employees for discharging functions;

Since the organization is engaged in investigation, the law governing investigation and other related laws such as Criminal Procedure Code, Evidence Act, various manuals and Laws on taxation, import and export, banking, stock market etc., are used by the officers of this organization.

VI. Statement of the categories of the documents held by it or under its control.

The documents that are held by this organization are those collected for the investigation of the case concerned.

VII. The particulars of any arrangement that exists for consultation with, or representation by the members of the public, in relation to the formulation of policy or implementation thereof;

The work of this organization is confined to investigation of fraud cases only. No policy formulation / its implementation is in the charter of its duties presently.

VIII. Statement of the boards, councils, committees and other bodies consisting of two or more persons constituted by it. Additional, information as to whether the meetings of these are open to the public, or the minutes' of such meetings are accessible to the public;

No Board or Council or Committee has been constituted by the SFIO.

IX. Directory of its officers and employees;

The telephone directory of officers and employees of this organization is as under:-

PABX No. 0091 11 24369242/24369244-46 Fax 00 91 11 24365809

Name of the Officer	Telephone number [Office]	PABX
Shri Ajay Nath, Director	24365787	101, 150
KVS Singh, Additional Director (C&CE)	24366026	107
Ms. Medha Dalvi, Additional Director (IT)	24369247	109
N.K. Bholra, Additional Director (CL)	24369592	201
Ramayan Yadav, Additional Director (Law)	24369595	205
Rajesh Sharma, Joint Director (FA-I)	24369243	105
Ms.Sunita Kejriwal, Joint Director (Taxation) I & II	24369505	203
Puneet Rastogi, Joint Director (Inv.)	24369254	110
J.K. Teotia, Joint Director (FA-II)	24365471	202
S.D. Samant, Joint Director (Banking)	24369248	106
S.K. Sharma, Joint Director (CM)	24369251	108

SENIOR ASSISTANT DIRECTORS

P.P.Singh, Senior Asstt. Director	--	140
Ms. Anisha Ghei, Sr. Asstt. Director	--	217
Ms.Indrani Sen Choudhree, Sr. Assistant Director	---	132

ASSISTANT DIRECTORS

Dinesh Kumar, Assistant Director	--	146
Giriraj Singh, Asstt. Director	--	145
S.K. Gaur, Asstt. Director	--	121
Sudhir Mehta, Assistant Director	--	143
V.P. Verma, Assistant Director	--	142
Rabi Barua, Asstt. Director	--	141
S.C. Sarsonia, Asstt. Director	--	138
Sandeep Agarwal, Asstt. Director	--	136
Ashwine Rathore, Asstt. Director	--	135
Anupam Vashishta, Asstt. Director	--	134
N.K.Chaudhury, Assistant Director	--	137
R.K.Chaudhury, Assistant Director	--	142

M.O. Roy, Assistant Director	--	210
I.H. Ansari, Assistant Director	--	214
Pramod Beri, Assistant Director	--	212
B.S. Negi, Assistant Director	--	215
A.K. Verma, Assistant Director	--	211
Sonjoy Banerjee, Assistant Director	--	133/216
K.S. Nagar, Assistant Director	--	218
P.K. Khanna, Assistant Director	--	213
Harpreet Kaur, Assistant Director	--	206
Private Secretary / Personal Assistants		
Jayavalli A.V., PS to Director	24365787	103 & 104
Samsher Singh, PA to Director	24365787	102 & 104
Smt. Vidya Malik, PA to JD (FA-I)	--	111
Ms. Sukhvinder Kaur, PA to Additional Director (IT)	--	117
Anita Joshi, PA to Joint Director (CM)	--	115
Ajay Kumar, PA to Additional Director (C&CE)	--	118
Shyam Singh, PA to Joint Director (Taxation)	--	120
K.S. Bisht, PA to Additional Director (Law)	--	119
Ms. Veena, PA to Joint Director (FA-II) & DD (Admn.)	--	124
Mihir Dey, PA to JD (Banking)	--	112

ADMINISTRATION

R. Selvakumar, Assistant	24369593	219
Ms. Krishna Mukherjee, Assistant	24369593	220

MUMBAI OFFICE

Old Court Hall, Company Law Board, 2nd Floor, NTC house, 15 N.M. Marg, Ballard Estate, Mumbai

Shri O.A. Mao, Addl. Dir. (Taxation) Mumbai Office	022-22611465 022-22615145	
Ms. Sunita Langstieh, Sr. Asstt. Director, Mumbai Office	022-22611465 022-22615145	--
Ms. Sindhu Ramesh, P.A., Mumbai Office	022-22611465 022-22615145	

X. The monthly remuneration received by each of its officers and employees, including the system of compensation as provided in its regulations;

The monthly emoluments received by the officers of this organization are given below.

List of officers at SFIO headquarters, New Delhi and their basic pay and total emoluments

Sl.No.	Name of the Officers S/Shri./Smt.	Designation	Basic Pay Rs.	Total Emolument Rs.
1.	Ajay Nath	Director	67930	78799
2.	O.A. Mao	Addl. Director	52900	79234
3.	K. V. S. Singh	Addl. Director	51620	76165
4.	Ms. M.Dalvi	Addl. Director	51620	73365
5.	N.K. Bhola	Addl. Director	51620	73365
6.	Ramayan Yadav	Addl. Director	47490	73423
7.	Rajesh Sharma	Joint Director	50390	75569
8.	Ms. Sunita Kejriwal	Joint Director	48920	59547
9.	Puneet Rastogi	Joint Director	47490	57088
10.	J.K. Teotia	Joint Director	48920	73423
11.	S.K. Sharma	Joint Director	28875	71530
12.	S.D. Samant	Joint Director	16500	43953
13.	Smt. Anisha Ghei	Sr. Asstt. Director	22530	38403
14.	P.P. Singh	Sr. Asstt. Director	22530	38403
15.	Ms. Indrani Sen Chaudhree	Sr. Asstt. Director	20880	35829
16.	Ms. Sunita Langstieh	Sr. Asstt. Director	22040	37638
17.	Dinesh Kumar	Assistant Director	10500	32130
18.	S.C. Sarsonia	Assistant Director	10500	33180
19.	S.K. Gaur	Assistant Director	10500	33180
20.	Sudhir Mehta	Assistant Director	10500	32130
21.	Rabi Barua	Assistant Director	23290	37259
22.	Sonjoy Banerjee	Assistant Director	21500	35721
23.	Ashwine Rathore	Assistant Director	24060	38384
24.	Girraj Singh	Assistant Director	20920	33799
25.	Sandeep Agarwal	Assistant Director	22530	36150
26.	V.P. Verma	Assistant Director	21020	33945
27.	B.S. Negi	Assistant Director	21330	28499
28.	Pramod Beri	Assistant Director	21730	34982
29.	M.O. Roy	Assistant Director	20920	35891
30.	K.S. Nagar	Assistant Director	21330	34398

31.	Anupam Vashista	Assistant Director	20500	34211
32.	P.K. Khanna	Assistant Director	22130	35566
33.	I.H. Ansari	Assistant Director	21940	35288
34.	N.K.Chaudhary	Assistant Director	17630	30759
35.	R.S.Chaudhury	Assistant Director	20940	27546
36.	Ashok Kumar Verma	Assistant Director	21110	34077
37.	Harpreet Kaur	Assistant Director	27510	43877
38.	Jayavalli A.V.	Private Secretary	20670	28710
39.	R.Selvakumar	Assistant	16510	21008
40.	Ms.Krishna Mukherjee	Assistant	17130	21727
41.	Smt. Vidya Malik	Personal Assistant	19350	24302
42.	Smt.Sukhvinder Kaur	Personal Assistant	16500	25946
43.	Samsher Singh	Personal Assistant	17570	29265
44.	Anita Joshi	Personal Assistant	19440	30238
45.	Shyam Singh	Personal Assistant	18640	23878
46.	Ajay Kumar	Personal Assistant	15780	24895
47.	Ms. Veena	Personal Assistant	15780	26473
48.	K.S. Bisht	Personal Assistant	15070	23858
49.	Mihir Dey	Personal Assistant	18050	22794
50.	Smt.Sindhu Ramesh	Personal Assistant	16510	21008

XI. The budget allocated to each of its agency, including the particulars of all plans proposed expenditures and reports on disbursements made;

The budgetary allocation of SFIO for the year 2008-09 is Rs. 39414000.00(non plan). The budget is only for meeting the administrative expenses, salaries, traveling etc.

XII. The manner of execution of subsidy programmes, including the amounts allocated and the details and beneficiaries of such programmes;

This item does not apply to SFIO.

XIII. Particulars of recipients of concessions, permits or authorizations granted by it;

The organization does not discharge any such function.

XIV. Details of the information available to, or held by it, reduced in an electronic form;

As stated in para- 6 no information is held by this office but for the material that is collected for the purpose of investigation.

XV. The particulars of facilities available to citizens for obtaining information, including the working hours of a library or reading room, if maintained for public use;

For obtaining information there is a website of SFIO www.s fio.nic.in
No library or reading room is maintained by this office for public use.

XVI. The names, designations and other particulars of the Public Information Officers.{S.4(1)(b)}

Shri K V S Singh, Additional Director, (C&CE) has been appointed for the SFIO as public information officer. His address and telephone number are as under.

Shri K V S Singh,
Additional Director (Customs & Central Excise)
Serious Fraud Investigation Office
Ministry of Company Affairs,
2nd Floor, 'B' Wing,
Paryaveran Bhawan,
CGO Complex,
Lodhi Road,
New Delhi,
India

Tel. No. – 00 91 11 24366026
Fax No.– 00 91 11 24365809

Annexure

No. 5/02/2003-SFIO
Government of India
Ministry of Finance
Department of Company Affairs

5th Floor, 'A' Wing, Shastri Bhavan,
Dr. R.P. Road, New Delhi – 110001
Dated, the 21st August, 2003

To
Director
Serious Fraud Investigation Office,
Department of Company Affairs
New Delhi – 110 001.

Subject : **Charter of Serious Fraud Investigation Office.**

1. The Government has set up the Serious Fraud Investigation Office (SFIO) under the Department of Company Affairs, Ministry of Finance to professionally investigate white-collar crimes vide Resolution No. 45011/16/2003-Admn I dated 2nd July 2003,

2. In continuation of the aforesaid Resolution, the responsibilities and functions of the SFIO will include, but not be limited to, the following :-

- a) The SFIO is expected to be a multi-disciplinary organization consisting of experts in the field of accountancy, forensic auditing, law, information technology, investigation, company law, capital market and taxation for detecting and prosecuting or recommending for prosecution white-collar crimes/frauds.
- b) The SFIO will normally take up for investigation only such cases, which are characterized by –
 - i) complexity and having inter-departmental and multi-disciplinary ramifications ;
 - ii) substantial involvement of public interest to be judged by size, either in terms of monetary misappropriation or in terms of persons affected, and;

iii) the possibility of investigation leading to or contributing towards a clear improvement in systems, laws or procedures.

c) The SFIO shall investigate serious cases of fraud received from Department of company Affairs. SFIO may also take up cases on its own, subject to para (d) below. The SFIO would make investigation under the provisions of the Companies Act, 1956 and would also forward the investigation reports on violations of the provisions of other acts to the concerned agencies, for prosecution / appropriate action.

d) Whether or not an investigation should be taken up by the SFIO would be decided by the Director SFIO, who will be expected to record the reasons in writing. These decisions will be further subject to review by a coordination committee which has been constituted vide Order No. 5/15/2003-SFIO dated 16.04.2005.

3. The Director, SFIO has already been designated Head of the Department for financial and administrative purposes.

4. SFIO is expected to be set up as a modal office with state of the art facilities.

5. It may outsource work to professional agencies, on case to care basis, subject to be condition of compliance of relevant rules of the Government.

Sd/-
(Rajiv Mehrishi)
Joint Secretary to the Government of India