

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3900
ANSWERED ON:22.08.2003
OUTSOURCING OF INSPECTION WORK BY DCA
VINAY KUMAR SORAKE

Will the Minister of FINANCE be pleased to state:

- (a) whether the Department of Company Affairs has been outsourcing work on inspection;
- (b) if so, whether the Section 209A of the Companies Act, 1956 provide for such arrangement;
- (c) whether due to paucity of staff and accumulated workload the DCA has already entrusted high profile cases like Zerox Modicorp bribery allegations to qualified outside agencies;
- (d) whether the Shardul Shroff Committee has recommended outsourcing of such inspection jobs by the DCA; and
- (e) if so, the details thereof?

Answer

MINISTER OF FINANCE (SHRI JASWANT SINGH)

- (a): No, Sir.
- (b): No, Sir.
- (c): An investigation under Section 237 of the Companies Act, 1956 into the affairs of M/s Xerox Modicorp Limited has been entrusted to a firm of professionals.
- (d): No such recommendation has been received at present.
- (e): Does not arise.