

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 2527
ANSWERED ON MONDAY, THE 17th DECEMBER, 2012**

ACTION ON JVG FOODS LTD.

QUESTION

2527. SHRI ARVIND KUMAR SINGH:
SHRIMATI KUSUM RAI:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether Government is aware that millions of poor citizens had invested their hard earned money in M/s JVG Foods Limited, which duped them;
- (b) if so, the details thereof;
- (c) whether Government has inquired into the fraud committed by the company;
- (d) if so, the details thereof and the action taken thereon;
- (e) if not, the reasons therefor;
- (f) the details of present status of the company; and
- (g) the steps Government would take to recover the money from holders of the company?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) (SHRI SACHIN PILOT)
IN THE MINISTRY OF CORPORATE AFFAIRS

- (a) & (b) Various complaints were received against the company alleging financial irregularities, non-repayment of fixed deposits, etc. Complaints were also received against various other companies of the JVG Group about duping of investors. This Ministry ordered investigation under Section 235 of the Companies Act, 1956 into the affairs of 13 companies belonging to the JVG Group, by the Serious Fraud Investigation Office. The investigation reports have since been received. Out of the said 13 companies, 10 companies are presently under liquidation. Prosecutions have already been launched against 9 companies.

(c) & d) The Ministry had ordered inspection of the books of accounts and other record of M/s JVG Foods Ltd. under section 209A of the Companies Act on the basis of complaints received against the company. The Company had not co-operated, therefore, prosecutions under section 209A(8) of the Companies Act, 1956 have been initiated.

(e) Does not arise in view of reply at (c) and (d) above.

(f) The Company, i.e. M/s JVG Foods Ltd. is presently under liquidation as per orders dated 15-05-2012 of Hon'ble High Court of Delhi.

(g) The office of the Official Liquidator shall deal with the claims as per the provisions of the Companies Act, 1956 during the process of liquidation.
