

## **Mahindra Satyam can deposit nominee directors' salaries in Treasury: CLB**

The Ministry of Corporate Affairs has suggested that Satyam Computer deposit the salary of directors nominated to its board by the Government after a multi-crore accounting fraud was exposed at the IT firm in the Government treasury.

Filing a reply before the Company Law Board, the Ministry of Corporate Affairs today said that Satyam Computer (now Mahindra Satyam) can deposit the money in the Government treasury.

The CLB has scheduled the next hearing on the matter on October 18, where Satyam may reply to the Government's response.

The CLB was hearing an application filed by Satyam seeking its nod for making payment to directors nominated by the Government on its board after the accounting fraud at the IT firm during the financial years 2009-10 and 2010-11.

Earlier, on September 22, CLB had asked the Government to file an affidavit on Satyam's plea.

After the accounting fraud came to light, the Government had taken control of the company and appointed six directors to its board. Currently, two government-nominated directors are on Satyam's board.

Meanwhile, the CLB — in another matter filed by Mr G. Jayaraman, Company Secretary of Satyam Computer — asked the Ministry to produce some letters written by it to the Serious Fraud Investigation Office (SFIO).

Mr Jayaraman has moved an application to vacate an interim stay imposed by the court freezing his assets, so as to enable him to dispose of his personal assets.

Earlier, CLB had frozen the assets of Mr Jayaraman until the investigations into the the multi-crore accounting fraud at Satyam were over.

Mr Jayaraman has contended that now that the investigations by the SFIO and CBI have been completed, he should be allowed to dispose of his assets, including a flat.

According to Mr Jayaraman, he was a victim of the fraud and nothing has been found against him and moreover, he has become a witness of the CBI in the trial against the disgraced Founding Chairman of Satyam Computer, Mr B. Ramalinga Raju, and his associates.

In January, 2009, Mr Raju admitted to fudging the accounts of Satyam, which turned out to be the biggest corporate fraud ever to come to light in country. The company was later taken over by Tech Mahindra and renamed Mahindra Satyam.

(PTI)

