

Police to probe Satyam fraud

The Andhra Pradesh government Wednesday ordered a preliminary inquiry by the crime branch of the police into a financial fraud by IT major Satyam Computers.

Chief Minister Y.S. Rajasekhara Reddy told reporters in [New Delhi](#) that the state government would ask the Crime Branch - Crime Investigation Department (CB-CID) - to hold a preliminary inquiry 'to look at the criminal angle into the entire episode'.

Terming the fraud as 'mind-boggling', he said an inquiry would be held into the 'fudging' of accounts. 'The total figures are really mind-boggling,' he said.

'We will take every possible step. Whatever is needed will be done,' he said when asked why Satyam founder chairman B. Ramalinga Raju, who confessed and stepped down, not be arrested as per his own statement.

The chief minister, however, said the Securities and Exchange Board of India (SEBI) would conduct a thorough probe into the fraud and take necessary steps to protect the interests of shareholders.

Ramalinga Raju Wednesday admitted a Rs.40 billion fraud in the Hyderabad-based company.

He revealed that balance sheet of Satyam had been inflated and that he would subject himself to the laws of the land.

The [Hyderabad](#) police said they would take action against him only if a shareholder or the regulator lodges a complaint.

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