

India's Mahindra Satyam sues former directors, auditor

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Indian software outsourcer Mahindra Satyam on Monday said it had filed a case against past directors and a former auditor, seeking damages over a \$1 billion accounting scam.

The company said it was claiming "fraud, breach of fiduciary responsibility, obligations and negligence in performance of duties" against a number of unnamed former directors and PricewaterhouseCoopers.

The civil action was filed in court in the southern city of Hyderabad, the headquarters of the IT firm that was formerly known as [Satyam Computer Services](#).

Satyam stunned corporate India in 2009 when its founder, B. Ramalinga Raju, admitted he had for years overstated profits and inflated the balance sheet by more than \$1 billion.

The fraud -- India's biggest in corporate history -- nearly pushed the group into bankruptcy and Raju, who was once a star of India's software boom, is now on bail awaiting trial for conspiracy, cheating and forgery.

Tech Mahindra, a unit of Indian vehicle and farm equipment manufacturer Mahindra and Mahindra, bought Satyam after the revelations and has succeeded in turning around the scandal-hit firm.

Mahindra Satyam showed a ten-fold increase in year-on-year [net profit](#)

in the second quarter that ended on September 30 to 2.38 billion rupees (\$45 million).

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