

**GOVERNMENT OF INDIA
COMPANY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:671

ANSWERED ON:03.12.2004

VANISHED COMPANIES

Rao Shri Kavuru Samba Siva;Rawat Shri Kamla Prasad

Will the Minister of COMPANY AFFAIRS be pleased to state:

- (a) whether the Government is going to take various steps to ensure adequate accountability of auditors, solicitors to a public issue of a vanishing company;
- (b) if so, the details in this regard; and
- (c) the time by which a final decision is likely to be taken by the Government in this regard?

Answer

MINISTER OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA)

(a) to (c): Government is committed to ensuring accountability, under law, of all persons responsible for public issue of companies. In pursuance of the above, the Government has also taken a comprehensive review of the Companies Act, 1956 with a view to revise it. Besides, Bills for amendment of the Chartered Accountants Act, 1949, the Cost and Works Accountants Act, 1959 and the Company Secretaries Act, 1980 have also been introduced in the Parliament. These measures are expected to provide a more effective framework for accountability and responsibility of the corporates and their advisers, etc. towards investors.