

**GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA**

STARRED QUESTION NO:502

ANSWERED ON:08.09.2011

CORPORATE GOVERNANCE

Mahato Shri Narahari;Roy Shri Nripendra Nath

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether the Government has prepared any blue print for ensuring good and transparent corporate governance, in the country;
- (b) if so, the details thereof;
- (c) whether the Government proposes to amend the Accounting Standards in the Companies Act, in view of the incidents of irregularities/illegalities in some of the companies in the recent past;
- (d) if so, the details thereof; and
- (e) the measures taken or proposed to be taken by the Government to make the functioning of the corporate sector transparent?

Answer

THE MINISTER OF CORPORATE AFFAIRS (Dr. M. VEERAPPA MOILY)

(a) to (e) A Statement is laid on the Table of the House.

Statement referred to in Answer to parts (a) to (e) of Lok Sabha Starred Question No. 502 for answer on 08.09.2011.

(a) & (b): Yes, Madam. A set of Voluntary Guidelines on Corporate Governance have been issued by the Ministry in December 2009. Further, the Companies Bill, 2011 also provides for various measures towards good corporate governance, subject to approvals as and when introduced in Parliament.

(c) & (d) Changes in Accounting Standards is an evolving and on-going exercise. National Advisory Committee on Accounting Standards (NACAS) is entrusted with the responsibility of examine the standards and suggesting amendments if required, to the Govt.

(e) The e-governance program under the MCA-21 system ensures compliances and transparency in the corporate governance. Some of the important features of it are as under:-

- a) Corporate reporting in MCA-21 is disclosure based.
- b) Registration of companies is made online
- c) All filing of documents and returns by the companies are through electronic mode
- d) Online inspection of documents by the public.
- e) Director Identification Number (DIN) for any person who proposes to be the director in any company etc.