

**GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA**

STARRED QUESTION NO:507

ANSWERED ON:02.05.2013

PANEL ON BUSINESS CLIMATE

Bapurao Shri Khatgaonkar Patil Bhaskarrao;Paranjpe Shri Anand Prakash

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether the Government has appointed Damodaran Panel to improve overall business climate in the country;
- (b) if so, the details thereof;
- (c) whether panel has submitted its report to the Government, if so, the details thereof and measures taken by the Government on the recommendations of the panel;
- (d) if not, the time by which the report is likely to be submitted to the Government; and
- (e) the other steps taken/ being taken by the Government to improve the business climate in the country?

Answer

THE MINISTER OF STATE (SHRI SACHIN PILOT) (INDEPENDENT CHARGE) IN THE MINISTRY OF CORPORATE AFFAIRS

(a) to (e):- A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN ANSWER TO LOK SABHA STARRED QUESTION NO. 507 FOR 02.05.2013 REGARDING PANEL ON BUSINESS CLIMATE

(a) to (e):- A Committee under the Chairmanship of Sh. M. Damodaran has been constituted on 23.08.2012 by this Ministry to extensively examine different areas of root functioning such as financial reforms, governance reforms, liberalized policy framework, process reforms etc, and to suggest a roadmap for improving climate in India. The Committee is likely to submit its report shortly.

The Companies Bill, 2012 incorporates certain important provisions with regard to following matters to facilitate ease of doing business in India:-

- i) Faster incorporation/registration of companies through fully electronic MCA-21 Registry provided;
- ii) Companies allowed maintaining records and hold meetings through e-governance mode;
- iii) Companies empowered to function in a manner which is 'self-regulated with disclosures/ transparency' rather than 'Government/regulatory approval based regime';
- iv) Concepts of 'One Person Company' and 'Small Company' recognized to allow new entrepreneurs to take advantage of corporate form of business;
- v) Faster mergers and acquisitions including short form of merger and cross border mergers allowed;
- vi) Time bound approvals through National Company Law Tribunal (NCLT);
- vii) Summary liquidation process for a class of companies provided.