

**GOVERNMENT OF INDIA**  
**MINISTRY OF CORPORATE AFFAIRS**  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 1978**  
**ANSWERED ON TUESDAY, 10<sup>th</sup> March, 2026**

**Corporate governance violations**

**1978. Smt. Rajani Ashokrao Patil:**

**Will the Minister of CORPORATE AFFAIRS be pleased to state:**

- (a) whether major corporate governance violations are reported in recent years, across listed and unlisted companies;
- (b) the nature and details of such violations, including those relating to disclosure norms, related-party transactions, audit failures and misuse of funds;
- (c) the action taken by regulatory authorities as SEBI, the Ministry of Corporate Affairs and other statutory bodies in each case;
- (d) whether the penalties imposed, including Monetary fines and prosecutions, are considered adequate and proportionate to deter misconduct; and
- (e) whether Government has assessed that weak or delayed enforcement is encouraging repeated non-compliance, the measures proposed to strengthen accountability and corporate governance standards?

**ANSWER**

**THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS AND  
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS.**

**(SHRI HARSH MALHOTRA)**

(a) to (c): Ministry orders inquiry, inspection and investigations under the Companies Act, 2013 in cases where allegations of violations of Corporate Governance across the listed and unlisted companies including violation of disclosure norms, related party transactions, misuse of funds, audit failures etc. are noticed. Accordingly, on the basis of reports of the Registrar of Companies, Regional Director(s) and Serious Fraud Investigation Office, the Ministry issues instructions for taking necessary penal action. Details of enforcement and penal action taken by the Ministry is at Annexure.

Further, SEBI (LODR) Regulations, 2015 mandates the listed companies with various compliance requirements including requirement of corporate governance compliance. SEBI too regularly monitors compliance by listed entities and initiates enforcement actions wherever major corporate governance violations are noticed by imposing penalties and number of such cases is tabulated as under:

Financial Years	Number of entities against whom actions were taken by SEBI with respect to violations of LODR
2022-23	158
2023-24	110
2024-25	123

(d): Appropriate enforcement action as per the nature of default/ non-compliance is taken.

(e): No such measures are under consideration as the existing legal provisions are considered appropriate.

\*\*\*\*\*

**Annexure**

In reply to part (a) to (c) of Unstarred Rajya Sabha Q. No. 1978

Particulars	2022-23	2023-24	2024-25
Number of inquiries ordered	123	240	343
Number of inspection ordered	186	166	93
Number of investigation ordered	124	58	47
Number of companies penalised	901	980	1066
Total amount of penalties imposed	Rs.50.95 crores	Rs. 67.92 crores	Rs. 109.00 crores
Total amount of penalties recovered	Rs.10.92 crores	Rs. 11.80 crores	Rs. 24.53 crores

\*\*\*\*\*