

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 662
ANSWERED ON FRIDAY, THE 20th JULY, 2018
[ASHADHA 29, 1940 (SAKA)]**

CORPORATE GOVERNANCE

QUESTION

662. SHRI SHIVKUMAR UDASI:

Will the Minister of CORPORATE AFFAIRS

be pleased to state:

- (a) the details of a number of entities, including Punjab National Bank and Fortis Healthcare Limited have come under the regulatory scanner on account of alleged irregularities and lapses pertaining to corporate governance;
- (b) whether the Committee set up under the chairmanship of Uday Kotak in June, 2017 has given its report and its recommendations are to be implemented and if so, the details thereof; and
- (c) whether the Government is going for a 'stronger' corporate governance framework to ensure efficient functioning and curbing malpractices and if so, the details thereof?

ANSWER

MINISTER OF STATE FOR LAW AND JUSTICE AND CORPORATE AFFAIRS (SHRI P. P. CHAUDHARY)

(a): The Government has assigned to Serious Fraud Investigation Office (SFIO), the investigations into the affairs of the following number of companies on account of irregularities and lapses pertaining to corporate Governance during the last three years and the current year:

| Financial Year | Total no. of companies for which investigation has been assigned to SFIO | No. of investigations completed by SFIO |
|-----------------------------------|---|--|
| 2015-16 | 184 | 60 |
| 2016-17 | 111 | 87 |
| 2017-18 | 225 | 132 |
| 2018-19 (current year) | 186 | 01 |

(b)& (c): SEBI had constituted a Committee on Corporate Governance under the Chairmanship of Mr. Uday Kotak on 02.06.2017, with the aim of improving standards of Corporate Governance in listed companies in India. The Committee submitted its report to SEBI on 05.10.2017. Further, the Companies Act, 2013 contains adequate provisions for stronger Corporate Governance.
