

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 2712
ANSWERED ON MONDAY, MARCH 09, 2026
PHALGUNA 18, 1947 (SAKA)

STRENGTHENING CORPORATE GOVERNANCE

QUESTION

2712. Shri Sachithanantham R:

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

(a) whether the Government proposes to strengthen worker representation and stakeholder participation in corporate governance structures; and

(b) if so, the steps taken by the Government in this regard?

ANSWER

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

[SHRI HARSH MALHOTRA]

(a) & (b): The Companies Act, 2013 (CA13) is having provisions for the participation of all concerned stakeholders in the corporate governance structure of companies. CA13 provides for participation in decision-making through meetings of the Board of Directors, Committees of the Board, and shareholders. The role of Independent Directors and women directors have also been provided for strengthening the corporate governance structure. The Act also allows participation of shareholders in the general meetings through electronic and postal ballot mechanism ensuring wider participation.

Further, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 specify corporate governance norms to strengthen stakeholder participation in corporate governance structures in listed entities by mandating constitution of stakeholders relationship committee, formulation of vigil mechanism/whistle blower policy for directors and employees to report genuine concerns, mandatory provision for listed entity to provide remote e-voting facility to its shareholders in respect of all shareholders' resolutions etc.
