

(c) whether it would hamper the natural products which are distinctly common to the subcontinent; and

(d) if so, the steps taken by the Government to notify the Act, immediately?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH):

(a) to (d) Yes Sir, The Geographical Indications of Goods (Registration and Protection) Act, 1999 was notified on 30th December 1999. The operationalisation of the Act is expected shortly and will provide better legal protection of Geographical Indications relating to goods. Steps are underway to expedite operationalisation and these include finalisation of the Geographical Indications of Goods (Registration and Protection) Rules, 2001 and establishment of the Intellectual Property Appellate Board (IPAB). While the former has been finalised, the formalities relating to the IPAB are nearing completion. The operationalisation of the Geographical Indications Legislation is also contingent upon the establishment of the IPAB.

Toning up of corporate governance

2915. SHRI K. KALAVENKATA RAO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have taken any step to tone up Corporate Governance;

(b) whether inview of the market manipulations in recent past it has become imperative to bring about necessary changes for reforming the systems of Corporate Governance; and

(c) what steps Government contemplates to take in near future in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH): (a) to (c) Securities and Exchange Board of India (SEBI) set up a Committee on Corporate Governance on May 7, 1999 to promote and raise the standards of Corporate Governance. Based on the recommendations of the Committee, SEBI directed stock exchanges to amend their

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listing agreements to implement the mandatory recommendations of the Committee. SEBI has made some of the best practices of corporate governance mandatory, through a phased programme. The board of directors of a company shall have an optimum combination of executive and non-executive directors with not less than 50% of the boards consisting of non-executive directors. A qualified and independent audit committee is required to be set up, which will meet at least thrice a year. The annual reports of companies are required to have a separate section on corporate governance. The new clause in the listing agreement also lays down board procedures including the frequency of board meetings. Further, a director shall not be a member in more than 10 committees or act as Chairman of more than five committees across all companies in which he is a Director. Shareholders are to be provided information in case of appointment of a new Director or re-appointment of a Director. A board committee is to be formed to look into redressal of shareholder and investor complaints. The Government has also instituted a National Award for Excellence in Corporate Governance.

Revival of sick PSUs

*2916. DR. A. K. PATEL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that several Public Sector Undertakings are sick for the last many years;

(b) if so, the State-wise details of PSUs declared as sick during the last two years;

(c) the reasons ascertained by Government regarding sickness of these undertakings so far; and

(d) the steps Government propose to take in order to run these undertakings systematically once again in future?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDI):

+Original notice of the question was received in Hindi.