

- (d) if so, the details of the study report; and
- (e) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS (SHRI SALMAN KHURSHEED): (a) to (e) There is no information available which indicates that the cases of financial frauds are constantly increasing in the corporate sector in the country. However, an elaborate regulatory framework is already in place under the Companies Act, 1956 as well as the regulations of other agencies like Securities and Exchange Board of India, Enforcement Directorate, Central Bureau of Investigation, etc. to deal with corporate frauds. The Government is empowered to inspect the books of accounts of the companies and also to investigate their affairs under the Companies Act, 1956. This Ministry has implemented MCA-21, e-Governance project which has increased the transparency as the data available in the public domain can be viewed by any person.

Appointment of Independent Directors

4018. SHRI SYED AZEEZ PASHA: Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether a large companies are mandated to appoint Independent Directors;
- (b) if so, the details of the rule in this regard;
- (c) whether Government has defined the qualifications of an Independent Director;
- (d) to what extent people are being appointed as Independent Directors who do not fit the role; and
- (e) the steps proposed to penalize companies appointing un-qualified people as Independent Directors?

THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS (SHRI SALMAN KHURSHEED): (a) There is no concept of independent director in the scheme of the Companies Act, 1956.

- (b) Does not arise.
- (c) No, Sir.
- (d) and (e) Does not arise.

Amendment in Chartered Accountants Act

4019. SHRI A. ELAVARASAN: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether the accounting regulator the Institute of Chartered Accountants of India (ICAI) has submitted a report to Government with a recommendation that the Chartered Accountants Act be amended to include provisions for punishing erring audit firms whose CAs are found guilty of misconduct;

(b) if so, the details thereof;

(c) whether ICAI has also suggested the scope of penal provision be extended to cover audit firms in addition to Chartered Accountants; and

(d) if so, the details thereof and the steps taken by Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS (SHRI SALMAN KHURSHEED): (a) to (d) The Institute of Chartered Accountants of India (ICAI) has submitted a report wherein it has recommended for amendments in the Chartered Accountants Act, 1949, for empowering ICAI for taking action against firms of chartered accountants themselves, in addition to individual chartered accountants, for misconduct.

The ICAI has been asked to submit specific proposals for the consideration of the Government.

Implementation of NER Vision-2020

4020. SHRI MANI SHANKAR AIYAR: Will the Minister of DEVELOPMENT OF NORTH-EASTERN REGION be pleased to state:

(a) whether mechanisms have been put in place to ensure the time-bound implementation of North-East Region Vision-2020, released by the Prime Minister in July, 2008;

(b) if so, the details thereof;

(c) the progress made hitherto in realizing the aims, objectives and goals and targets of Vision-2020 and details thereof; and

(d) whether Government would support efforts by civil society in the North-East Region to monitor and advise on the implementation of the Vision-2020 document?

THE MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION (SHRI B.K. HANDIQUE): (a) to (c) The process to develop mechanism for realizing the aims, objectives and goals enunciated in the North Eastern Region Vision 2020 has already been initiated. For this purpose, 17 Thematic Groups were constituted, headed by the senior officials of the line Ministries comprising