

THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS (SHRI SALMAN KHURSHEED): (a) In the Companies Act, 1956, no provision for appointment of independent directors is there. However, listed public companies appoint independent directors as per clause 49 of listing agreement prescribed by SEBI. The Ministry of Corporate Affairs has also released "Corporate Governance Voluntary Guidelines, 2009" under which the attributes and tenure of the independent directors have been mentioned and it has also been mentioned that independent directors should have the option and freedom to meet company management periodically.

(b) and (c) To curb registration of fictitious companies, every company is being allotted Corporate Identity Number from the year 2000. The Central Government has prescribed filing of address proof and identity proof for directors and thereafter Director Identification Number is allotted, which aborts formation of fictitious companies.

Irregularities in IPL

721. SHRI M.P. ACHUTHAN:

SHRI D. RAJA:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether it is a fact that the preliminary investigations by the Ministry has uncovered irregularities and non-compliance with the Companies Act by owners of several Indian Premier League (IPL) cricket teams; and

(b) if so, the details thereof and further action being taken in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS (SHRI SALMAN KHURSHEED): (a) and (b) The preliminary information/reports have indicated non-compliance of certain provisions of the Companies Act, 1956. Therefore, Registrars of Companies have been instructed to scrutinize the documents of the companies under section 234 of the Companies Act, 1956 and take penal action, wherever warranted.

Utilisation of Central funds

722. SHRI BIRENDRA PRASAD BAISHYA: Will the Minister of DEVELOPMENT OF NORTH-EASTERN REGION be pleased to state:

(a) whether the Central grants for various projects lie unutilized when NER States do not bear their side of the fiscal burden resulting in hindrance in their developmental pace; and