

## **Comprehensive revision of the Companies Act**

In October 2003, it was decided to take up comprehensive revision of Companies Act, 1956 in order to bring new law in tune with the changing requirements. The exercise was started with the preparation of the Concept Paper on new Company Law and its dissemination including on the website of the Ministry to seek public comments. Thereafter an Expert Committee headed by Dr J. J. Irani, Director, Tata Sons Limited was set up by the Ministry which included representatives from concerned Ministries/Departments, regulators, industry bodies, corporates and professionals as Members/invitees. The Committee submitted its report to the Government on 31<sup>st</sup> May, 2005.

Pursuant to the recommendations of Dr J.J. Irani Committee on New Company Law and consultations with concerned stakeholders including concerned Ministries/Departments, the Companies Bill, 2008 was prepared, got vetted from Law Ministry and introduced in the Lok Sabha on 23-10-2008 with the object to consolidate and amend the law relating to companies.

The Companies Bill, 2008 as introduced in the Lok Sabha was referred to the Department Related Parliamentary Standing Committee on Finance for examination and report. However, as per Article 107(5) of the Constitution of India, the Companies Bill, 2008 lapsed due to dissolution of the 14<sup>th</sup> Lok Sabha. The Government (M/o Corporate Affairs) has now re-introduced the Companies Bill, 2008 as Companies Bill, 2009 on 3<sup>rd</sup> August, 2009 in the Lok Sabha.

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