

**GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:131
ANSWERED ON:16.11.2007
KARTIKA SAKA CHANGES IN COMPANY LAW
Bhakta Shri Manoranjan

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether there is any proposal under consideration of the Government to introduce any changes in the Company Law simplifying various procedures for corporate governance and strengthening of small and medium enterprises;
- (b) if so, the details thereof ; and
- (c) the time by which it is likely to be introduced?

Answer

THE MINISTER OF CORPORATE AFFAIRS (SHRI PREM CHAND GUPTA)

(a) to (c): The Government had taken up an exercise for comprehensive revision of the Companies Act, 1956 keeping in view the requirements of different kinds of companies including Small and Private Companies and for laying down a structure for corporate governance of companies that would provide greater flexibility and freedom of operation while enabling accountability, protection of interests of the stakeholders concerned and compliance at a reasonable cost. A draft Companies Bill containing proposals for revised company law is proposed to be introduced in the Parliament for its consideration shortly.