

**GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:1150
ANSWERED ON:28.11.2014
OVERHAULING OF COMPANIES ACT
Sreeramulu Shri B.

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether the Government has received any representations from various quarters for overhauling of the Companies Act, 2013;
- (b) if so, the details thereof and the action taken by the Government thereon;
- (c) whether the Government proposes to review the role of Directors and responsibilities for the decision taken by the company board; and
- (d) if so, the details thereof alongwith the action taken by the Government in this regard?

Answer

THE MINISTER OF CORPORATE AFFAIRS (SHRI ARUN JAITLEY)

(a) & (b):- A little more than a half of the provisions of Companies Act, 2013 (Act) came into force from 1st April 2014. Following this, several communications were received in the Ministry of Corporate Affairs from chamber of commerce and professional institutes etc. drawing attention to certain practical difficulties concerning these provisions or seeking clarifications about them. There was also an interactive session on such issues with the stakeholders on 21st June 2014. Pursuant to this Government have issued suitable circulars, statutory orders and amendments in the rules to provide transitional time, remove doubts or practical difficulties. The Ministry is carrying out Inter-Ministerial consultations to address issues that may require amendment in the Act.

(c) & (d):- There is no such proposal pending to review the role of directors and responsibility for the decision taken by the company.