

Ministry, SEBI Panel to Study Comments on Changes to Co Law

The government is likely to set up a committee comprising representatives of the ministries of law and corporate affairs, Sebi, and RBI to study more than 3,000 objections and comments received on the report of the high-level panel formed earlier to review the issues arising out of implementation of the Companies Act, 2013.

In its report submitted last month, the panel had suggested more than 50 changes in the law.

The government had then called for public comments on these recommendations.

“We'll shortlist the comments before we move forward with amendments and clarifications on Companies Act, 2013. We'll move cabinet to get amendments cleared, after which the amendments bill will go to Parliament,” a senior government official said.

The official further said, “Since it's a multi-ministry exercise and requires professionals from various fields, the corporate affairs ministry has suggested that a committee be formed to look into the comments and suggestions received from people as we want to sort out all issues India Inc has raised.”

Last year, the government had made 16 key amendments to the Act along with passing more than 45 “removal of difficulty” orders.

To improve the ease of doing business in the country and harmonise various laws, the panel headed by the secretary of the corporate affairs ministry had proposed an increase in the limit on sweat equity for startups to 50% from 25% of paid up capital to enhance the incentives for innovators.

(Economic Times)