



Study of new concepts introduced by the Companies Act, 2013

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Abstract : The Companies Act, 1956 was enacted with a view to consolidate and amend the law relating to companies and certain other associations. Since its inception, the Act has been amended on various occasions to keep pace with the changing business and economic scenario, emergence of professionalism and spread of portfolio awareness etc. In the early 1990s, a need was felt to

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harmonise the Companies Act with the developments taking place the world over to put in place a homogenous regulatory framework for the growth of Indian Corporate sector, and this was reflected in the Companies Bill, 1993. However, in August 1996, a working Group was constituted which submitted its report in 1997. On the basis of this report the Companies Bill, 1997 was introduced in the Parliament which was referred to the Standing Committee. In the mean time, with a view to tailor the Companies Act to cope up with the changing corporate environment, the Government amended the Act in the year 1996, 1999, 2000, 2001 and 2002 and give effect to various provisions of the Bill of 1997, besides introduction of new provisions. The New Act envisages an efficacious corporate governance regime based on enhanced self-regulations and with corporate democracy. The framework promotes new concepts of Corporate Social Responsibility and e-governance. The New Act seeks to insure stricter enforcement and investor/creditor protection. and the new insertions made by the New Act.

1. One Person Company {s. 2 (62)}
2. Corporate Social Mechanism (s. 135)
3. Vigil Mechanism {s. 177 (9)}

One Person Company

The concept of One Person Company (OPC) was introduced by the expert committee spearheaded by Dr. J.J. Irani in 2005, as a revolutionary new concept enshrined in the New Act.