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# Govt eyes audit regime, capital raising tweaks in Companies Act

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The legislation has been drafted after consulting other ministries, following a 2022 report of the Company Law Committee. (Bloomberg)

Anjali Malhotra, partner-regulatory at business advisory firm Nangia Andersen India, said some of the recommendations of the company law committee if included in the bill would be a progressive move to align the law with modern-day needs.

"Legal acknowledgment of Special Purpose Acquisition Companies (SPACs) will enable Indian firms to access global capital markets more efficiently," said Malhotra. This is a type of company that does not have an operating business but is formed with the specific goal of acquiring a target company. It's not clear that if this is part of the proposals.

"Establishment of a centralized electronic platform for maintaining statutory records will enhance both security and efficiency, simplifying corporate governance," said Malhotra, referring to a proposal of the committee. Companies must keep records in registers containing details of their directors, shareholders, loans, deposits, and beneficial owners.