FUTURE OF INDIAN LAW – 2027

Companies Act Amendment: Board & Company Readiness Checklist

A practical planning resource for directors, company secretaries, CFOs, finance teams, auditors, shareholders and private companies tracking the Corporate Laws (Amendment) Bill, 2026.

Legal status reviewed as at 11 November 2026
The Corporate Laws (Amendment) Bill, 2026 (Bill No. 85 of 2026) was introduced in the Lok Sabha on 23 March 2026. A Joint Parliamentary Committee presented its report on 3 August 2026. The Bill had not been enacted or brought into force in the official materials reviewed for this checklist. No commencement date has been notified. **Existing Companies Act, 2013 requirements continue to apply.**

1. Identify the correct legislative stage

Companies Act, 2013 and current rules	In force	Continue to comply with the existing Act, rules, MCA notifications and applicable SEBI/sectoral requirements.
Corporate Laws (Amendment) Bill, 2026	Introduced in Lok Sabha: 23 March 2026	A Bill is a proposal. Its clauses do not amend the law merely because the Bill has been introduced.
Joint Parliamentary Committee report	Presented: 3 August 2026	Committee recommendations are advisory. Parliament may accept, modify or reject them.
Enactment / commencement	Not identified as at 11 November 2026	The Bill contemplates commencement by Gazette notification, with different dates possible for different provisions.

Important: *The JPC report does not itself change the Companies Act. Do not apply a proposed exemption, revised threshold or reduced meeting frequency until the relevant amendment and commencement/rules are legally effective.*

2. Proposed changes to map against your company

Small company	Rule threshold: paid-up capital up to ■10 crore and turnover up to ■100 crore; statutory exclusions continue.	Bill proposes statutory ceilings of ■20 crore / ■200 crore. Consequential rules may still be needed to prescribe actual thresholds.
CSR	Section 135 triggers: net worth ■500 crore, turnover ■1,000 crore or net profit ■5 crore; 2% average net profit obligation.	Bill proposes ■10 crore net-profit trigger, 90-day transfer window for ongoing projects, ■1 crore CSR Committee threshold and prescribed-class exemptions. JPC sought tighter limits on delegated exemptions.
Statutory audit	Companies appoint auditors under section 139, subject to existing law.	Bill proposes exemption for prescribed classes; JPC recommended limiting this to private companies. No exemption is operative merely because it is proposed.
General meetings	Section 96 generally requires physical AGM, subject to applicable law and valid MCA permissions/circulars.	Bill proposes virtual/hybrid AGMs and EGMs, with at least one physical AGM every three years; rules would govern safeguards.
Board meetings	OPCs, small and dormant companies: one meeting in each half-year, at least 90 days apart.	Bill proposes one meeting in a calendar year for these classes. Do not reduce meetings before commencement.
Buy-back / rewards	Existing section 68 limits and section 62 framework apply.	Prescribed classes may be allowed up to two buy-back offers in a year, at least six months apart; RSUs/SARs may be recognised with approvals.
Fast-track mergers	Existing section 233 approval thresholds apply.	Bill proposes a 75% value test among members present and voting; JPC recommended an exit right for dissenting/non-voting shareholders.
Directors / NFRA	Current disqualification and NFRA powers apply.	Bill proposes a fit-and-proper test and NFRA changes; JPC recommended deleting the proposed fit-and-proper test and refining NFRA provisions.
Procedural defaults	Existing offence / penalty provisions apply as currently amended.	Bill proposes converting specified defaults to civil penalties; this is not a blanket decriminalisation or amnesty.
IFSC / valuation / LLP	Existing Companies Act, LLP Act and IFSCA rules apply.	Bill includes foreign-currency share capital for IFSC companies, valuation framework changes and specified trust-to-LLP conversion proposals.

3. Board and management readiness checklist

[ ] Nominate a company secretary, legal/compliance officer or other accountable person to monitor the Bill, JPC report, Parliamentary business and MCA Gazette notifications.

[ ] Prepare a company profile: public/private, listed/unlisted, paid-up capital, turnover, net worth, net profit, group structure, Section 8 status, small-company status, OPC/dormant status and IFSC connection.

[ ] For small-company analysis, test paid-up capital and immediately preceding financial-year turnover, and check exclusions for public, holding, subsidiary, Section 8 and special-Act entities.

[ ] Maintain the current CSR applicability assessment using the existing ■500 crore net-worth / ■1,000 crore turnover / ■5 crore net-profit tests and current 2% spending obligation where applicable.

[ ] Keep current statutory auditor appointment, rotation, audit committee and financial-reporting controls in place; do not rely on the proposed audit exemption.

[ ] Continue existing Board-meeting frequency and minutes requirements. Record any proposed reduction as a future option only, subject to enactment and commencement.

[ ] Review Articles of Association, shareholder agreements and meeting procedures for future hybrid/virtual meeting provisions, e-voting, identity verification, attendance, quorum, recording and cybersecurity.

[ ] For any buy-back, merger, amalgamation, share-based compensation or restructuring, apply current statutory thresholds and obtain transaction-specific advice; do not price a transaction on an uncommenced proposal.

[ ] Review director appointment and disqualification procedures under current sections 152 and 164. Do not impose a new fit-and-proper test solely on the basis of the Bill.

[ ] If subject to NFRA oversight, retain current audit-quality, documentation and cooperation controls; monitor final statutory changes and regulations separately.

[ ] Keep a clause-by-clause impact register showing the current provision, Bill clause, JPC recommendation, final parliamentary text, commencement date and consequential rules awaited.

[ ] Train directors, finance teams, company secretaries, auditors and investor-relations teams to distinguish an introduced Bill, a committee recommendation, an enacted amendment and a commencement notification.

4. Role-based action plan

Board / directors	Discuss exposure, risk appetite, CSR and restructuring scenarios; approve no premature relaxation.	Board note, risk register, compliance-owner allocation.
Company secretary	Track Parliament, MCA notifications, rules, forms and filing changes; update calendar only after commencement.	Legislation tracker, revised calendar, circulars and board papers.
CFO / finance	Model CSR, audit, buy-back and small-company impacts using existing law and scenarios.	Threshold calculations, forecasts, CSR ledger, auditor correspondence.
Auditor / audit committee	Continue current audit obligations and assess final exemptions / NFRA changes only when effective.	Audit plan, engagement letters, independence and quality records.
Shareholders / investors	Review possible impact on meetings, minority exit rights, buy-backs, mergers and share-based rewards.	Shareholder notices, voting records, agreements and disclosures.

5. What not to change before the law changes

[ ] Do not reclassify a company as a small company using ■20 crore / ■200 crore thresholds unless and until the amended law and applicable rules prescribe them.

[ ] Do not stop appointing an auditor or alter audit scope because an exemption appears in the Bill.

[ ] Do not shift CSR trigger calculations to ■10 crore or extend the ongoing-project transfer window to 90 days before the relevant provision commences.

[ ] Do not reduce Board meetings for an OPC, small company or dormant company to one per calendar year under the proposed wording.

[ ] Do not assume virtual/hybrid AGM or EGM procedures are authorised solely by the Bill; follow the current Act and valid MCA directions.

[ ] Do not apply proposed buy-back or fast-track merger thresholds to a live transaction without checking the law in force on the transaction date.

[ ] Do not treat the proposed director fit-and-proper test, NFRA changes or decriminalisation clauses as operative.

6. 2027 monitoring checklist

[ ] Check whether Parliament takes up the Bill and whether the final text differs from the introduced Bill or JPC recommendations.

[ ] Record Presidential assent and the Act number/date if enacted.

[ ] Obtain the Official Gazette commencement notification; different provisions may have different dates.

[ ] Track consequential MCA rules, forms, circulars and portal changes, including prescribed classes and thresholds.

[ ] Check SEBI, IFSCA, NFRA and IBBI regulations/directions where the company is listed, regulated, in an IFSC or otherwise covered.

7. Primary references and important caution

• Companies Act, 2013 – India Code (official text)
https://www.indiacode.nic.in/bitstream/123456789/2114/5/A2013-18.pdf?v=20260616044204

• **Corporate Laws (Amendment) Bill, 2026 – Gazette of India, Bill No. 85 of 2026, 23 March 2026**
https://egazette.gov.in/WriteReadData/2026/271201.pdf

• **Corporate Laws (Amendment) Bill, 2026 – Digital Sansad Bill text**
https://sansad.in/getFile/BillsTexts/LSBillTexts/Asintroduced/as%20intro3232026122530PM.pdf?source=legislation

• **Small-company thresholds – G.S.R. 880(E), 1 December 2025**
https://egazette.gov.in/WriteReadData/2025/268124.pdf

• **Digital Sansad – Joint Committee on the Corporate Laws (Amendment) Bill, 2026**
https://sansad.in/ls/committee/other-committees/86-Joint%20Committee%20on%20the%20Corporate%20Laws%20%28Amendment%29%20Bill%2C%202026-nameH%3Dundefined

• **PRS – Joint Parliamentary Committee report summary (secondary explanatory source)**
https://prsindia.org/billtrack/prs-products/prs-jpc-report-summary

Important limitation: *This is a planning aid, not a statutory form, legal opinion or confirmation that a proposal will be enacted. The introduced Bill, JPC recommendations, final parliamentary text, Gazette commencement notification, rules, MCA circulars and sectoral regulations may differ. Existing law governs until a provision is enacted and brought into force. Verify current official instruments before any compliance, transaction or filing decision.*