

## **Companies not need to file a declaration before commencement of business**

### **COMPANIES BILL, 2014**

The cabinet also approved changes to the Companies (Amendment) Bill, 2014, so that companies will not be required to file a declaration before commencement of business, cutting down on compliance requirements and making it easier to start business.

According to the Companies Act 2013, after completion of incorporation, companies had to obtain a certificate of commencement of business operations within 30 days and no activity could start before that.

Under the earlier Companies Act 1956, only public companies had to obtain the certificate before starting operations. But under the Companies Act 2013, which came into effect in April last year, the government made the requirement mandatory for both private and public companies.

*(Economic Times)*