

ABSTRACT

LIFTING AND REVERSE LIFTING OF THE CORPORATE VEIL

***RITIKA CHAUHAN**

Corporate law over various jurisdictions rests on the base of separate legal entity of a company. This characteristic gives rise to all other characteristics of a company and forms a crucial factor while choosing a form of business. Over the years, the Courts have developed exceptions to the doctrine of separate legal entity so as to prevent this feature from being misused as a shield to hide one's frauds or dishonest activities. This has led to the lifting of the metaphorical corporate veil. In the following research paper, the author puts forth the many instances of application of this doctrine and identifies the various approaches the Courts have taken while applying this doctrine

The author will also study the concept of 'reverse lifting of the corporate veil' that is an antithesis to 'lifting of the corporate veil.' Although this concept has had little or no recognition in the Indian Courts, there lies a conjecture in the English and American Courts regarding the practicality and utility of this doctrine. The paper explores how this doctrine emerged, how it is applied and why it has been rejected by many Courts.