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Companies (Incorporation) Second Amendment Rules, 2019



On March 06, 2019, MCA issued Companies (Incorporation) Second Amendment Rules, 2019. These Rules shall be in force from the date of publication of notice.

This rule explain the changes with

respect to

- (i) Shifting the registered office of the company
- (ii) Incorporation of the company
- Changes with respect to shifting in the registered office of the company: In rule 30(5), the word "with widest circulation" shall be substituted with the words "with wide circulation" Therefore, earlier under the process for shifting of registered office of the company the same has to be advertised in the newspaper of the widest circulation.

Now as per the recent changes the same has to be advertised in the vernacular newspaper in the principal vernacular language in the district and in English language and in an English newspaper with the wide circulation in the state in which the registered office of the company is situated.

 Changes with respect to the incorporation: Earlier the companies incorporated with a nominal capital of less than or equal to Rs. 10 lakh, fees of Spice Form (Incorporation was zero), now with the recent changes the limit of Rs. 10 lakh has been increased to Rs. 15 lakh.

Therefore now companies incorporated with nominal capital of upto Rs 15 lakh shall have fees for Spice Form zero

Transfer of shares to be stopped from April 1, 2019



SEBI has recently amended relevant provisions of SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015 to disallow listed companies from accepting request for

transfer of securities which are held in physical form, with effect from April 1, 2019.

The shareholders who continue to hold shares and other types of securities of listed companies in physical form even after this date, will not be able to lodge the shares with company / its RTA for further transfer.

They will need to convert them to demat form compulsorily if they wish to effect any transfer. Only the requests for transmission and transposition of securities in physical form, will be accepted by the listed companies / their RTAs.

MCA releases National Guidelines on Responsible Business Conduct



Ministry of Corporate Affairs has revised the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business, 2011 (NVGs) and formulated the National Guidelines on Responsible Business

Conduct (NGRBC). These guidelines urge businesses to actualise the principles in letter and spirit.

Some of the principles are:

- Business should be conducted wit integrity and in a manner that is ethical, transparent and accountable.
- Well being of the employees should be promoted in the business.
- Business should respect and promoted human rights
- Business should engage with and provide value to their consumers in a responsible manner.
- Businesses should promote growth and equitable development.

MCA has been taking various initiatives for ensuring responsible business conduct by the companies.

SEBI also through its "Listing Regulations" mandated the top 100 listed entities by market capitalisation to file Business Responsibility

Reports (BRRs) from an environmental, social and governance perspective.

The Ministry of Corporate Affairs is also in the process of developing India's National Action Plan on Business & Human Rights (NAP) in consultation with various Ministries and State Governments by 2020.

Companies Indian Accounting Standards (Ind AS) First And Second Amendment Rules, 2019



MCA has notified the Companies Indian Accounting Standards (Ind AS) First and Second Amendment Rules, 2019, applicable w.e.f. 1 April, 2019 vide notification dated 30.03.2019 to amend the 'Annexure B on Indian Accounting

Standards (Ind AS)' to the Companies (Ind AS) Rules, 2015 (the principal rules), by way of substituting various paragraphs, annexures, etc. in different Ind AS. Ind AS 1, 2, 7, 12, 16, 17, 19, 21, 23, 28, 32, 37, 38, 40, 41, 101, 103, 104, 107, 109, 111, etc. have been amended. Further, The Ministry of Corporate Affairs has notified the new Ind AS 116, Leases. It shall replace existing Ind AS 17 and be effective from financial years beginning on or after April 1, 2019.

Companies (Incorporation) Third Amendment Rules, 2019



MCA vide notification dated 29.03.2019—,__the Central Government hereby makes the following rules further to

amend the Companies (Incorporation) Rules, 2014:

- These rules may be called the Companies (Incorporation)
 Third Amendment Rules, 2019
- In Companies (Incorporation) Rules, 2014, the following rules shall be inserted:

"The application for incorporation of a company shall be accompanied by e-form INC-35, containing an application for registration of the following:

- (i) GSTIN w.e.f 31.03.2019
- (ii) EPFO w.e.f 08.04.2019
- (iii) ESIC w.e.f 15.04.2019

Clarification on filing of e-form RD-1 for conversion of public company into private company and for change in a financial year



MCA has issued a clarification on filing of e-form RD- I for Conversion of Public Company into Private Company and for Change in a Financial Year. MCA in the recent past has notified Companies

(Incorporation Fourth Amendment) Rules, 2018, whereby applications for change in a financial year and u/s 14 of the

Companies Act, 2013 for conversion of public limited company into private company, along with e-form RD-1 shall be processed by Regional Directors.

Stakeholders have expressed that they are facing difficulties in filing e-form RD-1 on account of aforesaid two purposes pending deployment of revised version of e-form RD-1.

It is therefore clarified and Regional Directors are advised to process e-form RD-1 for the above referred applications, if "other's" is selected on account of aforesaid two counts, till the revised form is deployed by this MCA.

Further, it is also clarified that such applications filed in e-form no.RD-1 should not be rejected merely on the ground that "others" is selected and "eform is not available", till the time said form is deployed by this Ministry.

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