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**COMPANY SECRETARIES**

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Some important changes happened in the Corporate and Legal world in the month of December 2018:

**1. These rules may be called the Companies (Incorporation) Fourth Amendment Rules, 2018**

Ministry of Corporate Affairs (MCA) vide notification dated on 18<sup>th</sup> December, 2018 has notified the **Companies (Incorporation) Fourth Amendment Rules, 2018**

In the Companies (Incorporation) Rules, 2014 (hereinafter referred to as the said rules), the following rule shall be inserted, namely:-

**1) Rule 23A**

Declaration at the time of commencement of business under section 10A by a director shall be in **Form No.INC-20A** and shall be filed as provided in the Companies (Registration Offices and Fees) Rules, 2014 and the contents of the said form shall be verified by a Company Secretary or a Chartered Accountant or a Cost Accountant, in practice with MCA along with an attachment of bank statement as an evidence of receiving initial subscription money in **FORM No.GNL-1** .

**Impact: Every company shall at the time of commencement of business shall file a declaration in Form No.INC-20A the said form will be made available shortly, along with an attachment of bank statement as an evidence of receiving initial subscription money in Form No.GNL-1**

**2) Rule 40**

(a) Application under sub-section (41) of section 2 for change in financial year the application for approval of concerned Regional Director , shall be filed in **Form No.RD-1** along with the fee as provided and shall be accompanied by the required documents.

(b) Regional Director on examining such application, finds any defect or is incomplete in any respect, he shall give intimation of such information called for defects or incompleteness, on the last intimated e-mail address of the person or the company, which has filed such application, directing the person or the company to furnish such information, or to rectify defects or incompleteness and to re-submit application within a period of fifteen days, in **Form No. RD-GNL-5**. Maximum two re-submissions shall be allowed



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- (c) The order given by the Regional Director shall be filed by the company with the Registrar in **Form No.INC-28** within thirty days from the date of receipt of the order along with fee as provided.

**Impact: For the change in the financial year application shall be made to Regional Director in Form No.RD-1. If any further re-submission is ordered by Regional Director shall be done within 15 days in Form No. RD-GNL-5. The order given shall be filed with ROC in Form No.INC-28.**

**3) Rule 41.**

- (a) Application under **section 14** for conversion of public company into private company shall, within sixty days from the date of passing of special resolution, be filed with Regional Director in **Form No. RD-1** along with the fee as provided and shall be accompanied by the required documents.

- (b) Company shall, atleast twenty-one days before the date of filing of the application

- (i) advertise in the **Form No.INC.25A**,
- (ii) Serve individual notice on each debenture holder and creditor of the company; and
- (iii) serve, a notice to the Regional Director and Registrar and to the regulatory body, if the company is regulated under any law for the time being in force.

- (c)Regional Director may call for further information and shall pass such orders as it deems fit

- (d) The order conveyed by the Regional Director shall be filed by the company with the Registrar in **Form No.INC-28** within fifteen days from the date of receipt of approval.

**Impact: For conversion of Public Company into Private company application shall now be made to Regional director in Form No. RD-1 which will be made available shortly. And the order passed by Regional Director shall be filed with the registrar within 15 days**



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## **2. Relaxation of additional fees and extension of last date of In Filing of CRA-4 (Cost Audit Report in XBRL format)**

In response to the requests received from various stakeholders seeking extension of time for filing Cost Audit Report for the financial year ended 31.03.2018, it has been decided to relax the additional fees payable by companies on **Form No.CRA-4** (Cost Audit Report in XBRL format) upto 31.12.2018, wherever additional fee is applicable.

**Impact: Time limit for filing Form No.CRA-4 (Form for filing Cost Audit Report with the Central Government) has been extended for financial year 2017-2018 upto 31<sup>st</sup> December,2018**

## **3. Extension of the last date of filing of Form NFRA-1-reg.**

The Ministry of Corporate Affairs in response to several representations regarding extension of the last date of filing of **Form NFRA-1**, filed under National Financial Reporting Authority Rules, 2018, the time limit for filing Form will be 30 days from the date of deployment of this form on the website of Ministry/National Financial Reporting Authority (NFRA) that is **13<sup>th</sup> December,2018** for all bodies corporate governed by the said rule.

**Impact: Time limit for filing Form NFRA-1 filed under National Financial Reporting Authority has been extended for 30 days.**

## **4. Companies (Registration of Charges) Second Amendment Rules, 2018.**

**Form No.CHG-4** - Particulars for satisfaction of charge has been updated and the same has been made available on MCA website

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We suggest readers to draw their conclusions after taking into consideration various other relevant sections, rules to be notified from time to time and applicable Secretarial



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Standards, Accounting Standards and Guidance notes and other notifications, circulars and amendments notified from time to time.

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