



The Companies Act 2013

Enlightening Nation

E-News Letter

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About the E-newsletter

Dear Users,

Thecompaniesact2013.com imports yet another innovation for all the valuable users in the form of e-newsletter. This is the first issue of the February month comprising, latest notifications, circulars & orders.

The notion is to render all the updates about Company law of the current month in a compiled format and serve a better pavement for easy accessibility to the users.



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Notifications

A. G.S.R 121(E) The Companies (Declaration and Payment of Dividend) (Amendment) Rules, 2015.

Dated- 24.02.2015

In exercise of the powers conferred under sub-section (1) of Section 123 read with Section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Declaration and Payment of Dividend) Rules, 2014, namely :

1. (1) These rules may be called the Companies (Declaration and Payment of Dividend) Amendment Rules, 2015.
(2) They shall come into force on the date of their publication in the Official Gazette.
2. In the Companies (Declaration and Payment of Dividend) Amendment Rules, 2014, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide G.S.R. No. 397(E), dated the 12th June, 2014, after the words “AMARDEEP SINGH BHATIA, Jt. Secy.”, the following Foot Note shall be inserted, namely:

“Foot Note.-The principal rules were published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 241(E), dated the 31st March, 2014

B. G.S.R 122(E) The Companies (Registration Offices and Fees) Amendment Rules 2015

Dated- 24.02.2015

In exercise of the powers conferred by Sections 396, 398, 399, 403, and section 404, read with sub-sections (1) and (2) of Section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Registration Offices and Fees) Rules, 2014, namely:—

1. (1) these rules may be called the Companies (Registration Offices and Fees) Amendment Rules, 2015.
(2) In the Companies (Registration Offices and Fees) Rules, 2014,—
 - (a) In rule 10, after sub-rule (6), the following sub-rule shall be inserted, namely:—

“7. Any further information or documents called for, in respect of application or e-form or document, filed electronically with the Ministry of Corporate Affairs shall be furnished in Form No. GNL-4 as an addendum
 - ” (b) After **Form No. GNL-3**, the Form GNL-4 shall be inserted.



A. 01/2015-Constitution of a High Level Committee to suggest measures for improved monitoring of the implementation of Corporate Social Responsibility policies by the companies under Section 135 of the Companies Act, 2013.

Dated- 03.02.2015

- 1. Subject:** Constitution of a High Level Committee to suggest measures for improved Monitoring of the implementation of Corporate Social Responsibility Policies by the companies under Section 135 of the Companies Act, 2013.

Undersigned has been directed to state that a High Level Committee has been constituted under the Chairmanship of Shri Anil Baijal Former Secretary, Govt. of India to suggest measures for Monitoring the progress of implementation of Corporate Social Responsibility (CSR) policies by companies at their level and by the Government under the provisions of Section 135 of the Companies Act, 2013 and Rules there under.

- 2. The composition of the High Level Committee is as under:**

Sr.	Name	Role
I.	Shri Anil Baijal Chairperson Former Secretary to Govt of India	Chairperson
II.	Prof. Deepak Nayyar Member Professor (Emeritus), Jawaharlal Nehru University,	Member
III	Shri Onkar S Kanwar Member Chairman & Managing Director, Apollo Tyres Ltd.	Member
IV	Shri Kiran Kamik Member Former President-NASSCOMM, New Delhi	Member
V	Secretary, Department of Public Enterprises Member (Represented by an officer not below the rank of Joint Secretary)	Member
VI.	Additional Secretary (0) Member- Ministry of Corporate Affairs	Member -Convener

(*) Economic Adviser, MCA will discharge the responsibility in the absence of Additional Secretary, MCA.

- 3. Terms of Reference of the Committee are as under:**

- i. To recommend suitable methodologies for monitoring compliance of the Provisions of Section 135 (Corporate Social Responsibility) of the Companies Act,2013 by the companies covered there under.
- ii. To suggest measures to be recommended by the Government for adoption by the Companies for systematic monitoring and evaluation of their own CSR initiatives.

- iii. To identify strategies for monitoring and evaluation of CSR initiatives through Expert agencies and institutions to facilitate adequate feedback to the Government with regard to efficacy of CSR expenditure and quality of compliance by the Companies.
 - iv. To examine if a different monitoring mechanism is warranted for Government Companies undertaking CSR, and if so to make suitable recommendations in this Behalf.
 - v. Any other matter incidental to the above or connected thereto.
4. The Committee shall submit its report within Six months from the date of holding of its first meeting.
 5. Ministry of Corporate Affairs and Indian Institute of Corporate Affairs (IICA) shall jointly provide secretarial and technical support to the Committee. The Indian Institute of Corporate Affairs will render the necessary logistic support to the High Level Committee.

B. 28/2014- Extension of time for filing of Notice of appointment of the Cost Auditor in Form CRA-

Dated- 11.02.2015

Subject: Extension of time for filing of Notice of appointment of the Cost Auditor in Form CRA-2.

In continuation to the General Circular No. 42/2014, the last date of filing of Form CRA-2 without any penalty/late fee is hereby extended up to 31st March, 2015.



A. S.O. 504(E).The Companies (Removal of Difficulties) Order, 2014

Dated- 13.02.2014

S.O. 504(E) - Whereas, the Companies Act, 2013 (18 of 2013) (hereinafter referred to as the said Act) received the assent of the President on the 29th August, 2013;

And whereas, clause (85) of section 2 of the said Act provides for definition of the term "small company";

And whereas, clause (b) of sub-section (11) of section 186 of the said Act provides that the requirements of provisions of section 186 [except sub-section (1) of the said section] shall not apply to any acquisition made by a non-banking financial company registered under Chapter IIIB of the Reserve Bank of India Act, 1934 (2 of 1934) and any other company whose principal business is acquisition of securities;

And whereas, such provisions of clause (85) of section 2 and section 186 of the said Act had come into force on the 1st day of April, 2014;

And whereas, the following difficulties have arisen in giving effect to the above provisions of the said Act:

(a) According to clause (85) of section 2, a company may be treated as a 'small company' if it meets either of the conditions provided therein thereby making the second limit unrestricted or inconsequential. Difficulties have arisen in this regard as companies which, though, meet one of the criteria but exceed the monetary limit in respect of second criteria excessively are also getting classified as 'small companies'; and

(b) in clause (b) of sub-section (1) of section 186, in the absence of provisions for exemption to a banking company or an insurance company or a housing finance company making acquisition of securities in its ordinary course of business, a difficulty has arisen that such companies cannot make any acquisition of securities in their ordinary course of business;

Now, therefore, in exercise of the powers conferred by sub-section (1) of section 470 of the Companies Act, 2013 (18 of 2013), the central Government hereby makes the following Order to remove the aforesaid difficulties, namely:-

(1) Short title and commencement - (1) this order may be called the Companies (Removal of Difficulties) Order, 2015.

(2) It shall come into force on the date of its publication in the Official Gazette.

2. In the Companies Act, 2013 (hereinafter referred to as the said Act),-

(a) in section 2, in clause (85), in sub-clause (i), for the word "or" occurring at the end, the word "and" shall be substituted; and

(b) In section 186 of the said Act, in sub-section (1), in clause (b), after item (iii), the following item shall be inserted, namely:-

"(iv) Made by a banking company or an insurance company or a housing finance company, making acquisition of securities in the ordinary course of its business."

Editorial Column

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In Association with:

Arms & Associates, LLP
Practicing Company Secretaries
24 ka 1 Jyoti Nagar, Jaipur
Ph.No. 0141-3263017, 3111777.

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