

K C Mehta & Co.

Chartered Accountants



*kcm*Guide

Corporate Laws

**Companies Amendment
Act, 2020**

March 4, 2021

Snapshot

In view of constant efforts of the Government to facilitate greater ease of doing business and in continuation of the economic reforms announced by the Finance Minister Ms. Nirmala Sitharaman on May 17, 2020, an Act to amend certain provisions of Companies Act, 2013 was introduced on September 28, 2020 to decriminalize violations of minor technical and procedural defaults under Companies Act, 2013, to known as the Companies Amendment Act, 2020. The primary objective of these amendments is to provide relief to Officers of the Company from the harsh punishment leviable on them in form of Imprisonment, which was in addition to the stiff penalties that were already levied.

Apart from decriminalization of certain sections, the Companies Amendment Act 2020 also covers a gamut of other aspects, such as Introduction of Chapter on Producer Companies, changes in the definition of a Listed Company, CSR provisions, listing of securities abroad etc. The Companies Act has been an evolving Act since its introduction in 2013 and this is another step towards the direction of bringing better compliance along with being seen as more lenient in cases where offences are either technical in nature of unintended with no malafide intentions.

Amendments

Sections decriminalized by omitting Imprisonment and / or by revising the Penalty:

Sr. No.	Section	Reference	Revised Penalty (vis-à-vis Existing Penalty)
1	8(11)\$	Failure of Companies with Charitable Objects [Non-compliance of Section]	Company- Fine: - from ₹10, 00,000/- up to ₹10,000,000/- <u>No Change</u> Officer in default- Fine: - from ₹25,000/- up to ₹25,00,000/- <u>No Change</u> Imprisonment: - <u>Omitted</u>
2	26(9)\$	Issue of Prospectus in contravention of this Section	Company- Fine: - from ₹50,000/- up to ₹3, 00,000/- <u>No Change</u> Person who is party to the issue of Prospectus- Fine: - from ₹50,000/- up to ₹3, 00,000/- <u>No Change</u> Imprisonment: - <u>Omitted</u>
3	40(5)\$	Securities to be dealt with Stock Exchanges [Non-compliance of Section]	Company- Fine: - from ₹5, 00,000/- up to ₹50, 00,000/- <u>No Change</u> Officer in Default- Fine: - from ₹50,000/- up to ₹3, 00,000/- <u>No Change</u>
4	48(5)\$	Variation of Shareholders' Rights [Non-compliance of Section]	Specific Fine on the Company and Imprisonment levied on Officer in Default - Removed . Only Penalty under Section 450 [General Penalty] to apply.
5	56(6)\$	Transfer and transmission of securities [Non-compliance of Section]	Fine to Company and / or Officer in Default: ₹50,000/- <u>Reduced</u> .

Sr. No.	Section	Reference	Revised Penalty (vis-à-vis Existing Penalty)
6	59(5)\$	Failure in complying with Order of Tribunal for rectification of register of members	Specific Fine on the Company and Imprisonment levied on Officer in Default - Removed . Only Penalty under Section 450 [General Penalty] to apply.
7	64 (2)\$	Failure to give Notice to Registrar for Alteration of Share Capital	Fine to Company and/or Officer in Default- ₹500/- per day with a maximum of ₹5, 00,000/- for a company and ₹1, 00,000/- for an officer in default. Reduced .
8	66 (11)\$	Failure in publishing Order of Tribunal confirming Reduction of Share Capital	Specific Fine on the Company and Imprisonment levied on Officer in Default - Removed . Only Penalty under Section 450 [General Penalty] to apply.
9	68 (11)\$	Power of company to purchase its own shares [Non-compliance of Section]	Company- Fine: - from ₹1,00,000/- up to ₹3,00,000/- No Change Officer in Default- Fine: - from ₹1,00,000/- up to ₹3,00,000/- No Change Imprisonment: - Omitted
10	71 (11)\$	Debentures [Failure in complying with order of Tribunal under this Section]	Specific Fine on the Company and Imprisonment levied on Officer in Default - Removed . Only Penalty under Section 450 [General Penalty] to apply.
11	86 (1)\$	Non- compliance of Chapter relating to Registration of charges	Company- Fine: -₹5,00,000/- Reduced . Officer in Default- Fine: - ₹50,000/- Reduced . Imprisonment: - Omitted
12	88(5)\$	Failure to maintain Register of Members or other security holders	Company- Fine:- ₹3,00,000/- Reduced . Officer in Default- Fine: - ₹50,000/- Reduced .

Sr. No.	Section	Reference	Revised Penalty (vis-à-vis Existing Penalty)
13	89 (5)\$	Failure in making Declaration with respect to beneficial holding	Person who fails to make a declaration- Fine: - ₹50,000/- and in case of continuing offence ₹ 200/- per day up to maximum of ₹5, 00,000/- - Reduced.
14	89 (7)\$	Failure by any Company to file a return based on the declaration received for beneficial interest	Company- Fine: - ₹1,000/- per day up to maximum of ₹5,00,000/- Officer in Default- Fine: - ₹1,000/- per day up to a maximum of ₹2,00,000/- No Change
14	90 (10)\$	Failure by any person in declaring any beneficial interest in Form BEN-1	Fine: - ₹50,000/- and in case of continuing failure, ₹1,000/- per day up to a maximum of ₹2,00,000/- No Change Imprisonment: - Omitted
15	90 (11)\$	Failure to maintain Register of significant beneficial owners	Company- Fine: - ₹1,00,000/- and in case of continuing failure ₹500/- per day up to maximum of ₹5,00,000/- Reduced. Officer in Default- Fine: - ₹25,000/- and in case of continuing failure ₹ 200/- per day up to maximum of ₹1,00,000/- Reduced.
16	92 (5) (6)\$	Failure to file Annual Return in MGT-7	Company and Officer in Default- Fine: - ₹10,000/- and in case of continuing failure ₹100/- per day up to a maximum of ₹2,00,000/- for company and ₹50,000/- for officer in default. Reduced. Company secretary in practice certifying the annual return not in conformity with section or rules made thereunder- Fine: - ₹50,000/- up to ₹2,00,000/- Reduced.
17	105 (5)#	Company cannot issue proxy forms at its expense suggesting the names of persons who shall act as proxies	Officer of the company who knowingly issues the invitations as aforesaid or willfully authorizes or permits the issue- Fine: - ₹50,000/- Reduced.

Sr. No.	Section	Reference	Revised Penalty (vis-à-vis Existing Penalty)
18	117(2)#	Failure in filing Resolutions or agreement with Registrar	<p>Company- Fine: - ₹10,000/- and in case of continuing failure ₹100/- per day up to a maximum of ₹2,00,000/- Reduced.</p> <p>Officer in Default including liquidator of the company, if any- Fine: - ₹10,000/- and in case of continuing failure ₹100/- per day up to maximum of ₹50,000/- Reduced.</p>
19	124 (7)*	Unpaid Dividend account [Non- compliance of Section]	<p>Company – Fine: - ₹1,00,000/- and in case of a continuing failure ₹500/- per day up to a maximum of ₹10,00,000/- Reduced.</p> <p>Officer in Default- Fine: - ₹25,000/- and in case of a continuing failure ₹100/- per day up to a maximum of ₹2,00,000/- Reduced.</p>
20	128(6)\$	Books of accounts to be kept by company [Non- compliance of Section]	<p>Person appointed by the Board with the duty of complying with the provisions of this section – Fine: - from ₹50,000/- up to ₹5,00,000/- No Change Imprisonment: - Omitted</p>
21	129A#	Periodical financial results	Central Government may require such class of unlisted companies to prepare financial statements for such period and get it approved by board of directors after audit or limited review and file the same with registrar within 30 days. -New Section inserted
22	134(8)\$	Financial statement, Board's report [Non- compliance of Section]	<p>Company: Fine: - ₹3,00,000/- Reduced.</p> <p>Officer in default – Fine: - ₹50,000/- Reduced. Imprisonment: - Omitted</p>

Sr. No.	Section	Reference	Revised Penalty (vis-à-vis Existing Penalty)
23	135 (7)#	Corporate Social Responsibility [Non- compliance of Section]	<p>Company- Fine: - twice the amount required to be transferred by the company to the Fund specified in Schedule VII or the Unspent Corporate Social Responsibility Account, as the case may be, or ₹1,00,00,000/-, whichever is less. - Increased</p> <p>Officer in Default- Fine: - one-tenth of the amount required to be transferred by the company to such Fund specified in Schedule VII, or the Unspent Corporate Social Responsibility Account, as the case may be, or ₹2,00,000/- Reduced</p> <p>Imprisonment: - Omitted</p>
24	137 (3)\$	Failure in filing copy of financial statements with Registrar	<p>Company- Fine: - ₹10,000/- and in case of a continuing failure ₹100/- per day up to a maximum of ₹2,00,000/- Reduced</p> <p>Any other person who is appointed by the Board with the responsibility of complying with the provisions of this section- Fine: - ₹10,000/- and in case of a continuing failure ₹100/- per day up to a maximum of ₹50,000/- Reduced</p>
25	140(3)\$	Failure in filing resignation by Auditor in Form ADT-3	<p>Auditor- Fine: - maximum fine of ₹2,00,000/- Reduced</p>
26	143 (15)\$	Failure to report fraud committed in Company by any Professional	<p>Listed Companies- Fine: - ₹5,00,000/- Reduced</p> <p>Other Companies- Fine: - ₹1,00,000/- Reduced</p>

Sr. No.	Section	Reference	Revised Penalty (vis-à-vis Existing Penalty)
27	147 (1)\$	Punishment for contravention of Sections 139 to 146 of Companies Act, 2013	Company- Fine: - from ₹25,000/- up to ₹5,00,000/- <u>No change</u> Officer in default- Fine: - from ₹10,000/- up to ₹1,00,000/- <u>No change</u> Imprisonment- Omitted
28	165(6)\$	Number of Directorship [Non- compliance of Section]	If any person accepts directorship in more than 20 companies out of which not more than 10 companies are public companies (Defaulting director) Fine:- ₹2,000/- per day up to a maximum of ₹2,00,000/- <u>Reduced</u>
29	167(2)\$	Person, functions as a director even when he knows that the office of director held by him has become vacant on account of any of the disqualifications specified in Section 167	Fine: - from ₹1,00,000/- up to ₹5,00,000/- Imprisonment- Omitted
30	172\$	Punishment [Violation of Chapter on Appointment and qualification of Directors for which no specific punishment is provided]	Company and Officer in Default- Fine: - ₹50,000/- and in case of a continuing failure ₹500/- per day up to a maximum of ₹3,00,000/- in case of a company and ₹1,00,000/- in case of an officer in default. - <u>Reduced</u>
31	178 (8)\$	Contravention of the provisions of Section 177 (Audit committee) and 178 (Nomination and Remuneration committee)	Company- Fine: - ₹5,00,000/- <u>Reduced</u> Officer in default- Fine: - ₹1,00,000/- <u>Reduced</u> Imprisonment- Omitted
32	184 (4)\$	Failure in Disclosure of Interest or nature of concern or interest in any contract or arrangement	Defaulting director- Imprisonment- Omitted

Sr. No.	Section	Reference	Revised Penalty (vis-à-vis Existing Penalty)
33	187(4)\$	Investment to be held by company in its own name [Non-compliance of Section]	Company- Fine: - ₹5,00,000/- <u>Reduced</u> Officer in Default- Fine: - ₹50,000/- <u>Reduced</u> Imprisonment- Omitted
34	188 (5)\$	Violation of related party transaction by any of the director or any other employee	Defaulting Director or Employee- (1) Listed companies- Fine: - ₹25,00,000/- <u>Increased</u> (2) Other companies- Fine: - ₹5,00,000/- No change Imprisonment- Omitted
35	204(4)\$	Secretarial Audit [Non- compliance of Section]	Company or the company secretary in practice, who is in default- Fine: - ₹2,00,000/- <u>Reduced</u>
36	232(8)\$	Merger and amalgamation of companies [Non- compliance of this Section by transferor and transferee company]	Company and Every officer of company who is in default- Fine: - ₹20,000/- and when the failure is a continuing one ₹1,000/- per day up to a maximum of ₹3,00,000/- <u>Reduced</u> Imprisonment- Omitted
37	242(8)\$	Alteration of Memorandum or Articles of association in any manner inconsistent with the order of the tribunal making any alteration in the Memorandum or Articles of association of the company	Company and Officer in default- Fine: - from ₹25,000/- up to ₹1,00,000/- <u>No change</u> Imprisonment- Omitted
38	243(2)\$	Any person who knowingly acts as a managing director or manager of a company in contravention of this Section and every other director who is knowingly a party to such contravention	Defaulting person or Director- Fine: - up to ₹5,00,000/- <u>No change</u> Imprisonment- Omitted

Sr. No.	Section	Reference	Revised Penalty (vis-à-vis Existing Penalty)
39	247(3)*	Valuation by registered valuer [Non- compliance of Section]	Registered valuer- Fine: - ₹50,000/- Reduced
40	284(2)\$	If Promoters, Directors, etc., do not cooperate with Company Liquidator	Company liquidator may make an application to the tribunal for necessary directions.
41	302 (3)\$	Dissolution of company by Tribunal	Now the tribunal shall file the order to Registrar within 30 days of the date of order and liquidator shall also be directed to forward the copy of order to Registrar.
42	342 (6)\$	Violation of duty of liquidator or any person, who is an officer and agent of the company to give all assistance in connection with any prosecution instituted in the course of winding up of the Company	Specific Fine / Imprisonment levied on the Company and / or Officer in Default - Removed. Only Penalty under Section 450 [General Penalty] to apply.
43	347(4)\$	Disposal of Books and Papers of Company [Non- compliance of Section]	Person who contravenes: Fine: - ₹50,000/- No change Imprisonment- Omitted
44	348 (6) & (7)\$	Information as to pending liquidations [Non- compliance of Section]	If the Company liquidator makes a default under this section and he is also Insolvency professional, then it shall be deemed to be default in complying with IBC and proceedings shall be carried on the Company Liquidator (Insolvency Professional) as per IBC. Also, the penal provision under sub-section (7) has been omitted.
45	392\$	Punishment for Contravention by Foreign Company of the provisions of Chapter on Companies Incorporated outside India	Foreign Company- Fine: - from ₹,100,000/- up to ₹3,00,000 and in the case of a continuing offence ₹50,000/- per day Officer in default- Fine: - from ₹25,000/- up to ₹5,00,000/- No change

Sr. No.	Section	Reference	Revised Penalty (vis-à-vis Existing Penalty)
46	405 (4)\$	Failure by Company in complying with an order of Central Government or knowingly furnishing any information or statistics which is incorrect or incomplete in any material respect	Imprisonment- Omitted Company and Officer in default- Fine: - ₹20,000/- and in case of a continuing failure ₹1,000/- per day up to maximum of ₹3,00,000/- Imprisonment- Omitted
47	435#	Special court	The Central Government may, for the purpose of providing speedy trial of offences under this Act except Section 452 [Punishment for Wrongful Withholding of Property], establish or designate as many Special Courts as may be necessary.
48	441 (5)\$	Failure by any officer or other employee of the company to comply with any order made by the Tribunal or the Regional Director or any officer authorized by the Central Government	Any officer or other employee of the company- Fine: - maximum amount of fine for the offence proposed to be compounded under this section shall be twice the amount provided in the corresponding section in which punishment for such offence is provided. Imprisonment- Omitted
49	446B#	Failure by One Person Company or a small company to comply with Section 92 [Annual Return], Section 117 [Resolutions or agreements to be filed with Registrar] or Section 137 [Financial Statements]	Company and officer in default of such company- Now Producer companies and startup companies are also included. Company and officer in default of such companies- Fine: - not more than one-half of the penalty specified in such provisions up to ₹2,00,000/- in case of a company and ₹1,00,000/- in case of an officer who is in default or any other person.
50	450\$	Punishment Where No Specific Penalty or Punishment is Provided	Company and every officer of the company who is in default or such other person- Fine: - ₹10,000/- and in case of a continuing contravention ₹1,000/- per day up to maximum of ₹2,00,000/- in case of a company and ₹50,000/- in case of an officer or such other person. – No change

Amendments to Sections other than decriminalization (as stated above):

Section 2 (52) [Definition of Listed Company]¹#

"Listed company" means a company which has any of its securities listed on any recognized stock exchange.

"Provided that such class of companies as may be prescribed, which have listed or intend to list such class of securities, as may be prescribed in consultation with the Securities and Exchange Board, shall not be considered as listed companies."*

The definition of Listed Company is modified by inserting this proviso. By virtue to inserting this proviso, the Central Govt now has power to publish a list of specific class of companies which will not be covered in the definition of listed company.

Section 16 (1) [Rectification of the Name of the Company]*

In case of an application by a registered proprietor of a trademark that the name is

identical with or too nearly resembles to a registered trademark of such proprietor is made to the Central Government and if the Central Government is of the opinion that the name is identical with or too nearly resembles to an existing trademark it may direct the company to change its name within a period of six months from such direction.

Here, the time period of six months has been reduced to three months vide Companies Amendment Act, 2020.

Section 23 (3) and (4) [Public Offer and Private Placement]²*

"Section 23 (3) Such class of public companies may issue such class of securities for the purposes of listing on permitted stock exchanges in permissible foreign jurisdictions or such other jurisdictions, as may be prescribed.

Section 23(4) The Central Government may, by notification, exempt any class or classes of public companies referred to in sub-section (3) from any of the provisions of this Chapter, Chapter IV, section 89, section 90 or section 127 and a copy of every such notification shall, as soon as may be

after it is issued, be laid before both Houses of Parliament."

Section 23 (1) and Section 23 (2) lays down the manner in which a Public Company and a Private Company respectively, may issue its securities. The jurisdiction for issue of such securities was restricted to India. By virtue of the new Sub-section (3), certain class of public companies, as may be prescribed, can issue securities in permissible foreign jurisdiction to raise money from foreign markets. The Central Government, by virtue of Sub Section (4) of Section 23, may grant exemptions to any class of Public Companies from any of the provisions of:

Chapter III - Prospectus and allotment of securities

Chapter IV - Share capital and debentures

Section 89 (11)³ - Declaration in respect of Beneficial interest in any share

Section 90 - Register of significant beneficial owner in a company

Section 127 - Punishment for failure to distribute dividends.

¹ Proviso inserted by The Companies (Amendment) Act, 2020

² Sub Sections (3) and (4) inserted after sub-section (2) and before the Explanation

³ New sub section introduced

Section 62 (1) [Further issue / Right issue]#

"Section 62 (1) (a) (i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or such lesser number of days as may be prescribed and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined."

Section 62 (1) (a) (i) lays down the time limit for which the offer has to be kept open. It was prescribed that the offer shall be kept open for a minimum of fifteen days, which has now been revised and the Companies can now open the Rights issue for a period less than 15 days, as may be prescribed by the Central Government.

Section 129 A [Periodical Financial Results]#

"Central Government may require such class or classes of unlisted companies, as may be prescribed;

- to prepare the financial results of the company on such periodical basis and in such form as may be prescribed;*
- to obtain approval of the board of directors and complete audit or limited review of such*

periodical financial results in such manner as may be prescribed; and

- file a copy with the registrar within a period of 30 days of completion of the relevant period with such fees as may be prescribed."*

This is a new Section which has been introduced whereby the Central Government may require certain class of companies to file their audited/limited review financial statements with the Ministry of Corporate Affairs.

Section 135 [Corporate Social Responsibility]#

Insertion of Proviso after the second proviso to sub-section 5 of Section 135:

"Provided also that if the company spends an amount in excess of the requirements provided under this sub-section, such company may set-off such excess amount against the requirement to spend under this sub-section for such number of succeeding financial years and in such manner, as may be prescribed."

By inserting this proviso to Section 135 (5), the Central Government allowed the Companies to set off any surplus CSR amount spent in any year against such number of succeeding Financial years to be prescribed by way of Rules.

Insertion of sub-section 9 to Section 135:

Section 135(9):

Where the amount to be spent by a company under sub-section (5) does not exceed fifty lakh rupees, the requirement under sub-section (1) for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company.

By inserting this sub-section, the Central Government has relieved the Companies from constituting a CSR committee if the amount to be spent is lower than fifty lakh rupees.

Section 149 (9) [Company to have Board of Directors]*

Insertion of Proviso to sub-section (9) of section 149

"Provided that if a company has no profits or its profits are inadequate, an independent director may receive remuneration, exclusive of any fees payable under sub-section (5) of section 197, in accordance with the provisions of Schedule V".

In accordance with section 149 (9) an independent director is entitled to receive a remuneration by way of fees provided under sub-section (5) of section 197. The proviso inserted to sub-section (9) of section 149 absolves the company from paying any fees as per section 197(5) in case of no profits or inadequate profits.

Section 197 (3) [Overall managerial remuneration]*

The Company cannot pay any remuneration other than sitting fees to its directors, including any managing or whole-time director or manager in case of no Profits or inadequate profits, as per the existing provisions of the Act. With the current amendment, the Company cannot pay any remuneration other than sitting fees to *any other Non- executive director including Independent Director*.

Section 356 (2) [Powers of Tribunal to declare Dissolution]§

Sub-section (2) of section 356 has been substituted as:

“The Tribunal shall-

- *Forward a copy of the order, within thirty days from the date thereof, to the Registrar who shall record the same; and*
- *Direct the company liquidator or the person on whose application the order was made, to file certified copy of the order. Within thirty days from the date thereof or such further period as allowed by the Tribunal, with the Registrar who shall record the same”.*

As per the substituted sub-section (2) the penalty of rupees ten thousand for everyday during which the default continues has been removed.

Section 379 (1) [Application of Act to Foreign Companies]#

The proviso to sub-section (1) of section 379 has been omitted which makes sections 380 to 386 and section 392 and 393 applicable to Foreign Companies which were previously exempted from the above-mentioned sections by the Central Government.

Section 393 A [Validity of Contract]#

“The Central Government may, by notification, exempt any class of –

- *foreign companies;*

- *Companies incorporated or to be incorporated outside India, whether the company has or has not established, or when formed may or may not establish, a place of business in India,*

as may be specified in the notification, from any of the provisions of this Chapter and a copy of every such notification shall, as soon as may be after it is made, be laid before both Houses of Parliament”.

This is a newly inserted Section, which states that the Central Government may exempt any class of Foreign companies or Companies incorporated outside India from complying with any of the provisions laid down under the chapter named as “Companies Incorporated Outside India”.

Chapter XXIA on Producer Companies*

A whole new Chapter on Producer Companies has been inserted vide Companies Amendment Act, 2020 which covers its Incorporation, Management, General Meetings, Share Capital and Rights of its Members, Finance, accounts and Audit, Loans to its Members and Investments, Merger and Amalgamation of Producer Companies, Reconversion of Producer

Companies into Inter- state Co-operative Societies and Penalties.

Section 452 [Punishment for wrongful withholding of property]#

Insertion of Proviso to sub-section (2) of Section 452

“Provided that the imprisonment of such officer or employee, as the case may be, shall not be ordered for wrongful possession or withholding of dwelling unit, if the court is satisfied that the company has not paid to the officer or employee, as the case may be, any amount relating to-

- *provident fund, pension fund, gratuity fund or any other fund for the welfare of its officers or employees, maintained by the company;*
- *compensation or liability for compensation under the Workmen’s Compensation Act, 1923 in respect of death or disablement”.*

Section 452 empowers the court to initiate trial against any officer or employee of a company who had wrongfully obtained and withheld the possession of any property including cash of the company to undergo imprisonment for a term which may extend to two years.

By inserting this proviso, a relief is provided to any officer or employee of a company from imprisonment who has not been paid his statutory dues.

Section 454 (3) [Adjudication of Penalties]#

Insertion of Proviso to sub-section (3) of Section 454

“Provided that in case the default relates to non-compliance of sub-section (4) of section 92 or sub-section (1) or sub-section (2) of section 137 and such default has been rectified either prior to, or within 30 days of, the issue of the notice by the adjudicating officer, no penalty shall be imposed in this regard and all proceedings under this section in respect of such default shall be deemed to be concluded”.

By virtue of Section 454 (3), the adjudicating officer may impose penalty on the company, the officer who is in default or any other person for any non-compliance or default under the relevant provisions of the Act or direct such company etc., to rectify the default.

As per the new proviso no penalty shall be imposed by the adjudicating officer in case if the default relates to filing of annual return (92(4)) or filing of financial statements (137 (1)

and (2)) and such defaults have already been rectified prior to, or within 30 days of, the issue of the notice by the adjudicating officer.

Section 465 (1) [Repeal of Certain Enactments and Savings]*

Omission of Proviso to sub-section (1) of Section 465

The Proviso which stated that Part IX A of the Companies Act, 1956 shall apply to a Producer Company has been omitted because a whole new chapter i.e. “Chapter XXIA on Producer Companies” has been inserted vide Companies Amendment Act, 2020.

**Provisions yet to be notified.*

\$Provisions came into force from 21st December 2021.

#Provisions came into force from 22nd January 2021.

Officer in default stated in the document means every Officer in default.

About **kcmGuide**

kcmGuide is a special publication prepared by area specific experts at K. C. Mehta & Co. This publication is intended to provide overall guidance on select topics / areas that may be of interest to readers. The idea is to provide to the reader an overall perspective on a particular topic in the form of a Guide which could serve as a referencer while practically dealing with the topic.

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