



# KEEP-THE-GRIP

## IMPORTANT CHANGES IN COMPANY LAW MATTERS

1. Fast Track Exit Mode to close down any company which is one year older and having NIL operation / assets / liabilities.
2. Defaulter list of companies which has not filed Balance Sheet OR Annual Return of any year since 2006-07 and such defaulting companies will not be allowed to file any event based forms on portal.
3. All directors, Auditor and company secretary (in employment) of such defaulting companies will be listed separately and such person's other companies where he is director/auditor/company secretary will also be debarred from filing of any event based forms.
4. On-line Incorporation of a Company within One Day w.e.f. 11<sup>th</sup> August 2011.
5. Form 32 for changes in Directorship under Automatic Approval process (STP) duly certified by professionals of any changes including conflicting filings by defaulting parties.
6. Name availability will have option of automatic approval duly certified and searched by professional in compliance of all guidelines.
7. Professional managerial person can be paid remuneration more than Schedule XIII limits without any prior approval of Central Govt.
8. Director's DIN can also be used as DPIN for formation of LLP i.e. single number identification.
9. Prior approval for contract with interested directors u/s. 297 will be approved on-line which is likely to be implemented w.e.f. 24<sup>th</sup> September 2011.
10. Approval of authority for shifting of registered office from one state to other is shifted from CLB to ROC which is likely to be implemented w.e.f. 24<sup>th</sup> September 2011 by filing documents on-line.

11. Approval of authority for rectification of register of charges shifted from CLB to ROC which is likely to be implemented w.e.f. 24<sup>th</sup> September 2011
12. Green Initiative – All listed companies should have video conference AGM w.e.f. FY 2012-13.
13. All companies can voluntarily hold Board Meeting via video conference facility (*in addition to the normal procedures required under the Companies Act, 1956*). However it is not mandatory.
14. Remuneration to relatives with approval of shareholders is raised from Rs.10,000/- to 50,000/- p.m. and Rs. 50,000/= to Rs.2,50,000/= p.m.
15. Payment of commission to non-whole time directors allowed upto 1% (when there is a WTD in a company) and 3% (when there is no WTD in the company).
16. Details of overall remuneration paid to any employee during the year upto Rs.5,00,000/= p.m. (Rs.60 lacs p.a.) will not require reporting in Directors Report.
17. Attaching Balance Sheet of subsidiary companies is exempted if consolidated audited financial statement of parent and subsidiaries is attached with annual report of parent company along with other conditions to be fulfilled.
18. Postal Ballot is also possible though electronic mode.
19. ROC will insist court order / injunction for any management dispute without which ROC will allow filings as usual.