



**SUPPLEMENTARY FOR JUNE 2025
TERM OF EXAMINATION**

PAPER - 5

BUSINESS LAWS AND ETHICS

SYLLABUS 2022



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Companies Act, 2013

Chapter I

The Companies (Specification of Definitions Details) Amendment Rules, 2022

Rule 2 – Definitions

(t) For the purposes of sub-clause (i) and sub-clause (ii) of clause (85) of section 2 of the Act, paid up capital and turnover of the small company shall not exceed rupees four crore and rupees forty crore respectively.

Chapter II

Companies (Incorporation) Amendment Rules, 2023

Rule 4 - Nomination by the Subscriber or Member of One Person Company-

(2) The name of the person, nominated by the subscriber to the memorandum of a One Person Company, shall be mentioned in the memorandum of One Person Company and such nomination details along with consent of such nominee shall be filled in Form No. INC-32 (SPICe+) as a declaration and the said Form along with fee as provided in the Companies (Registration offices and fees) Rules, 2014 shall be filed with the Registrar at the time of incorporation of the company along with its e-memorandum and e-articles.

(3) The person nominated by the subscriber or member of a One Person Company may, withdraw his consent by giving a notice in writing to such sole member and to the One Person Company:

Provided that the sole member shall nominate another person as nominee within fifteen days of the receipt of the notice of withdrawal and shall send an intimation of such nomination in writing to the Company, along with the written consent of such other person so nominated in which shall be filed in form of a declaration in Form no. INC.4.

(4) The company shall within thirty days of receipt of the notice of withdrawal of consent under sub-rule (3) file with the Registrar, a notice of such withdrawal of consent and the intimation of the name of another person nominated by the sole member in Form No INC.4 along with



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fee as provided in the Companies (Registration offices and fees) Rules, 2014 and the written consent of such another person so nominated in form of a declaration in Form No. INC-4.

(5) The subscriber or member of a One Person Company may, by intimation in writing to the company, change the name of the person nominated by him at any time for any reason including in case of death or incapacity to contract of nominee and nominate another person after obtaining the consent of such another person and his declaration shall be filed in Form No. INC-4:

Provided that the company shall, on the receipt of such intimation, file with the Registrar, a notice of such change in Form No INC.4 along with fee as provided in the Companies (Registration offices and fees) Rules, 2014 and with the particulars of consent of new nominee in form of a declaration in Form No. INC-4 within thirty days of receipt of intimation of the change.

(6) Where the sole member of One Person Company ceases to be the member in the event of death or incapacity to contract and his nominee becomes the member of such One Person Company, such new member shall nominate within fifteen days of becoming member, a person who shall in the event of his death or his incapacity to contract become the member of such company, and the company shall file with the Registrar an intimation of such cessation and nomination in Form No INC.4 along with the fee as provided in the Companies (Registration offices and fees) Rules, 2014 within thirty days of the change in membership and with the particulars of consent of the person so nominated in form of declaration in Form No. INC-4.

Rule 7 - Conversion of private company into One Person Company-

(4) The company shall file an application in e-Form No. INC-6 for its conversion into One Person Company along with fees as provided in the Companies (Registration Offices and Fees) Rules, 2014 by attaching the following details or documents, namely:-

(i) altered e-MOA and e-AOA;

(ii) copy of NOC of every creditors with the application for conversion;

(iii) affidavit of directors confirming that all the members of the company have given their consent for conversion.



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(5) On being satisfied and complied with requirements stated herein the Registrar shall issue the Certificate.

Rule 19 - License Under Section 8 for New Companies With Charitable Objects etc.-

(3) The application in SPICe+ (Simplified Proforma for Incorporating company Electronically Plus: INC-32) shall be accompanied by the following documents, namely:—

- (a) the memorandum and articles of association of the proposed company;
- (b) the declaration in [in Form No. INC.14 - Omitted] by an Advocate, a Chartered Accountant, Cost Accountant or Company Secretary in practice, that the memorandum and articles of association have been drawn up in conformity with the provisions of section 8 and rules made thereunder and that all the requirements of the Act and the rules made thereunder relating to registration of the company under section 8 and matters incidental or supplemental thereto have been complied with;
- (c) an estimate of the future annual income and expenditure of the company for next three years, specifying the sources of the income and the objects of the expenditure;
- (d) the declaration by each of the persons making the application in [in Form No. INC.15 - Omitted].

Rule 20 - License for Existing Companies

(1) A limited company registered under this Act or under any previous company law, with any of the objects specified in clause (a) of sub-section (1) of section 8 and the restrictions and prohibitions as mentioned respectively in clause (b) and (c) of that sub-section, and which is desirous of being registered under section 8 without the addition to its name of the word “Limited” or as the case may be, the words “Private Limited”, shall make an application in Form No. INC.12 along with the fee as provided in the Companies (Registration offices and fees) Rules, 2014 to the Registrar for a licence under subsection (5) of section 8.

(2) The application under sub-rule (1), shall be accompanied by the following details and documents, namely:-

- (a) the e-Memorandum of Association and e-Article of Association of the company;
- (b) the declaration by an Advocate, a Chartered Accountant, Cost Accountant or Company Secretary in Practice, that the memorandum and articles of association have been drawn up in



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conformity with the provisions of section 8 of the Act and rules made thereunder and that all the requirements of the Act and the rules made thereunder or supplemental thereto have been complied with;

(c) a statement showing in detail the assets (with the values thereof), and the liabilities of the company, as on the date of the application or within thirty days preceding that date;

(d) the certified copy of the resolution passed in general or board meetings approving registration of the company under section 8 of the Act; and

(e) a declaration by each of the persons making the application.

(5) The Registrar shall after considering two years financial statements immediately preceding the date of application or when the company has functioned only for one financial year, for such year including Board's reports and audit reports, relating to the existing companies, and after considering objections, if any received by it within thirty days from the date of publication of notice, and after consulting any authority, regulatory body, Department or Ministry of Central Government or the State Government(s), as it may, in its discretion, decide whether the license should or should not be granted.

Rule 21 - Conditions for Conversion of a Company Registered Under Section 8 into a Company of Any Other Kind

(4) An intimation along with copy of the application with annexures as filed in Form no. INC.18 with the Regional Director shall also go to the Registrar through MCA system.

Rule 22 - Other Conditions to be Complied With by Companies Registered Under Section 8 Seeking Conversion into Any Other Kind

(7) The company shall file the application with a declaration from practicing Chartered Accountant or Company Secretary in practice or Cost Accountant in practice certifying that the conditions laid down in the Act and these rules relating to conversion of a company registered under section 8 into any other kind of company, have been complied with.

(11) On receipt of the approval of the Regional Director,

(ii) the Company shall thereafter file with the Registrar.-

(a) a certified copy of the approval of the Regional Director within thirty days from the date of receipt of the order in Form No.INC.20 along with the fee;



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(b) amended e-Memorandum of Association and amended e-Article of Association of the company.

Rule 30 - Shifting of Registered office from one State or Union Territory to another state

(9) The order passed by the Central Government confirming the alteration may be on such terms and conditions, if any, as it thinks fit [“and may include such order as to costs as it thinks Proper” - Omitted]:

Provided that the shifting of registered office shall not be allowed if any inquiry, inspection or investigation has been initiated against the company or any prosecution is pending against the company under the Act.

Provided further that where the management of the company has been taken over by new management under a resolution plan approved under section 31 of the Insolvency Bankruptcy Code, 2016 (31 of 2016) and no appeal against the resolution plan is pending in any Court or Tribunal and no inquiry, inspection, investigation is pending or initiated after the approval of the said resolution plan, the shifting of the registered office may be allowed.

Rule 33 - Alteration of Articles

(1) For effecting the conversion of a private company into a public company or vice versa, the application shall be filed in Form No.INC.27 with fee.

(2) subject to the provisions of sub-rule (1), for effecting the conversion of a public company into a private company, Service Request Number (SRN) of Form No. RD-1, pertaining to order of the Regional Director approving the alteration, shall be mentioned in Form No. INC-27 to be filed with Registrar along with fee together with the altered e-Memorandum of Association and e-Article of Association within fifteen days from the date of receipt of the order from the Regional Director.

Rule 37 - Conversion of Unlimited Liability Company into a Limited Liability Company by Shares or Guarantee

(3) The Company shall within forty five days of passing of the special resolution file an application in Form No. INC-27 for its conversion into a company limited by shares or guarantee along with the fees as provided in the Companies (Registration offices and Fees) Rules, 2014, by attaching the following documents and declarations, namely:-



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- (a) notice of the general meeting along with explanatory statement.
- (b) copy of the resolution passed in the general meeting;
- (c) copy of the newspaper publication;
- (d) altered e- Memorandum of Association as well as e-Articles of Association duly certified by any one of the Directors duly authorised in this behalf or Company Secretary of the Company, if any.

Rule 39 - Conversion of a company limited by guarantee into a company limited by shares

(5) An application in Form No. INC-27 shall be filed with the Registrar of Companies within thirty days from date of the passing of the special resolution along with e- Memorandum of Association and altered e-Articles of Association and a list of members with the number of shares held aggregating to a minimum paid up capital which is equivalent to the amount of guarantee hitherto provided by its members.

Rule 40 - Application under sub-section (41) of section 2 for change in financial year

(2) Where the Regional Director on examining the application in e-Form No. RD- 1, finds it necessary to call for further information or finds such application to be defective or incomplete in any respect, he shall give intimation of such information called for or 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 resubmit such application within a period of fifteen days, [in e-form RD-GNL 5 - Omitted]:

Provided that a maximum of two re-submissions shall be allowed.

Rule 41 - Application under section 14 for conversion of public company into private company

(1) An application under the second proviso to sub-section (1) of section 14 for the conversion of a public company into a private company, shall, within sixty days from the date of passing of special resolution, be filed with Regional Director in e-Form No. RD-I along with the fee as provided in the Companies (Registration Offices and Fees) Rules, 2014 and shall be accompanied by the following documents, namely:-



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- (a) e-Memorandum of Association and e-Articles of Association, with proposed alterations including the alterations pursuant to sub-section (68) of section 2;
- (b) a copy of the minutes of the general meeting at which the special resolution authorising such alteration was passed together with details of votes cast in favour and or against with names of dissenters;
- (c) a copy of Board resolution or Power of Attorney dated not earlier than thirty days, as the case may be, authorising to file application for such conversion;
- (d) declaration by a key managerial personnel that pursuant to the provisions of sub-section (68) of section 2, the company limits the number of its members to two hundred and also stating that no deposit has been accepted by the company in violation of the Act and rules made thereunder;
- (e) declaration by a key managerial personnel that there has been no non-compliance of sections 73 to 76A, 777, 178, 185, 186 and 188 of the Act and rules made thereunder;
- (f) declaration by a key managerial personnel that no resolution is pending to be filed in terms of sub-section (3) of section 779 and also stating that the company was never listed in any of the Regional Stock Exchanges and if was so listed, all necessary procedures were complied with in full for complete delisting of the shares in accordance with the applicable rules and regulations laid down by Securities Exchange Board of India: Provided that in case of such companies where no key managerial personnel is required to be appointed, the aforesaid declarations shall be filed any of the director.
- (6) (b) Where the Regional Director on examining the application finds it necessary to call for further information or finds such application to be defective or incomplete in any respect, he shall within thirty days from the date of receipt of the application, give intimation of such information called for or 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, to rectify defects or incompleteness and to re-submit such application within a period of fifteen days [in e-form RD-GNL 5 - Omitted]:

Provided that maximum of two re-submissions shall be allowed.



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Chapter III

The Companies (Prospectus and Allotment of Securities) Second Amendment Rules, 2023

Rule 9 - Dematerialisation of securities

(1) The promoters of every public company making a public offer of any convertible securities may hold such securities only in dematerialised Form:

Provided that the entire holding of convertible securities of the company by the promoters held in physical form up to the date of the initial public offer shall be converted into dematerialised form before such offer is made and thereafter such promoter shareholding shall be held in dematerialized form only.

(2) Every public company which issued share warrants prior to commencement of the Companies Act, 2013 (18 of 2013) and not converted into shares shall, -

(a) within a period of three months of the commencement of the Companies (Prospectus and Allotment of Securities) Second Amendment Rules, 2023 inform the Registrar about the details of such share warrants in Form PAS-7; and

(b) within a period of six months of the commencement of the Companies (Prospectus and Allotment of Securities) Second Amendment Rules, 2023, require the bearers of the share warrants to surrender such warrants to the company and get the shares dematerialised in their account and for this purpose the company shall place a notice for the bearers of share warrants in Form PAS-8 on the website of the company, if any and shall also publish the same in a newspaper in the vernacular language which is in circulation in the district and in English language in an English newspaper, widely circulated in the State in which the registered office of the company is situated.

(3) In case any bearer of share warrant does not surrender the share warrants within the period referred to in sub-rule (2), the company shall convert such share warrants into dematerialised form and transfer the same to the Investor Education and Protection Fund established under section 125 of the Act.

Rule 12 - Return of Allotment

Sub-rule 6 – Omitted



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Rule 9B - Issue of securities in dematerialised form by private companies

(1) Every private company, other than a small company, shall within the period referred to in sub-rule (2) -

(a) issue the securities only in dematerialised form; and

(b) facilitate dematerialisation of all its securities, in accordance with provisions of the Depositories Act, 1996 (22 of 1996) and regulations made thereunder.

(2) A private company, which as on last day of a financial year, ending on or after 31st March, 2023, is not a small company as per audited financial statements for such financial year, shall, within eighteen months of closure of such financial year, comply with the provisions of this rule.

Provided that a producer company covered under this sub-rule shall, within a period of five years of closure of such financial year, comply with the provision of this sub-rule.

Provided further that a private company, other than a Producer company, which is not a small company as on 31st March, 2023, may comply with the provision of this sub-rule by 30th June, 2025.

(3) Every private company referred to in sub-rule (2) making any offer for issue of any securities or buyback of securities or issue of bonus shares or rights offer, after the date when it is required to comply with this rule, shall ensure that before making such offer, entire holding of securities of its promoters, directors, key managerial personnel has been dematerialised in accordance with the provisions of the Depositories Act, 1996 (22 of 1996) and regulations made thereunder.

(4) Every holder of securities of the private company referred to in sub-rule (2),-

(a) who intends to transfer such securities on or after the date when the company is required to comply with this rule, shall get such securities dematerialised before the transfer; or

(b) who subscribes to any securities of the concerned private company whether by way of private placement or bonus shares or rights offer on or after the date when the company is required to comply with this rule shall ensure that all his securities are held in dematerialised form before such subscription.



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(5) The provisions of sub-rules (4) to (10) of rule 9A shall, mutatis mutandis, apply to the dematerialisation of securities under this rule.

(6) The provisions of this rule shall not apply in case of a Government company.

Chapter IV

Companies (Share Capital and Debentures) Amendment Rules, 2023

Rule 17 - Buy-back of Shares or Other Securities

(14) There shall be a declaration with the return filed with the Registrar in Form No. SH.11, signed by two directors of the company including the managing director, if any, certifying that the buy-back of securities has been made in compliance with the provisions of the Act and the rules made thereunder.

Chapter VII

The Companies (Management and Administration) Amendment Rules, 2024

Rule 9 - Declaration in Respect of Beneficial Interest in Any Shares

(3) Where any declaration under section 89 is received by the company, the company shall make a note of such declaration in the register of members and shall file, within a period of thirty days from the date of receipt of declaration by it, a return in Form No.MGT.6 with the Registrar in respect of such declaration with fee.

The Companies (Significant Beneficial Owners) Amendment Rules, 2024

Rule 4 - Return of significant beneficial owners in shares

Upon receipt of declaration in Form No. BEN-1, the reporting company shall file a return in Form No. BEN-2 with the Registrar in respect of such declaration, within a period of thirty days from the date of receipt of such declaration by it, along with the fees as prescribed in Companies (Registration offices and fees) Rules, 2014.

Rule 8 - Non-Applicability

These rules shall not be made applicable to the extent the share of the reporting company is held by,

(a) the authority constituted under sub-section (5) of section 125 of the Act;



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(b) its holding reporting company:

Provided that the details of such holding reporting company shall be reported in Form No. BEN-2.

Chapter IX

Rule 12 - Filing of Financial Statements and Fees to be Paid Thereon

The Companies (Accounts) Amendment Rules, 2023 & The Companies (Accounts) Second Amendment Rules, 2024

(1B) Every company covered under the provisions of sub-section (1) to section 135 shall furnish a report on Corporate Social Responsibility in Form CSR-2 to the Registrar for the preceding financial year (2020-2021) and onwards as an addendum to Form AOC-4 or AOC-4 XBRL or AOC-4 NBFC (Ind AS), as the case may be:

Provided that for the preceding financial year (2020-2021), Form CSR-2 shall be filed separately on or before 30th June, 2022, after filing Form AOC-4 or AOC-4 XBRL or AOC-4 NBFC (Ind AS), as the case may be.

Provided further that for the financial year 2021-2022, Form CSR-2 shall be filed separately on or before 31st March, 2023 after filing Form AOC-4 or AOC-4 XBRL or AOC-4 NBFC (Ind AS), as the case may be.

Provided also that for the financial year 2022-2023, Form CSR-2 shall be filed separately on or before 31st March, 2024 after filing Form No. AOC-4 or Form No. AOC-4-NBFC (Ind AS), as specified in these rules or Form No. AOC-4 XBRL as specified in the Companies (Filing of Documents and Forms in Extensible Business Reporting Language) Rules, 2015 as the case may be.

Provided also that for the financial year 2023-2024, Form CSR-2 shall be filed separately on or before 31st March, 2025] after filing Form No. AOC-4 or Form No. AOC-4-NBFC (Ind AS), as specified in these rules or Form No. AOC-4 XBRL as specified in the Companies (Filing of Documents and Forms in Extensible Business Reporting Language) Rules, 2015 as the case may be.



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Chapter XI

The Companies (Appointment and Qualification of Directors) (Amendment) Rules, 2023 & The Companies (Appointment and Qualification of Directors) (Amendment) Rules, 2024

Rule 12A - Directors KYC

Every individual 5[who holds] a Director Identification Number (DIN) as on 31st March of a financial year as per these rules shall, 4[6[submit e-form DIR-3- KYC for the said financial year to the Central Government on or before 30th, September of immediate next financial year]]

Provided that every individual who has already been allotted a Director Identification Number (DIN) as at 31st March, 2018, shall submit e-form 2[DIR-3 KYC on or 3[before 5th October, 2018

Provided further that where an individual who has already submitted e-form DIR-3 KYC in relation to any previous financial year, submits web-form DIR-3 KYC-WEB through the web service in relation to any subsequent financial year it shall be deemed to be compliance of the provisions of this rule for the said financial year:

Provided also that in case an individual desires to update his personal mobile number or the e-mail address, as the case may be, he shall update the same by submitting e-form DIR-3 KYC only “on or before 30th September of the financial year”:

Provided also that if an individual intends to update his personal mobile number or the email address again at any time during the financial year in addition to the updation allowed under the third proviso, he shall update the same by submitting e-form DIR-3 KYC on payment of fees of five hundred rupees.

Rule 14 - Disqualification of Directors Sub-section (2) of Section 164

(1) Every director shall inform to the company concerned about his disqualification under sub-section (1) or sub-section (2) of section 164, if any, in Form DIR-8 before he is appointed or re-appointed.

(1A) Whenever a company receives the information in Form DIR-8, company shall, within thirty days of such receipt, file Form DIR-9 with the Registrar.

(5) Any application for removal of disqualification of directors shall be made in Form DIR-10 and filed before the Regional Director.