

# The Punjab Non-Trading Companies Rules, 1963

HARYANA

India

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### Rule THE-PUNJAB-NON-TRADING-COMPANIES-RULES-1963 of 1963

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#### 1. Short title, commencement and interpretation.

(1) These rules may be called the Punjab Non-Trading Companies Rules, 1963. (2) They shall come into force at once.

#### 2. Definitions.

- In these rules, unless the context requires otherwise, -(a) "Act" means the Punjab Non-Trading Companies Act, 1960 (Act No. 25 of 1960). (b) "Annexure" means an annexure to these rules; (c) "company" means a company as defined in section 2 of the Act; (d) "principal Act" means the Companies Act, 1956 (Central Act 1 of 1956); (e) "Registrar" means the person appointed by the State Government under clause (d) of the proviso to sub-section (1) of section 3 of the Act.

#### 3. Licence under section 25 of the principal Act.

- Any association (hereinafter referred to either as "the association" or as "the proposed company") which is desirous of being incorporated as a company shall make an application in writing to the Registrar for a licence under section 25 of the principal Act.

#### 4. Documents which shall accompany the application.

- The application made under rule 3 shall be accompanied by the following documents, namely :- (i) Three printed or type-written copies of the Memorandum and Articles of Association of the

proposed company;(ii)A declaration by an Advocate of the Supreme Court or of a High Court, or Attorney or a Pleader entitled to appear before a High Court or a chartered accountant practising in India that the Memorandum and Articles of Association have been drawn up in conformity with the provisions of the principal Act and that all the requirements of that Act and these rules have been duly complied with in respect of registration and matters incidental or supplementary thereto;(iii)Three copies of a list of the names, descriptions, addresses, and occupations of the promoters (and where a firm is a promoter, of each partner in the firm), as well as of the members of the proposed Board of Directors, together with the names of companies, associations and other institutions, in which such promoters, partners and members of the proposed Board of Directors are directors or hold responsible positions, if any, with descriptions of positions, so held;(iv)If the association is one which is already in existence, three copies of the following documents submitted by the management thereof to its members, for each of the two complete financial years immediately preceding the date of the application, or where the association has functioned only for one such financial year, for such year; -(a)the accounts(b)the balance sheets; and(c)the reports on the working of the association;(v)A statement showing in detail the assets (with the estimated values thereof) and the liabilities of the association, as on the date of the application or within seven days of that date;(vi)An estimate of the future annual income and expenditure of the proposed company, specifying the sources of the income and the objects of the expenditure;(vii)A statement giving a brief description of the work, if any, already done by the Association and of the work proposed to be done by it after registration in pursuance of section 25 of the principal Act;(viii)A statement specifying briefly the grounds on which the application is made.

## **5. Translation of documents.**

- If any document specified in rule 4 is not in English, a translation of that document into English, certified to be correct by any promoter or proposed director, or in the case of an association which is already in existence, by a member of its executive or governing body, shall be furnished to the Registrar together with the document.

## **6. Memorandum of Association.**

- The Memorandum of Association of the proposed company shall be in the Form specified in Annexure I or in a form as near thereto as circumstances admit.

## **7. Publication of notices.**

- The applicants shall, within a week from the date of making the application to the Registrar in accordance with rules 3 and 4, publish in the manner specified below at their own expense, a notice of the application made to the Registrar and a certified copy of that notice, as published, shall be sent forthwith to the Registrar. The said notice -(a)shall be in the form specified in Annexure II or in a form as near thereto as circumstances admit; and(b)shall be published at least once in a newspaper in the regional language of the district in which the registered office of the proposed company is to be situated, or is situated and circulating in that district, and at least once in an English Newspaper circulating in that district.

## **8. Issue of licence.**

- The Registrar shall, after considering the objections, if any, received by him within the time fixed therefor in the notice aforesaid and after consulting any authority as he may, in his discretion deem fit, determine whether the licence should or should not be granted.

## **9. Form of licence.**

- The licence shall be in the form specified in Annexure III or in a form as near thereto as circumstances admit.

## **10. Directions by the Registrar.**

- The Registrar may direct the company to insert in its Memorandum or in its Article, or partly in one and partly in the other such, conditions of the licence as may be specified by the Registrar in this behalf.

## **11. Certificate of incorporation.**

(1)The Certificate of Incorporation granted to a company in pursuance of section 34 of the principal Act shall be in the form specified in Annexure IV.(2)The Registrar shall cause a copy of such certificate to be entered on the Memorandum of Association of the company, and where the copy cannot be conveniently so entered, he shall cause a copy to be attached to the Memorandum of Association, a note regarding such attachment being made on the Memorandum of Association and signed by the Registrar.

## **12. Registrar to examine documents.**

(1)The Registrar shall examine, or cause to be examined, every document received in his office which is required or authorised by or under the Act to be registered, recorded, or filed by or with the Registrar.(2)If any such document is found to be defective or incomplete in any respect, the Registrar shall direct the company to rectify the defect or complete the document and no such document shall be registered, recorded or filed until the defect has been so rectified or the document has been completed, as the case may be.Rule 13

## **13. Documents not to be registered, recorded etc. unless requisite fee is paid.**

(1)No document required or authorised by or under the principal Act to be registered, recorded or filed by or with the Registrar shall be registered, recorded or taken on file until the fee, if any, payable in respect thereof under Schedule X of the principal Act and any additional fee imposed by the Registrar under section 611(2) of the principal Act are paid.(2)Until the fee payable in respect of a document is paid, the document shall not be regarded as having been sent to or received by the

Registrar for any purpose specified in or under the principal Act.

#### **14. Particulars to be endorsed on every document registered, recorded or filed by the Registrar.**

(1)The following particulars shall be endorsed on every document registered, recorded or filed by the Registrar :-(i)the number assigned to the company in the Register of Companies maintained by the Registrar in pursuance of rule 16(1);(ii)the name of the company;(iii)the nature of the document;(iv)its serial number; and(v)the date on which it is registered, recorded or filed.(2)Every endorsement referred to in sub-rule (1) shall be signed by the Registrar and shall bear his official seal.(3)If the endorsement aforesaid cannot be conveniently entered on the document itself, it shall be made on a separate sheet which shall be attached to the document, a note regarding such attachment being made on the document and signed by the Registrar.

#### **15. Acknowledging receipt of documents.**

- When a document is received by the Registrar for being registered, recorded or filed, the Registrar shall acknowledge receipt of the same to the company, in the form specified in Annexure V.

#### **16. Register of Companies.**

(1)In the office of the Registrar there shall be maintained a "Register of Companies" in Form specified in Annexure VI in which the names of the companies shall be entered in the order in which they are registered.(2)Every company so registered shall be assigned a number in one consecutive series.(3)In the pages allotted to each company in the Register, a note shall be made of every document or fact relating to the company which is registered, recorded or filed by or with the Registrar; and the Registrar shall affix his signature to each such note.(4)The Registrar shall also cause an alphabetical index to be maintained of the companies in the Register.

#### **17. Authentication of copies and certificates.**

- Every certificate or copy granted under the provisions of the principal Act shall be signed and dated by the Registrar and shall bear his office seal.

#### **18. Inspection, production and evidence of document.**

(1)Any person who wishes to inspect a document registered, recorded or filed by or with the Registrar in pursuance of the principal Act, shall apply to him for the purpose and the application shall be accompanied by the fee specified in that behalf in clause (a) of sub-section (1) of section 610 of the principal Act.(2)The applicant shall be allowed to inspect the documents only in the presence of the Registrar or of a person authorised by him in this behalf, and only during office hours.(3)The applicant shall not be permitted to make a verbatim copy of the document inspected. He may, however, take any note in respect of the contents of the document inspected.

## **19. Documents to be kept separately for each company.**

- The documents of each company shall be kept together, distinct and separate from those of other companies.

## **20. Preservation of documents.**

(1)The following documents shall be preserved permanently by the Registrar :-(i)The Register of Companies;(ii)The index to the Register of Companies;(iii)The Register of mortgages and charges; and(iv)The Chronological Index of mortgages and charges.(2)All other record shall be preserved for such time, by such authority, and in such manner as the Government may, from time to time, by notification in the official Gazette, direct.

## **21. Destruction of record.**

- The Registrar shall : (a) cause to be maintained in his office a "Register of Records Destroyed" in which shall be entered, in respect of each record destroyed in pursuance of the rules made from time to time under the Destruction of Records Act (Central Act V of 1917), a brief account of the nature and contents, and the date, if any, of the record; and (b) cause to be published from time to time a list of the records destroyed as aforesaid, giving such particulars, in respect of each record or set of records, as may be necessary to enable the same to be identified by the persons concerned therewith.

## **22. Payment of fee.**

- All fees payable in pursuance of the principal Act or these rules shall be paid into a Government Treasury under the Head 'XXI - Miscellaneous Department - Provincial Receipts on account of fee under the Punjab Non-Trading Companies Act 1960.'

## **23. Office hours.**

- The office of the Registrar shall observe such normal working hours as may be approved by the State Government and shall be open for the transaction of business with the public on all days except Sunday and other public holidays declared as such by the State Government, between the hours specified below :

- |                    |                          |
|--------------------|--------------------------|
| (i) Winter season  | 10.30 a.m. and 3.30 p.m. |
| (ii) Summer Season | 8.00 a.m. and 12.00 a.m. |

Annexure I(See rule 6)Memorandum of Association

**1. The name of the company is " \_\_\_\_\_ "**

**2. The registered office of the company will be situated in the State of \_\_\_\_\_**

**3. The objects for which the company is established are :-**

the doing of all such other lawful things as are incidental or conducive to the attainment of the above objects :Provided that the company shall not support with its funds, or endeavour to impose on, or procure to be observed by its members or others, any regulation or restriction which, if an object of the company, would make it a trade union.

**4. The objects of the company are confined to the State of Punjab.**

**5.**

(1)The income and property of the company, whencesoever derived, shall be applied solely for the promotion of its objects as set forth in this Memorandum.(2)No portion of the income or property aforesaid shall be paid or transferred, directly or indirectly, by way of dividend, bonus, or otherwise by way of profit to persons who, at any time, are, or have been, members of the company or to any one or more of them or to any person claiming through any one or more them.(3)No remuneration or other benefit in money or money's worth shall be given by the company to any of its members whether officers or servants of the company or not, except payment of out of pocket expenses, reasonable and proper interest on money lent, or reasonable and proper rent on premises let to the company.(4)No member shall be appointed to any office under the company which is remunerated by salary, fees, or in any other manner not excepted by sub-clause (3).(5)Nothing in this clause shall prevent the payment by the company in good faith of reasonable remuneration to any of its officers or servants (not being members) or to any other person (not being a member) in return for any services actually rendered to the company.

**6. No alteration shall be made to this Memorandum of Association or to the Articles of Association of the company which are for the time being in force, unless the alteration has been previously submitted to and approved by the Registrar.**

**7. The liability of the members is limited.**

**8. (For companies limited by guarantee). - Each member undertakes to contribute to the assets of the company in the event of its being wound up while he is a member or within one year afterwards, for payment of the debts**

**or liabilities of the company contracted before he ceases to be a member and of the costs, charges and expenses of winding up, and for adjustment of the rights of the contributors among themselves such amount as may be required not exceeding a sum of Rs. \_\_\_\_\_.**

(For companies limited by shares). - The share capital of the company shall consist of Rs.

\_\_\_\_\_ divided into \_\_\_\_\_ shares of \_\_\_\_\_ rupees each. True accounts shall be kept of all sums of money received and expended by the company and the matters in respect of which such receipt and expenditure take place, and of the property, credits and liabilities of the company : and subject to any reasonable restrictions as to the time and manner of inspecting the same that may be imposed in accordance with the regulations of the company for the time being in force, the accounts shall be open to the inspection of the members. Once at least in every year, the accounts of the company shall be examined and the correctness of the Balance Sheet and the income and expenditure account ascertained by one or more properly qualified auditor or auditors.

**10. If upon a winding up or dissolution of the company, there remains, after the satisfaction of all the debts and liabilities, any property whatsoever, the same shall not be distributed amongst the members of the company, but shall be given or transferred to such other company having objects similar to the objects of this company, to be determined by the members of the company at or before the time of dissolution or in default thereof, by the Punjab High Court.**

**11. We, the several persons whose names, addresses, descriptions and occupations are hereunto subscribed are desirous of being formed into a company not for profit, in pursuance of this Memorandum of Association :**

1. .... of ..... \*
2. .... of ..... \*
3. .... of ..... \*
4. .... of ..... \*
5. .... of ..... \*
6. .... of ..... \*
7. .... of ..... \*

Dated the \_\_\_\_\_ day of \_\_\_\_\_ Witness to the above signatures, of\* If the association is a company limited by shares, here enter "number of shares" taken by each subscriber. Annexure II [See Rule 7(a)] Notice Notice is hereby given that in pursuance of section 25 of the Companies Act, 1956, an application has been made to the Registrar of Non-Trading Companies, Punjab, for a licence directing that a body about to be formed under the

name of the .....(here enter the name of the body) may be registered as a company as defined in section 2 of the Punjab Non-Trading Companies Act, 1960.

**2. The principal objects of the company are as follows :**

(1)\_\_\_\_\_ (2)\_\_\_\_\_

**3. A copy of the draft Memorandum and Article of Association of the proposed company may be seen at \_\_\_\_\_ (give the address here).**

**4. Notice is hereby given that any person, firm, company or corporation objecting to this application may communicate such objections to the Registrar of Non-Trading Companies, Punjab, within thirty days from the date of publication of this notice, by a letter addressed to the Registrar of Non-Trading Companies, Punjab.**

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_ Names of Applicants. Annexure III (See Rule 9) Licence under Section 25 of the Companies Act, 1956 Whereas it has been proved to the satisfaction of the Registrar that the \_\_\_\_\_ an association is to be registered as a company under the Punjab Non-Trading Companies, Act 1960, for promoting the objects of the nature specified in section 25, sub-section (1), clause (a) of the Companies Act, 1956, and that it intends to apply its profits, if any, or other income in promoting its objects and to prohibit the payment of any dividend to its members. Now, therefore, in exercise of the powers conferred by section 25 aforesaid, the Registrar hereby grants this licence, directing that the said association be registered as a company as defined in section 2 of the Punjab Non-Trading Companies Act, 1960, subject to the following conditions namely :-(1) that the said company shall in all respects be subject to and governed by the conditions and provisions contained in its Memorandum of Association; (2) that the income and property of the said company, whencesoever derived; shall be applied solely for the promotion of the objects as set forth in its Memorandum of Association and that no portion thereof shall be paid or transferred, directly or indirectly by way of dividend, bonus, or otherwise by way of profit, to persons who at any time are or have been members of the said company or to any of them or to any person claiming through any one or more of them; (3) that no remuneration or other benefit in money or money's worth shall be given by the company to any of its members whether officers or servants of the company or not, except payment of out of pocket expenses, reasonable and proper interest on money lent, or reasonable and proper rent on premises let to the company; (4) that no member shall be appointed to any office under the Company which is remunerated by salary, fees or in any other manner not excepted by clause (3); (5) that nothing in this clause shall prevent the payment by the company in good faith of reasonable and proper remuneration to any of its officers or servants (not being members) or to any other person (not being a member), in return for any services actually rendered to the company; and (6) that no alterations shall be made to the Memorandum of Association or to the Articles of



Association of the company, which are for the time being in force, unless the alteration has been previously submitted to and approved by the Registrar;(7)that this licence and the registration of the said company pursuant hereto shall cease to have any force or effect on violation of any of the aforesaid conditions or any of the conditions and provisions contained in its Memorandum of Association and thereupon this licence shall be revoked in accordance with the provisions of the aforesaid section 25 of the Companies Act, 1956.Dated this \_\_\_\_\_ day of \_\_\_\_\_ 19 .Registrar of Non-Trading Companies,Punjab.Annexure IV[See Rule 11(1)]Certificate of IncorporationNo. \_\_\_\_\_ of \_\_\_\_\_[I hereby certify that] [Here enter the name of the company.] \_\_\_\_\_ is this day incorporated under the Punjab Non-Trading Companies Act, 1960 (Punjab Act 25 of 1960) and that the company is limited by shares/guarantees.Given under my hand at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ One thousand Nine hundred and \_\_\_\_\_.SealRegistrar of Non-Trading Companies,Punjab.Annexure V(See Rule 15)Memorandum Acknowledging Receipt of DocumentOffice of Registrar of Non-Trading Companies, PunjabThe Registrar of Non-Trading Companies, Punjab, acknowledges the receipt of the undermentioned documents.(here enter brief description of documents)Station \_\_\_\_\_Dated \_\_\_\_\_Registrar of Non-Trading Companies,Punjab.Annexure VI[See Rule 16(1)]Register of Non-Trading Companies

**1. Name of the Company** \_\_\_\_\_

**2. Registered number** \_\_\_\_\_ **of** \_\_\_\_\_

No. Standing details		Documents filed		Name of document or entry of minute	Whether registered or filed or recorded	Signature of the Registrar
		Date of Registration or filing or recording or entry of minute	Serial No			
1	2	3	4	5	6	7
1.	Date of registration					
2.	Registered office					
3.	Classification and objects					
4.	Public or Private					
5.	Whether limited by shares or by guarantee					
6.	If the association has a share capital -					
	(i) Registered capital					

- (ii) Division into shares
- (iii) Amount guaranteed
- 7. If the association has a share capital
  - (i) The amount guaranteed
  - (ii) Number of members
- 8. Date of general meeting, quoting article
- 9. Number of directors fixed quoting articles
- 10. If licence granted under section 25 of the Companies Act, 1956 reference to the orders granting licence
- 11. Reference to article permitting issue of share warrants
- 12. Reference to article giving power -
  - (i) to increase capital or members; and
  - (ii) to reduce capital.