

PAPER – 2: CORPORATE AND OTHER LAWS

Applicability for May, 2024 examinations

The Study Material (April 2023 edition) is applicable for May, 2024 examinations. This study material is updated for all amendments till 30th April, 2023.

Further, all relevant amendments/ circulars/ notifications etc. in the Company law part for the period 1st May, 2023 to 31st October, 2023 are mentioned below:

THE COMPANIES ACT, 2013

I. Chapter 3: Prospectus and Allotment of Securities

Notification S.O. 4744(E) dated 30th October, 2023

The Central Government has inserted sub- section (3) and sub- section (4) to section 23 of the Companies Act, 2013, through the Companies (Amendment) Act, 2020.

Amendment:

In section 23, the following sub- sections to be included:

“(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.

(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.”

[Enforcement Date: 30th October, 2023]

(Pg 3.6)

Sub- section (3) and sub- section (4) to section 23 have been inserted through the Companies (Amendment) Act, 2020. However, the said sub- sections have been enforced w.e.f. 30th October, 2023.

II. Chapter 7: Management and Administration

Notification S.O. G.S.R. 801(E) dated 27th October, 2023

The Central Government has amended the Companies (Management and Administration) Rules, 2014, through the Companies (Management and Administration) Second Amendment Rules, 2023.

Amendment:

in **Rule 9**, after sub-rule (3), the following sub- rules shall be inserted, namely:-

“(4) Every company shall designate a person who shall be responsible for furnishing, and extending co-operation for providing, information to the Registrar or any other authorised officer with respect to beneficial interest in shares of the company.

(5) For the purpose of sub-rule(4), the company may designate-

(i) a company secretary, if there is a requirement of appointment of such company secretary under the Act and the rules made thereunder; or

(ii) a key managerial personnel, other than the company secretary; or

(iii) every director, if there is no company secretary or key managerial personnel.

(6) Until a person is designated as referred under sub-rule (4), the following persons shall be deemed to have been designated person;

(i) company secretary, if there is a requirement of appointment of such company secretary under the Act and the rules made thereunder; or

(ii) every Managing Director or Manager, in case a company secretary has not been appointed; or

(iii) every director, if there is no company secretary or a Managing Director or Manager.

(7) Every company shall inform the details of the designated person in Annual return.

(8) If the company changes the designated person at any time, it shall intimate the same to the Registrar in e-form GNL-2 specified under the Companies (Registration Offices and Fees) Rules, 2014.”

Old Law (Pg 7.13)

Sub- rule (4), (5), (6), (7) and (8) of Rule 9 is newly inserted
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