

Companies Amendment Act 2017

Applicable for Nov 2018 Exams and onwards

Amendments applicable for both Old and New Syllabus

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Amendments applicable for both Old and New Syllabus

Amendments as per Companies Act, 2017

1) Short Title & Commencement

- This Act may be called the Companies (Amendment) Act, 2017.
- It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of this Act and any reference in any provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.

2) Amendment in Section 2 (Definitions)

a) Cost Accountant [Section 2(28)]

- ~~"cost accountant" means a cost accountant as defined in clause (b) of subsection (1) of section 2 of the Cost and Works Accountants Act, 1959.~~

"Cost Accountant" means a cost accountant as defined in clause (b) of sub-section (1) of section 2 of the Cost and Works Accountants Act, 1959 and who holds a valid certificate of practice under sub-section (1) of section 6 of that Act;

b) Debenture [Section 2(30)]

- "Debenture" includes debenture stock, bonds or any other instrument of a company evidencing a debt, whether constituting a charge on the assets of the company or not;

■ Proviso

- (a) the instruments referred to in Chapter III-D of the RBI Act, 1934; and
- (b) such other instrument, as may be prescribed by the CG in consultation with the RBI, issued by a company, shall not be treated as debenture;"

c) Financial Statement [Section 2(40)]

- "financial statement" in relation to a company, includes —
 - (i) a balance sheet as at the end of the financial year;
 - (ii) a profit and loss account, or in the case of a company carrying on any activity not for profit, an income and expenditure account for the financial year;
 - (iii) cash flow statement for the financial year;
 - (iv) a statement of changes in equity, if applicable; and
 - (v) any explanatory note annexed to, or forming part of, any document referred to in sub-clause (i) to sub-clause (iv):
- Provided that the financial statement, with respect to One Person Company, small company, dormant company and private company (if such a company is a start-up) may not include the cash flow statement;
- Explanation - Start-up means a start-up company incorporated under Companies Act 2013 or Companies Act 1956 and recognized as a Start-up in accordance with the notification issued by DIPP, MCI.

d) Financial Year [Section 2(41)]

- "financial year", in relation to any company or body corporate, means
 - (a) the period ending on the 31st day of March every year, and
 - (b) where it has been incorporated on or after the 1st day of January of a year, the period ending on the 31st day of March of the following year, in respect whereof financial statement of the

company or body corporate is made up.

- Foreign Holding/Subsidiary having different Financial year –
- Provided that on an application made by a company or body corporate, which is a holding company or a subsidiary or **Associate Company** of a company incorporated outside India and is required to follow a different financial year for consolidation of its accounts outside India, the Tribunal may, if it is satisfied, allow any period as its financial year, whether or not that period is a year:
- Provided further that a company or body corporate, existing on the commencement of this Act, shall, within a period of two years from such commencement, align its financial year as per the provisions of this clause.

e) Holding Company [Section 2(46)]

- "holding company", in relation to one or more other companies, means a company of which such companies are subsidiary companies;
- **Explanation.— For the purposes of this clause, the expression "company" includes anybody corporate.**

f) Interested Director [Section 2(49)]

- ~~"Interested Director" means a director who is in any way, whether by himself or through any of his relatives or firm, body corporate or other association of individuals in which he or any of his relatives is a partner, director or a member, interested in a contract or arrangement, or proposed contract or arrangement, entered into or to be entered into by or on behalf of a company;~~

g) Key Managerial Personnel [Section 2(51)]

- Key Managerial Personnel, in relation to a company, means—
 - (i) the Chief Executive Officer or the managing director or the manager;
 - (ii) the company secretary;
 - (iii) the whole-time director;
 - (iv) the Chief Financial Officer; ~~and~~
 - (v) ~~such other officer as may be prescribed;~~
 - (v) **such other officer, not more than one level below the directors who is in whole- time employment, designated as key managerial personnel by the Board; and**
 - (vi) **such other officer as may be prescribed;**

h) Net Worth [Section 2(57)]

- Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and ~~securities premium account~~ **securities premium account and debit or credit balance of profit and loss account** after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

i) Public Company [Section 2(71)]

- Public Company means a company which -
 - (a) is not a private company; **and**
 - (b) has a minimum paid-up share capital as may be prescribed:
- Provided that a company which is a subsidiary of a company, not being a private company,

shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles.

j) Public Financial Institution [Section 2(72)]

- Public Financial Institution means—
 - (i) the LIC, established u/s 3 of the Life Insurance Corporation Act, 1956;
 - (ii) the IDFC Limited, referred to in section 4A(1)(vi) of the Companies Act, 1956 so repealed under section 465 of this Act;
 - (iii) specified company referred to in the UTI (Transfer of Undertaking and Repeal) Act, 2002;
 - (iv) institutions notified by the CG u/s 4A(2) of the Companies Act, 1956 so repealed under section 465 of this Act;
 - (v) such other institution as may be notified by the CG in consultation with the RBI:
- Provided that no institution shall be so notified unless—
 - A. it has been established or constituted by or under any Central or State Act **other than this Act or the previous company law** or
 - B. not less than 51% of the paid-up share capital is held or controlled by the CG or by any SG or Governments or partly by the CG and partly by one or more SG;

k) Related Party [Section 2(76)]

- Related Party, with reference to a company, means—
 - (i) a director or his relative;
 - (ii) a key managerial personnel or his relative;
 - (iii) a firm, in which a director, manager or his relative is a partner;
 - (iv) a private company in which a director or manager or his relative is a member or director;
 - (v) a public company in which a director or manager is a director and holds along with his relatives, more than 2% of its paid-up share capital;
 - (vi) any body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
 - (vii) any person on whose advice, directions or instructions a director or manager is accustomed to act:
- Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;
- (viii) ~~any company which is—
(A) a holding, subsidiary or an associate company of such company; or (B) a subsidiary of a holding company to which it is also a subsidiary;~~
- (viii) **any body corporate which is—
(A) a holding, subsidiary or an associate company of such company;
(B) a subsidiary of a holding company to which it is also a subsidiary; or
(C) an investing company or the venturer of the company**
- **Explanation—For the purpose of this clause, “the investing company or the venturer of a company” means a body corporate whose investment in the company would result in the company becoming an associate company of the body corporate.**
- such other person as may be prescribed;

l) Small Company [Section 2(85)]

- Small Company means a company, other than a public company—
 - (i) paid-up share capital of which does not exceed fifty lakh rupees or such higher amount as

- may be prescribed which shall not be more than ~~five crore rupees~~ ₹ 10 crore
- (ii) turnover of which ~~as per its last profit and loss account~~ as per profit and loss account for the immediately preceding financial year does not exceed two crore rupees or such higher amount as may be prescribed which shall not be more than ~~twenty crore rupees~~ ₹ 100 crore
- Provided that nothing in this clause shall apply to—
 - (A) a holding company or a subsidiary company;
 - (B) a company registered under section 8; or
 - (C) a company or body corporate governed by any special Act;

m) Turnover [Section 2(91)]

- ~~Turnover means the aggregate value of the realisation of amount made from the sale, supply or distribution of goods or on account of services rendered, or both, by the company during a financial year;~~
- "Turnover" means the gross amount of revenue recognised in the profit and loss account from the sale, supply, or distribution of goods or on account of services rendered, or both, by a company during a financial year;

3) Members severally liable in certain cases. (Section 3A)

- If at any time the number of members of a company is reduced, in the case of a public company, below 7, in the case of a private company, below 2, and the company carries on business for more than 6 months while the number of members is so reduced, every person who is a member of the company during the time that it so carries on business after those 6 months and is cognisant of the fact that it is carrying on business with less than 7 members or two members, as the case may be, shall be severally liable for the payment of the whole debts of the company contracted during that time, and may be severally sued therefor.

4) Memorandum (Section 4)

a) Application to ROC for Reservation of Name

- A person may make an application, in Form INC-1 to the Registrar for the reservation of a name set out in the application as—
- (a) the name of the proposed company; or
- (b) the name to which the company proposes to change its name.
- Reservation of name through RUN Application (Rule 9 Amended w.e.f 26th January 2018)
- An application for reservation of name shall be made through the web service available at www.mca.gov.in by using RUN (Reserve Unique Name) along with fee as provided in the Companies (Registration offices and fees) Rules, 2014, which may either be approved or rejected, as the case may be, by the Registrar, Central Registration Centre.

b) Reservation of Name by ROC [Section 4(5)]

- ~~Upon receipt of an application as above, the Registrar may reserve the name for 60 days from the date of the application.~~ Upon receipt of an application as above, the Registrar may, on the basis of information and documents furnished along with the application, reserve the name for a period of 20 days from the date of approval or such other period as may be prescribed.
- Provided that in case of an application for reservation of name or for change of its name by an existing company, the Registrar may reserve the name for a period of 60 days from the date of approval.

5) Authentication of Documents, Proceedings & Contracts (Section 21)

- Save as otherwise provided in this Act—
 - a) a document or proceeding requiring authentication by a company; or
 - b) contracts made by or on behalf of a company,
- ~~may be signed by any key managerial personnel or an officer of the company~~ **an officer or employee of the company** duly authorised by the Board in this behalf.

6) Civil liability for misstatement in prospectus (Section 35)

- (1) Where a person has subscribed for securities of a company acting on any statement included, or the inclusion or omission of any matter, in the prospectus which is misleading and has sustained any loss or damage as a consequence thereof, the company and every person who—
 - a) is a director of the company at the time of the issue of the prospectus;
 - b) has authorised himself to be named and is named in the prospectus as a director of the company, or has agreed to become such director, either immediately or after an interval of time;
 - c) is a promoter of the company;
 - d) has authorised the issue of the prospectus; and
 - e) is an expert referred to in sub-section (5) of section 26,shall, without prejudice to any punishment to which any person may be liable under section 36, be liable to pay compensation to every person who has sustained such loss or damage.
- (2) No person shall be liable under sub-section (1), if he proves—
 - a) that, having consented to become a director of the company, he withdrew his consent before the issue of the prospectus, and that it was issued without his authority or consent; or
 - b) that the prospectus was issued without his knowledge or consent, and that on becoming aware of its issue, he forthwith gave a reasonable public notice that it was issued without his knowledge or consent.
 - c) **that, as regards every misleading statement purported to be made by an expert or contained in what purports to be a copy of or an extract from a report or valuation of an expert, it was a correct and fair representation of the statement, or a correct copy of, or a correct and fair extract from, the report or valuation; and he had reasonable ground to believe and did up to the time of the issue of the prospectus believe, that the person making the statement was competent to make it and that the said person had given the consent required by sub-section (5) of section 26(5) to the issue of the prospectus and had not withdrawn that consent before delivery of a copy of the prospectus for registration or, to the defendant's knowledge, before allotment thereunder."**
- (3) Notwithstanding anything contained in this section, where it is proved that a prospectus has been issued with intent to defraud the applicants for the securities of a company or any other person or for any fraudulent purpose, every person referred to in subsection (1) shall be personally responsible, without any limitation of liability, for all or any of the losses or damages that may have been incurred by any person who subscribed to the securities on the basis of such prospectus.

7) Voting Rights (Section 47)

a) Voting Rights of Equity Shareholders (Sub-section 1)

- Subject to the ~~provisions of section 43 and section 50(2)~~ **provisions of section 43, section 50(2) and section 188(1)**

1. Every member of a company holding ESC, shall have a right to vote on every resolution placed before the company; and
2. His voting right on a poll shall be in proportion to his share in the paid-up ESC of the company.

8) Prohibition on Issue of Shares at Discount (Section 53)

- (1) Except as provided in section 54, a company shall not issue shares at a discount.
- (2) Any share issued by a company at a ~~discount-price~~ Discount shall be void.
- (2A) Notwithstanding anything contained in sub-sections (1) and (2), a company may issue shares at a discount to its creditors when its debt is converted into shares in pursuance of any statutory resolution plan or debt restructuring scheme in accordance with any guidelines or directions or regulations specified by the Reserve Bank of India under the Reserve Bank of India Act, 1934 or the Banking (Regulation) Act, 1949.
- (3) Where a company contravenes the provisions of this section, the company shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees and every officer who is in default shall be punishable with imprisonment for a term which may extend to six months or with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees, or with both.

9) Further Issue of Share Capital (Section 62)

- (1) Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—
 - (a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:—
 - (i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days 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;]
 - (ii) unless the articles of the company otherwise provide, the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) shall contain a statement of this right;
 - (iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not dis-advantageous to the shareholders and the company;
 - (b) to employees under a scheme of employees' stock option, subject to 2&5[special resolution] passed by company and subject to such conditions as may be prescribed; or
 - (c) to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer, subject to the compliance with the applicable provisions of Chapter III and any other conditions as may be prescribed
- (2) ~~The notice shall be despatched through registered post or speed post or through electronic mode to all the existing shareholders at least 3 days before the opening of the issue.~~

The notice referred to in sub-clause (i) of clause (a) of sub-section (1) shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue.

- (3) Nothing in this section shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:
Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.
- (4) Notwithstanding anything contained in sub-section (3), where any debentures have been issued, or loan has been obtained from any Government by a company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:
Provided that where the terms and conditions of such conversion are not acceptable to the company, it may, within sixty days from the date of communication of such order, appeal to the Tribunal which shall after hearing the company and the Government pass such order as it deems fit.
- (5) In determining the terms and conditions of conversion under sub-section (4), the Government shall have due regard to the financial position of the company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.
- (6) Where the Government has, by an order made under sub-section (4), directed that any debenture or loan or any part thereof shall be converted into shares in a company and where no appeal has been preferred to the Tribunal under sub-section (4) or where such appeal has been dismissed, the memorandum of such company shall, where such order has the effect of increasing the authorised share capital of the company, stand altered and the authorised share capital of such company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.

10) Punishments for Deposits (Section 76A)

- Where a company:-
 - 1) Accepts or invites deposits or allows or causes any other person to accept or invite on its behalf any deposit in contravention of the manner or the conditions prescribed under section 73 or 76 or Rules made thereunder or
 - 2) Fails to repay the deposit or part thereof or any interest due thereon within the time specified under section 73 or 76 or rules made thereunder or such further time as may be allowed by the Tribunal under section 73, then the punishment shall be as follows:-
 - a) On Company –
 - Minimum Punishment – ~~₹ 1 crore~~ ₹ 1 crore or twice the amount of deposits accepted by the Company, whichever is lower.
 - Minimum Punishment - ₹ 10 crore
 - b) On officer in default -
 - Imprisonment ≤ 7 Years ~~or~~ AND Fine - ₹ 25 lacs ≤ Fine ≤ ₹ 2 crores ~~Or Both~~

- c) Wilful offence by officer in default with the intention to deceive the company or its shareholders or depositors or creditors or tax authorities –
- Punishment u/s 447

11) Calling Extraordinary General Meeting (Section 100)

- The Board may, whenever it deems fit, call an extraordinary general meeting of the company.
- Provided that an EGM of the company, {other than of the 100% subsidiary of a company incorporated outside India}, shall be held at a place within India.

12) Notice of Meeting (Section 101)

- (1) A general meeting of a company may be called by giving not less than clear 21 days' notice either in writing or through electronic mode in the following manner.
- ~~Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than 95% of the members entitled to vote at such meeting.~~
 - Provided that a general meeting may be called after giving shorter notice than that specified in this sub-section if consent, in writing or by electronic mode, is accorded thereto-
 - i) in the case of an AGM, by not less than 95%. of the members entitled to vote thereat; and
 - ii) in the case of any other GM, by members of the company—
 - a) holding, if the company has a share capital, majority in number of members entitled to vote and who represent not less than 95%. of such part of the PUSC of the company as gives a right to vote at the meeting; or
 - b) having, if the company has no share capital, not less than 95%. of the total voting power exercisable at that meeting.
 - Provided further that where any member of a company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members shall be taken into account for the purposes of this sub-section in respect of the former resolution or resolutions and not in respect of the latter.

13) Postal Ballot (Section 110)

- (1) In spite of anything contained in this Act, a company-
- (a) Shall declare the following prescribed items to be transacted only by means of postal ballot; and
 - (b) May, transact any item of business by means of postal ballot (Except Ordinary Business items and Removal of Auditors & Directors), instead of transacting such business at a general meeting.
- Provided that any item of business required to be transacted by means of postal ballot under clause (a), may be transacted at a general meeting by a company which is required to provide the facility to members to vote by electronic means under section 108, in the manner provided in that section.
- (2) If a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a general meeting convened in that behalf.

Extra Amendment in Rules & Notifications

1) Amendment in CRC & Run Provisions

- Central Registration Centre (CRC)
- Central Government has established a Central Registration Centre (CRC) u/s 396 having territorial jurisdiction all over India, for carrying out the following functions: - Reservation of name through RUN Application (Rule 9 Amended w.e.f 26th January 2018)
- An application for reservation of name shall be made through the web service available at www.mca.gov.in by using RUN (Reserve Unique Name) along with fee as provided in the Companies (Registration offices and fees) Rules, 2014, which may either be approved or rejected, as the case may be, by the Registrar, Central Registration Centre.

2) Simplified Proforma for incorporating companies electronically (SPICe)

a) Unified Single procedure

- Unified Single Procedure for incorporating ALL companies by filing SPICe Forms. Form INC-2 & INC-7 has been eliminated now.
- Note: Earlier there were 2 parallel procedures for incorporating companies i.e., Long procedure and Short procedure.
- The Application for incorporation of a company under this rule shall be in-
 - 1) FORM No. INC-32 (SPICe) along with
 - 2) e-Memorandum of Association (e-MOA) in Form No. INC-33 and
 - 3) e-Articles of association (e-AOA) in Form no. INC-34.

a) Registration fees

- Registration Fees Waiver for companies.
- Provided further that in case of companies incorporated, with effect from the 26th day of January, 2018, with a nominal capital of ≤ ₹ 10 lakhs or in respect of companies not having a share capital whose number of members as stated in the articles of association ≤ 20 members, fee on INC-32 (SPICe) shall NOT be applicable.

3) Government company exemption on AGM

Annual general Meeting (Section 96)

- Place & Time Convening the Annual General Meeting:-
- Exemption Notification – Government Companies: Section 96(2) - Place for holding AGM (Amendment Notification Dated 13th June, 2017)
- Government Company may hold its AGM at such other place within the city, town or village in which the registered office of the company is situate or such other place as the Central Government may approve in this behalf.

Important Note: All the exceptions, modifications and adaptations shall be applicable to a Government company, Private Company, Section 8 Company if it has NOT committed a default in filing of its FS or Annual Return. (Notification dated 13-June-2017)

4) Private Company exemptions

a) Section 73(2)(a) to (e) - Acceptance of Deposits from members

- Section 73(2)(a) to (e) shall not apply to a private company –
 - (A) which accepts from its members monies not exceeding one hundred per cent. of aggregate of the paid up share capital, free reserves and securities premium account; or

(B) which is a start-up, for five years from the date of its incorporation; or

(C) which fulfils all of the following conditions, namely:-

- (a) which is not an associate or a subsidiary company of any other company;
- (b) the borrowings of such a company from banks or financial institutions or any body corporate is less than twice of its paid up share capital or fifty crore rupees, whichever is lower; and
- (c) such a company has not defaulted in the repayment of such borrowings subsisting at the time of accepting deposits under this section:

- Provided that the company referred to in clauses (A), (B) or (C) shall file the details of monies accepted to the Registrar in such manner as may be specified.

a) Section 92 – Annual Return

- (1) Every company shall prepare a return (hereinafter referred to as the annual return) in the prescribed form containing the particulars as they stood on the close of the financial year regarding—
- a) its registered office, principal business activities, particulars of its holding, subsidiary and associate companies;
 - b) its shares, debentures and other securities and shareholding pattern;
 - c) Omitted
 - d) its members and debenture-holders along with changes therein since the close of the previous financial year;
 - e) its promoters, directors, key managerial personnel along with changes therein since the close of the previous financial year;
 - f) meetings of members or a class thereof, Board and its various committees along with attendance details;
 - g) **Aggregate amount of remuneration drawn by directors**
 - h) penalty or punishment imposed on the company, its directors or officers and details of compounding of offences and appeals made against such penalty or punishment;
 - i) matters relating to certification of compliances, disclosures as may be prescribed;
 - j) details, as may be prescribed, in respect of shares held by or on behalf of the Foreign Institutional Investors 6[Omitted]; and
 - k) such other matters as may be prescribed,
 - and signed by a director and the company secretary, or where there is no company secretary, by a company secretary in practice:
 - Provided that in relation to One Person Company and small company, the annual return shall be signed by the company secretary, or where there is no company secretary, by the director of the company.
 - **Provided further that the Central Government may prescribe abridged form of annual return for "One Person Company, small company and such other class or classes of companies as may be prescribed.**

5) **Subsidiary Company [Section 2(87)]**

- Subsidiary Company or —subsidiary, in relation to any other company (that is to say the holding company), means a company in which the holding company—
 - i) controls the composition of the Board of Directors; or
 - ii) exercises or controls more than one-half of the total share capital either at its own or together with one or more of its subsidiary companies:

- Provided that such class or classes of holding companies as may be prescribed shall not have layers of subsidiaries beyond such numbers as may be prescribed.

Amendments applicable only for Old Syllabus

1) EPF Act

- EPF Appellate Tribunal Constituted u/s 7D of EPF Act 1952 shall be substituted by the Industrial Tribunal constituted by the CG u/s 7A of the Industrial Disputes Act 1947. Also Sec 7E, 7F, 7G, 7H of the EPF Act shall be omitted.

Section	Topic
7D	Employees' Provident Funds Appellate Tribunal.
7E	Term of office.
7F	Resignation
7G	Salary and allowances and other terms and conditions of service of Presiding Officer.
7H	Staff of the Tribunal.

- Section 18A Deemed Public Servant

The authorities referred to in Sec 7A and every inspector shall be deemed to be a public servant within the meaning of Section 21 of the Indian Penal Code.

2) Gratuity Act

a) Section 2A - Maternity Leave

- CG has revised the maternity leave period from 12 weeks to 26 weeks.

b) Section 4 - Maximum Amount of Gratuity

- CG has revised the Maximum Amount of Gratuity from 10 lacs to 20 lacs.