



EXECUTIVE



COMPANY LAW SBIL/SBEC CONVERSION OF COMPANIES



ONE SHOT HAND WRITTEN REVISIONARY NOTES

PAST YEAR QUESTIONS

USE CODE
AVC



 unacademy

LET'S CRACK IT!

CS AMIT VOHRA SIR

Contact us:  8585858585

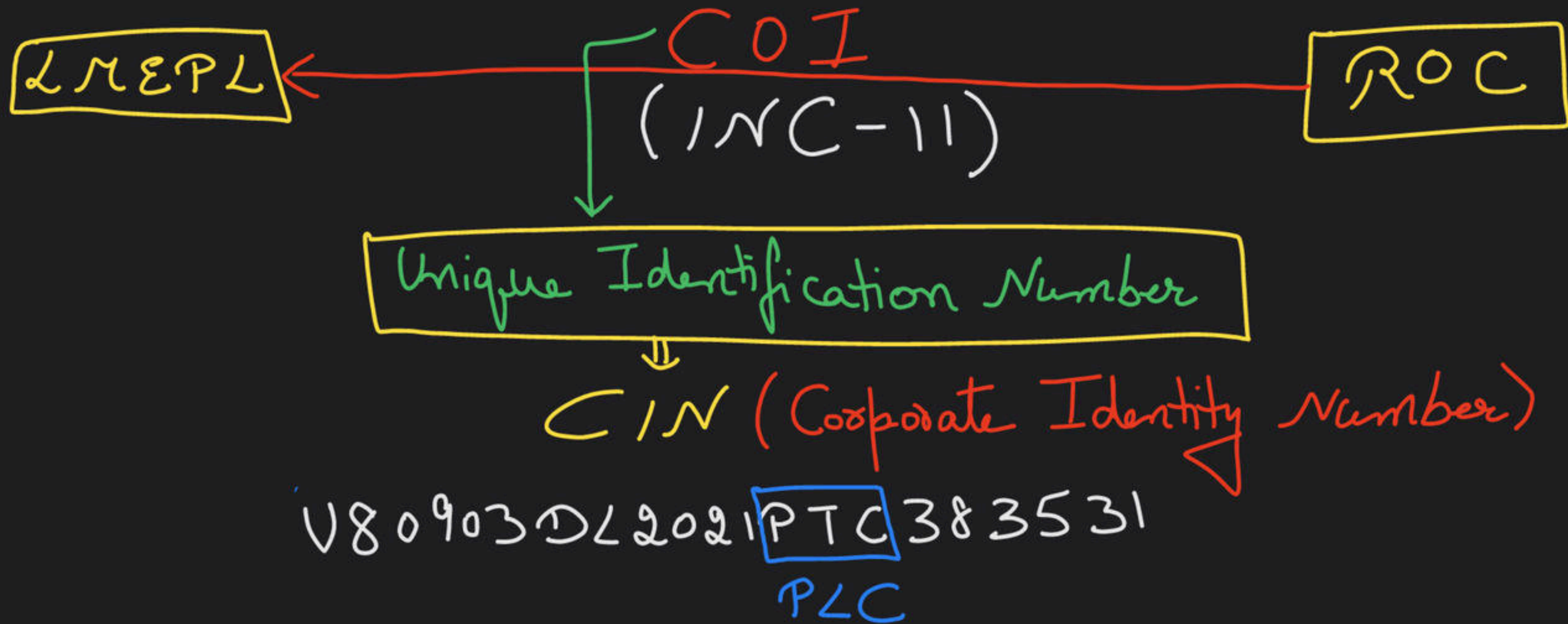


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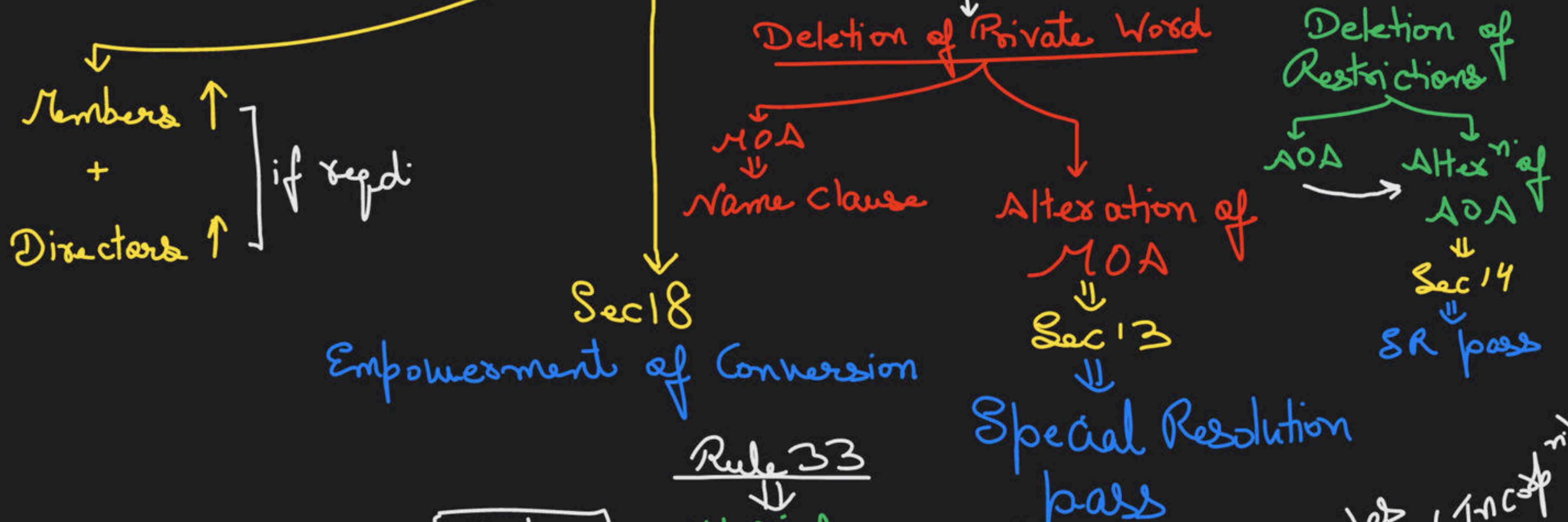
Conversion of Business Entities

↓

Sec 18 of the Companies Act, 2013 deals with the conversion of companies already registered.



Case Conversion of Private Company into Public Company

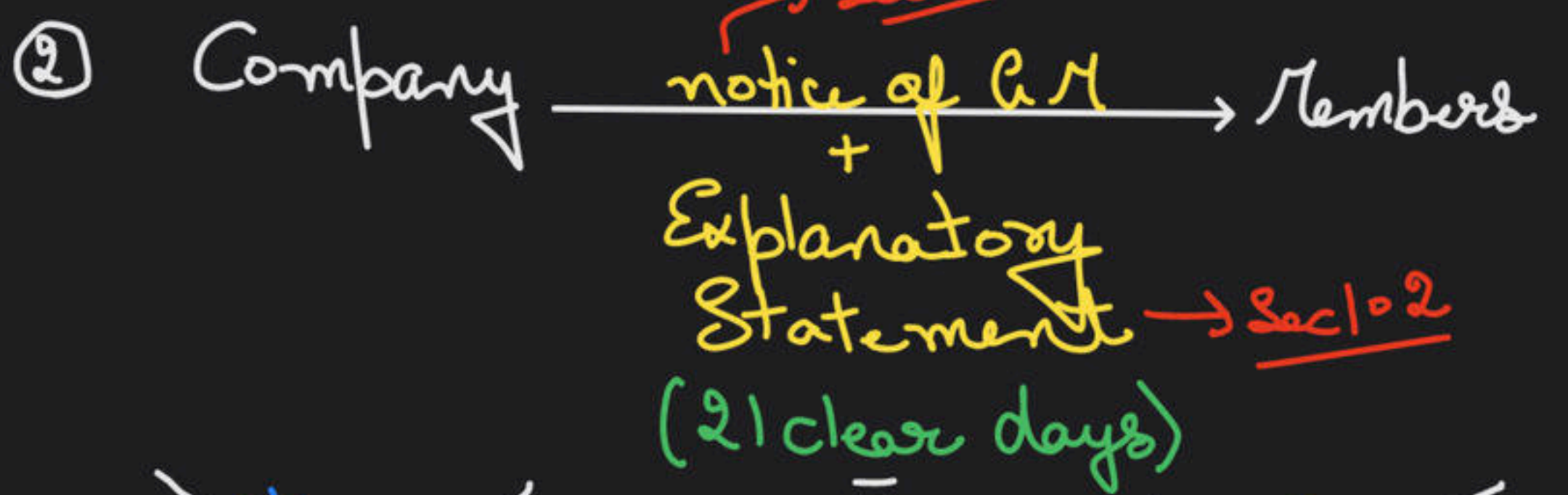
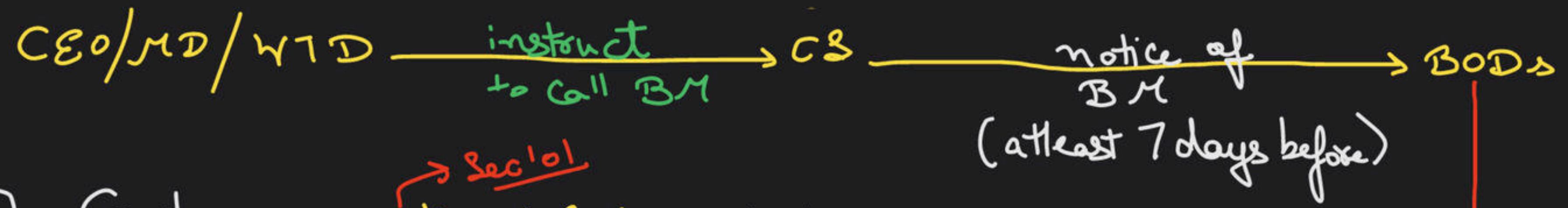


Rules Companies (Incorpⁿ) Rules, 2014

Procedure for conversion

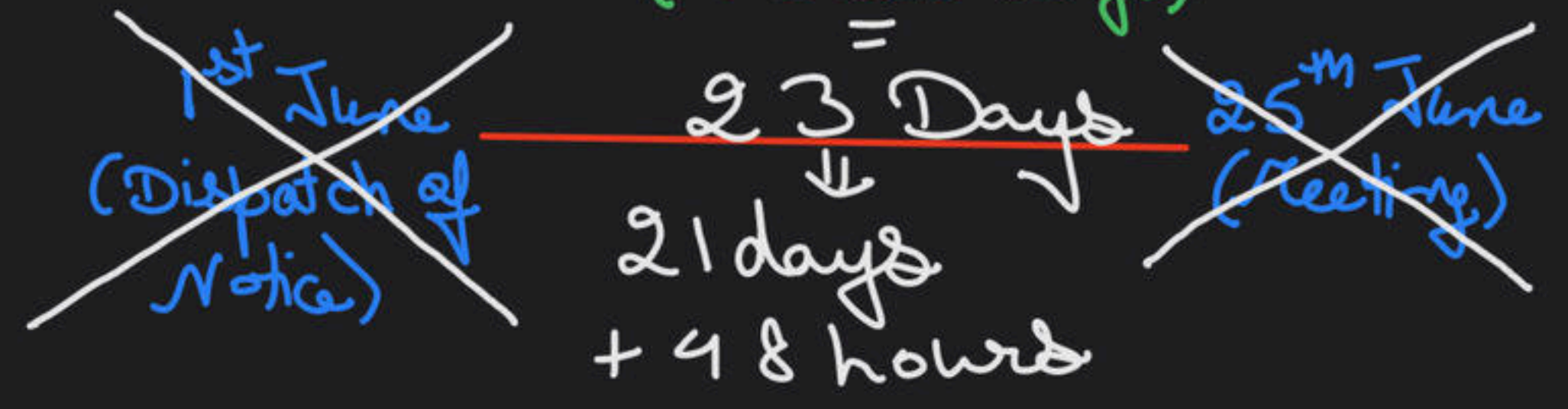
L M E P L → L M E L

① Board Meeting



Board Meeting

2 Board Resolutions Pass



Date
Time
Venue

CS Authorize

③ Convening of RM → SR (Sec 13) ⇒ Alteration of MOA
 → SR (Sec 14) ⇒ Alteration of AOA

④ Intimation of SR to ROC
 Company $\xrightarrow{\text{Sec 117}} \text{MAT-14} \rightarrow \text{ROC}$
 ↓
 SR copy attached
 (in ~~3~~ 15 days of passing SR)

⑤ Filing of Conversion Applicⁿ
 Company $\xrightarrow{\text{Fresh COI in INC-25}} \text{applicⁿ for Conversion} \rightarrow \text{ROC}$
 (INC-27)
 in 15 days of SR
 Attachments: BR, SR, BM Minutes, RM Minutes
 MOA altered, AOA altered

Conversion of Public Company
into
Private Company

Rule 41
⇓
CA Approval
"Delegated to
RD"



Members ↓
if required

Sec 18
Empower to convert

Sec 13
⇓
MOA alter
⇓
To add "Pvt." word
→ SR pass

Sec 14
⇓
AOA alter
⇓
To add restrictions
→ SR pass

Procedure

- ① BM & BR pass
- ② Co. $\xrightarrow[\text{Exp + State}]{\text{Notice}}$ Members
- ③ CR $\begin{cases} \text{SR} \rightarrow \text{Sec 13} \\ \text{SR} \rightarrow \text{Sec 14} \end{cases}$
- ④ Co. $\xrightarrow[\text{30 days (SR copy)}]{\text{MGT-14 in}}$ ROC

⑤ Public Notice at least 21 days before filing application to RD

- Newspaper advertisement (INC 25A) $\begin{cases} \text{English} \\ + \\ \text{Vernacular} \end{cases}$

- Notice by RPAD (Registered Post Acknowledgement Due)
 - RD
 - ROC
 - Regulatory Body

- Notice by RPAD
 - Creditors
 - Deb holders

⑥ Company $\xrightarrow{\text{Petition in Form RD-1}}$ Regional Director

Drafting of Petition

- Date of BM in which proposal was approved.
- Date of GM in which proposal was approved.
- Reason for Conversion
- Effect of Conversion
 - Sh holders
 - Deb holders
 - Depositors
 - Creditors
- Details of conversion in immediately preceding 5 years.
- Whether the Company is Sec 8 (Not for Profit)

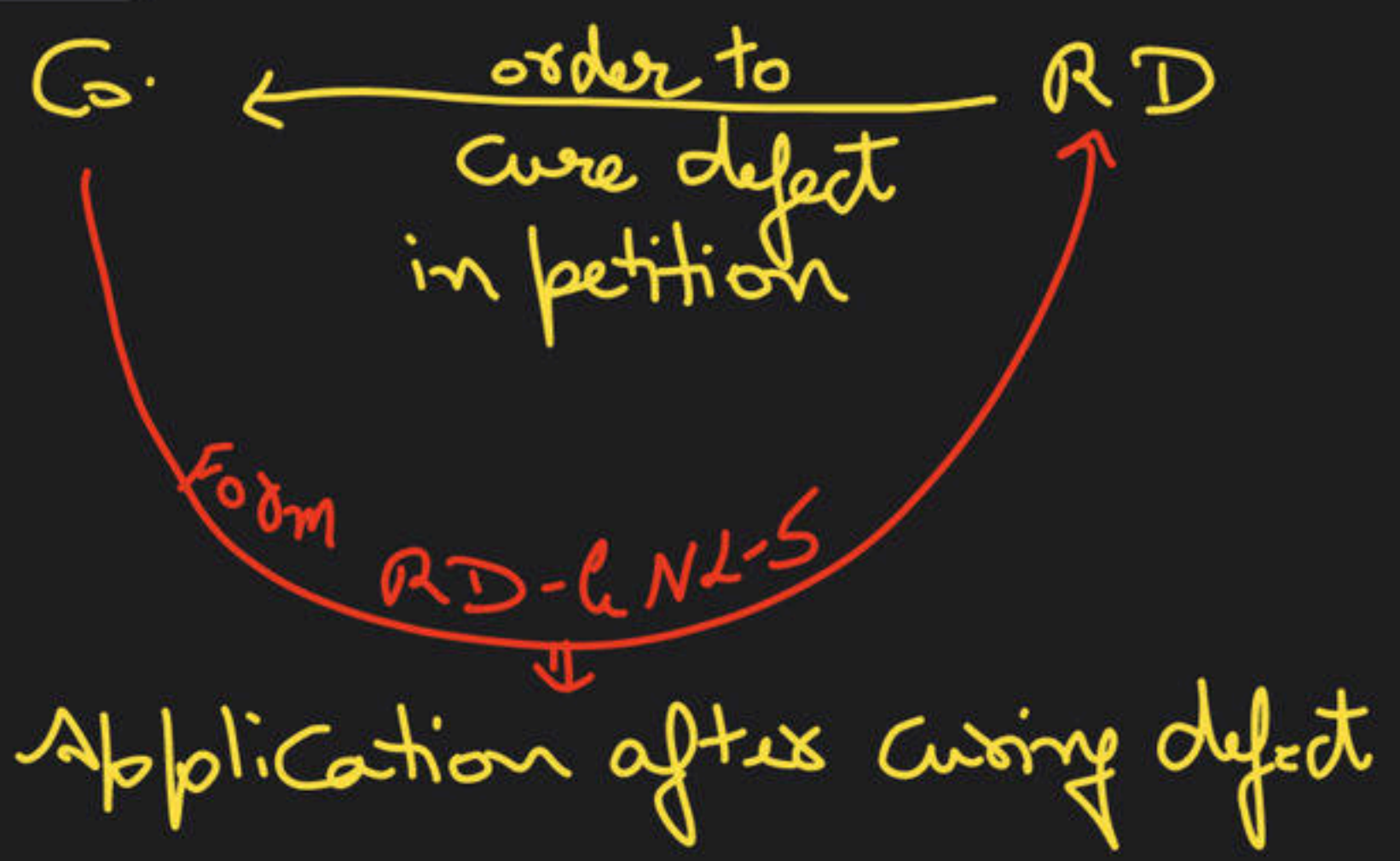
(+) Fee with Attachments

- Altered copy of MOA
 - Altered copy of AOA
 - List of Creditors
 - List of Deb holders
 - Minutes of GM
 - POS/BR (not older than 30 days)
- not older than 30 days

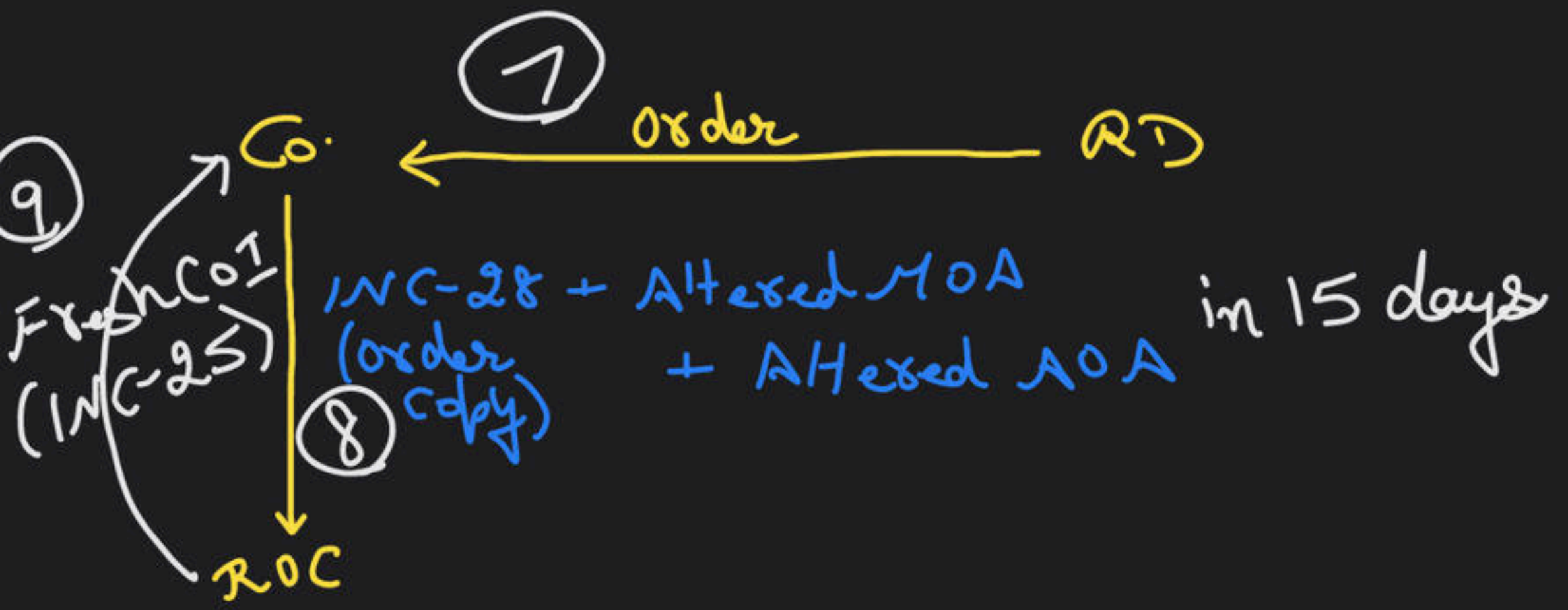
Declaration by KMP

Members under limit	No Deposit from Public	Not Listed	No violation
			73-76A+178+185
		No pending filings	+186+188

6A

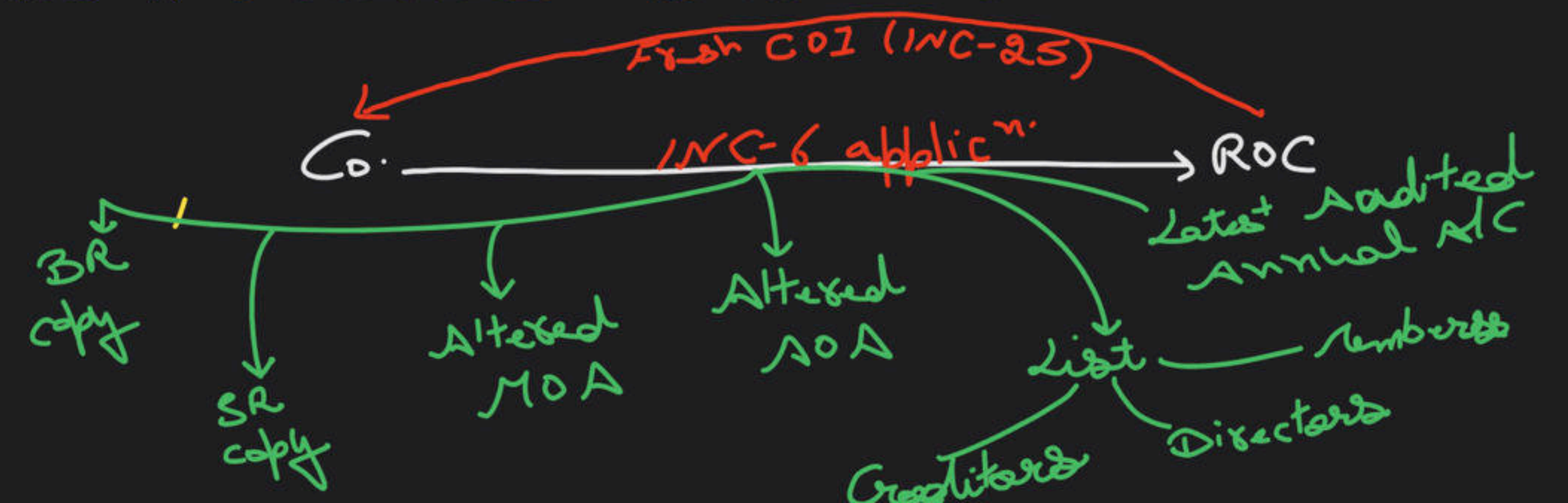
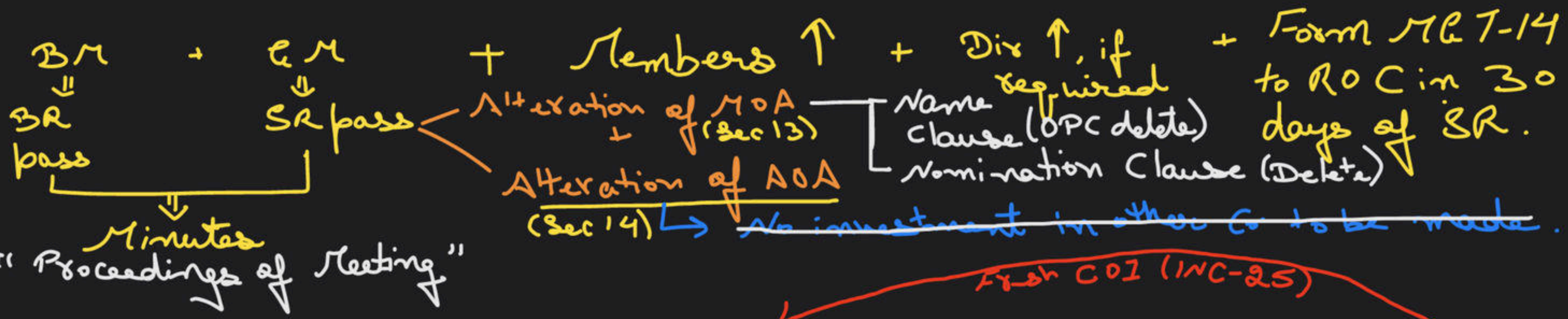
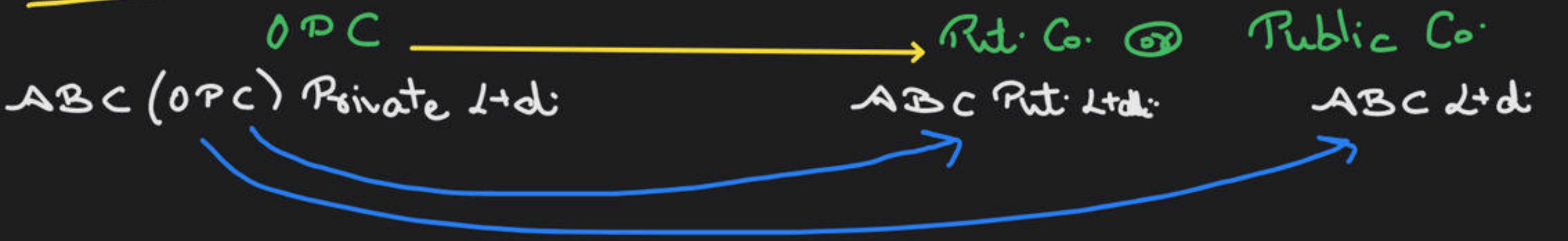


Note → Max 2 re-submissions per petition are allowed.



OPC — Member 1
 — Directors atleast 1

Conversion - 3



Conversion-4

Sec 18 + Rule 7

Pvt. Co.

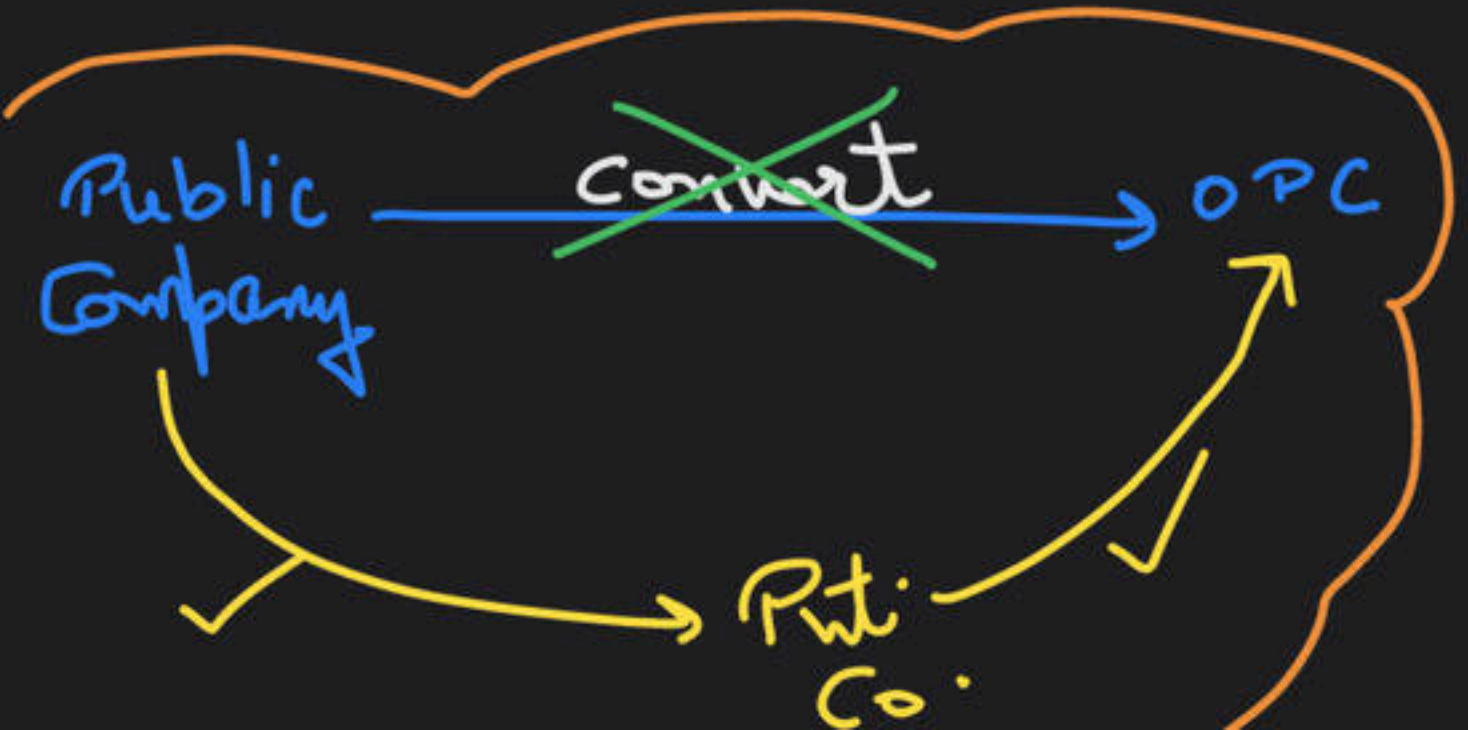
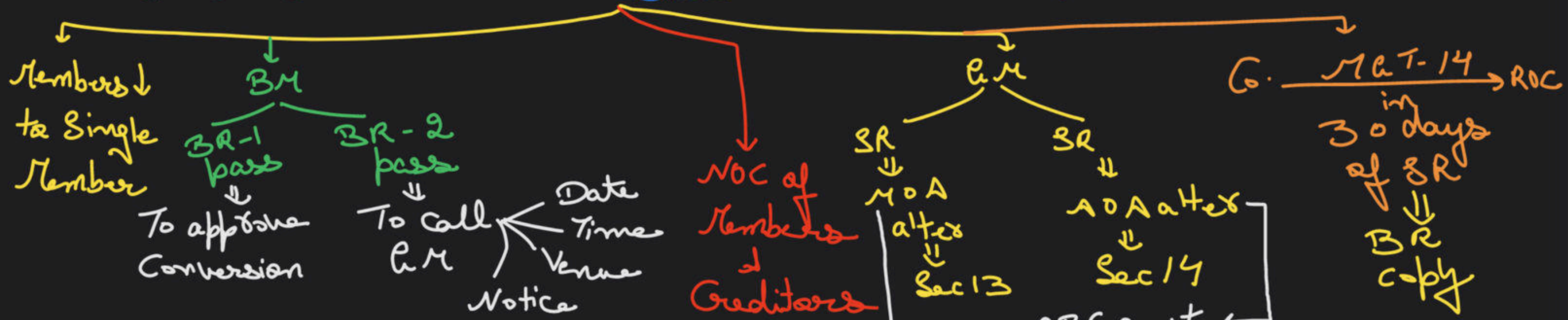
Conversion

OPC

MEMPL

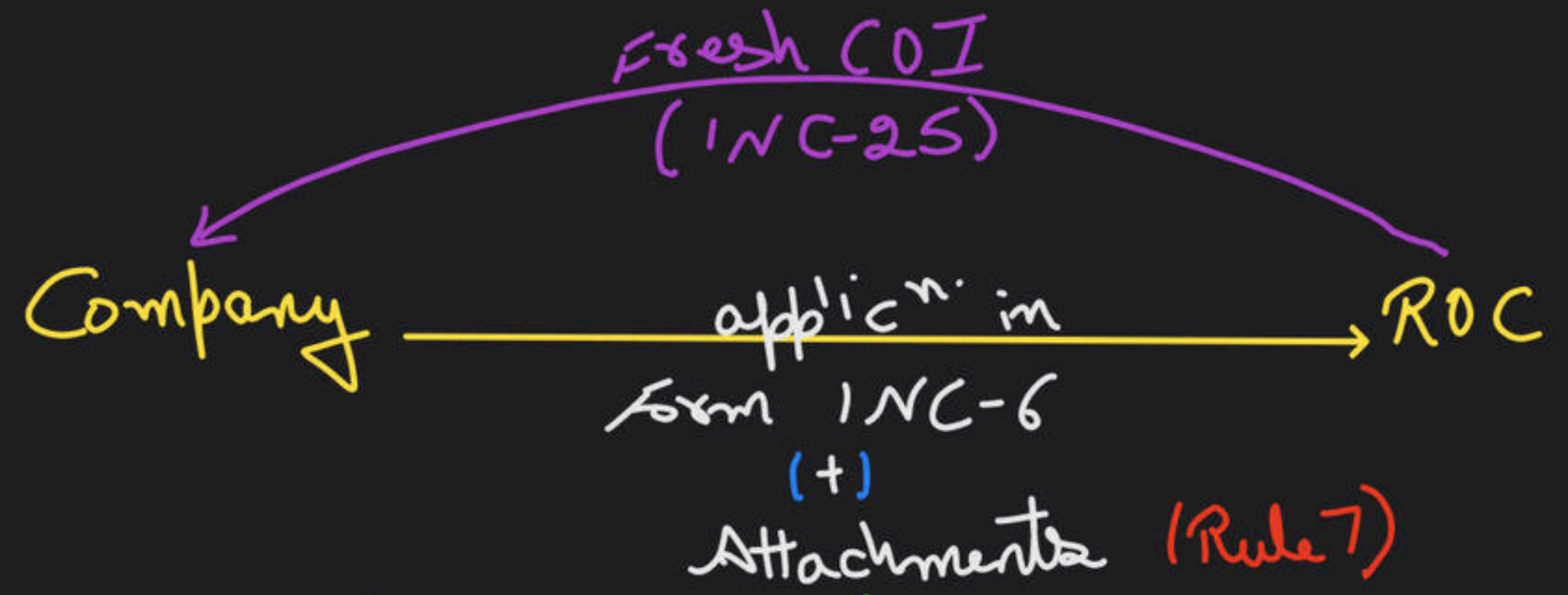
Procedure

MEM(OPC) PLtd



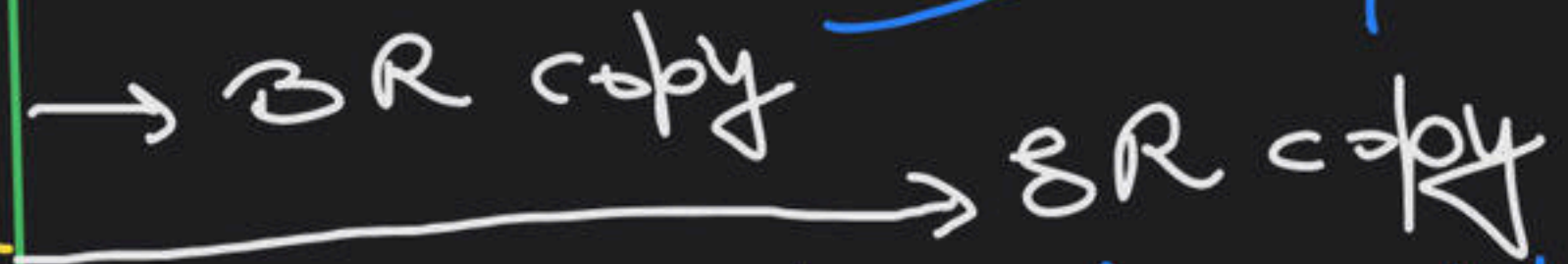
Name Clause alter
"To add the words OPC"

7th Clause to be added
Nominee Clause



optional Attachments

Affidavit by Directors -
confirming that the consent is given by members & creditors



List of Members & Creditors

NOC of Members & Creditors

Latest Audited Annual A/c's

NOC of Secured Creditors

Altered MOA & AOA

Not specified in Rule 7

Conversion 5

Co. Not declaring dividend

Company Not for Profit (Sec 8 Co.)

Conversion

Co. declaring Dividend

Other Company (Company for Profit)

Private Public

Sec 8(4)(ii)
+
Rule 21 & 22 of Companies (Incorpⁿ) Rules, 2014

Private Public

RD approval INC-18

① Board Resolution

② Notice of L.M
+
Explanatory Statement

- Date of Incorporation
- Existing Objects
- New Objects
- Reason
- Altered objects, if any along with reasons
- Impact on Members & Directors

4000/- sq feet
⇓
40/- sq feet

Privileges or Benefits
to be Surrendered

③ General Meeting ⇒ SR pass ⇒ Alteration of Object Clause → 3rd clause of MOA

④ Company → MGT-14 (SR copy) in 30 days → ROC

⑤ Company → INC-18 applicⁿ + Attachments → RD

- ① No bonus or Div by Company
 - ② No Accumulated Income
 - ③ No default in annual filing
- Declaration by BOD
- Distributed in Past
- To be distributed in future

Notice of E.M
SR copy

If INC-18 is being filed with RD after 3 months from the closure of Fin year, then certification from PCA with respect to A/Cs not to be older than immediately preceding 1 month.

Certification from PCS
↳ Compliances check

Proof of serving notice to the following

- Com^r, I Tax
- Com^r, Charity
- I Tax officer
- CSS

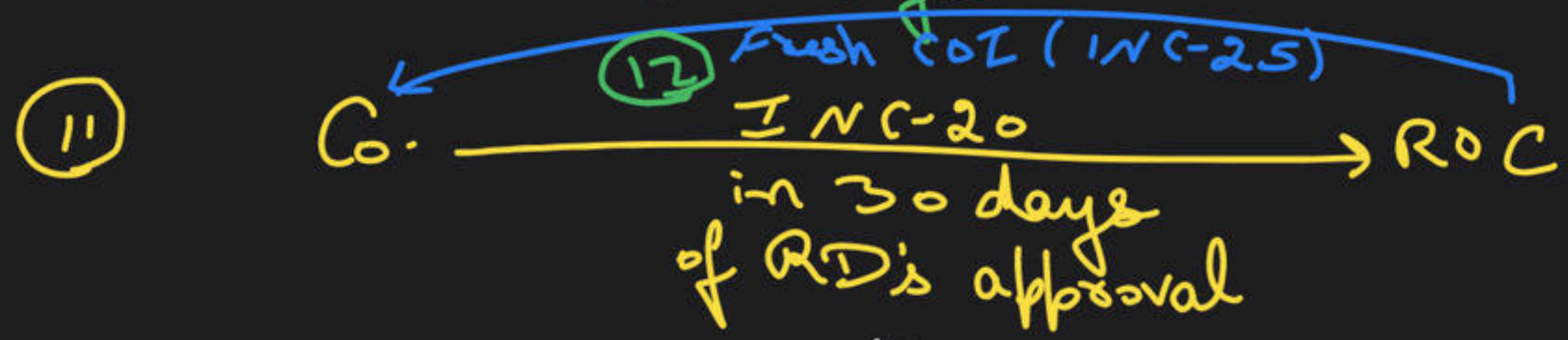
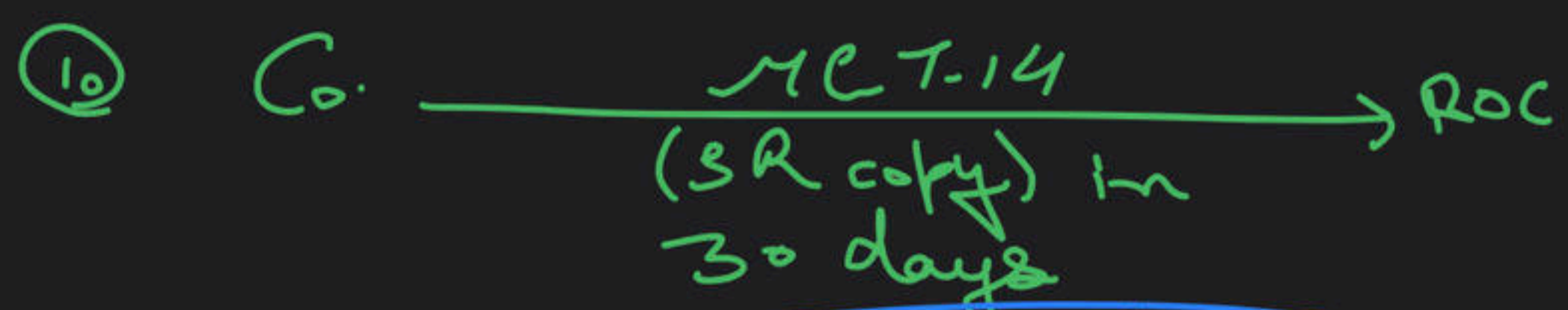
⑥ Company $\xrightarrow{\text{copy of application}}$ ROC

⑦ Company $\xrightarrow{\text{publish}}$ Notice
 \downarrow
 INC-19
 \downarrow
 Newspaper (E + V)
 Website, if any

Within 1 week from submission of INC-18 to RD

⑧ RD Final Order (Conditional) \downarrow ROOBH

- Acc Income ₹ 200 cr
- Liab 63 cr to 137 cr to 12 PF
- Pay Difference in property
- No special status



+ Attachments

RD order copy

Altered MOA + AOA

Declaration from Directors
(Complied with conditions specified by RD)

Conclusion

BR + LM Notice + SR +
MAT-14 + INC-18 to RD
+ Copy to ROC + INC-19
+ RD order + SR + MAT-14
+ INC 20 + INC-25

~~INC-32~~
SPICe⁺ Part A → Name applicⁿ.
Name Approved
SPICe⁺ Part B → Applicⁿ for Inco^rpⁿ.
of Company

SPICe⁺ Part B
⇓
INC-32
+
INC-9 Declaration from
Subscribers to MOA & 1st
Directors

- Attachments
- INC-33 (MOA)
 - INC-34 (AOA)
 - INC-35 (AGILE PROS)

Get
ES1
EPFO
Bank A/C
Shop & Estab Act
Proof Ref No.

Conversion 6

Conversion of LLP into Company

- Step 1 Meeting of Partners of LLP (Consent of majority partners of LLP for conversion)
- Step 2 Availability of Name (SPICe⁺ Part A)
- Step 3 Name Approval Letter (E-mail)
- Step 4 Form URC-1 (Conversion of LLP into Company)

URC-1

Attachments

List of Members

List of 1st Directors

not disqualified under Sec 164

Affidavit from 1st Director

List of Partners of LLP

LLPA

Income Tax return

Statement for the following

Nominal Sh Cap of Company & denomination

Newspaper advertise (not older than 60 days)

Paid Up Amount

Word $\left(\begin{matrix} \text{Rt 2+d} \\ \text{2+d} \end{matrix} \right)$

Undertaking from Directors (Compliance of Stamp Act)

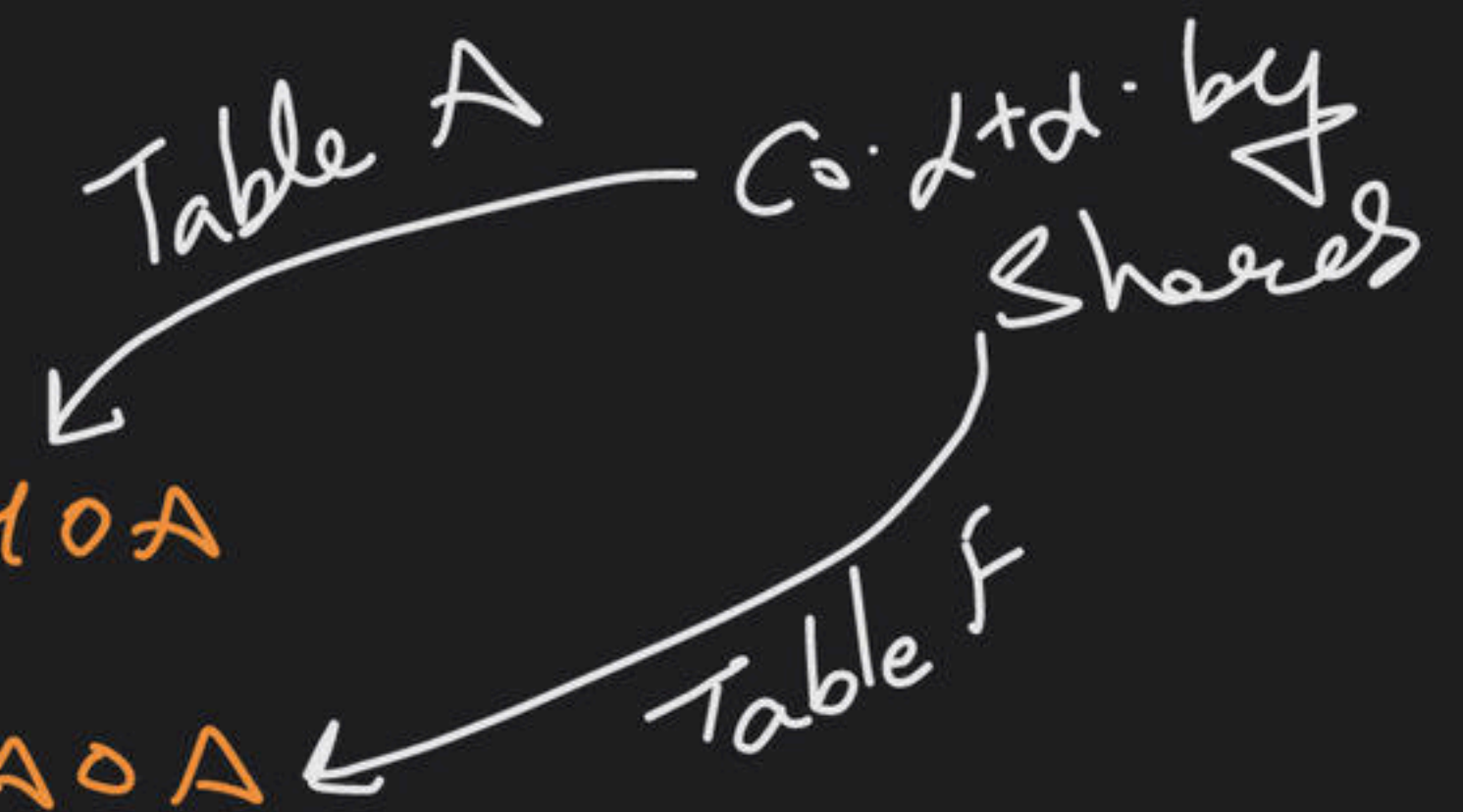
Consent from members

NOC from Creditors

Steps SPICe+ Part B (INC-32)

SPICe+ Part B (INC-32)
+
URC-1 as linked form
=
COI
by ROC

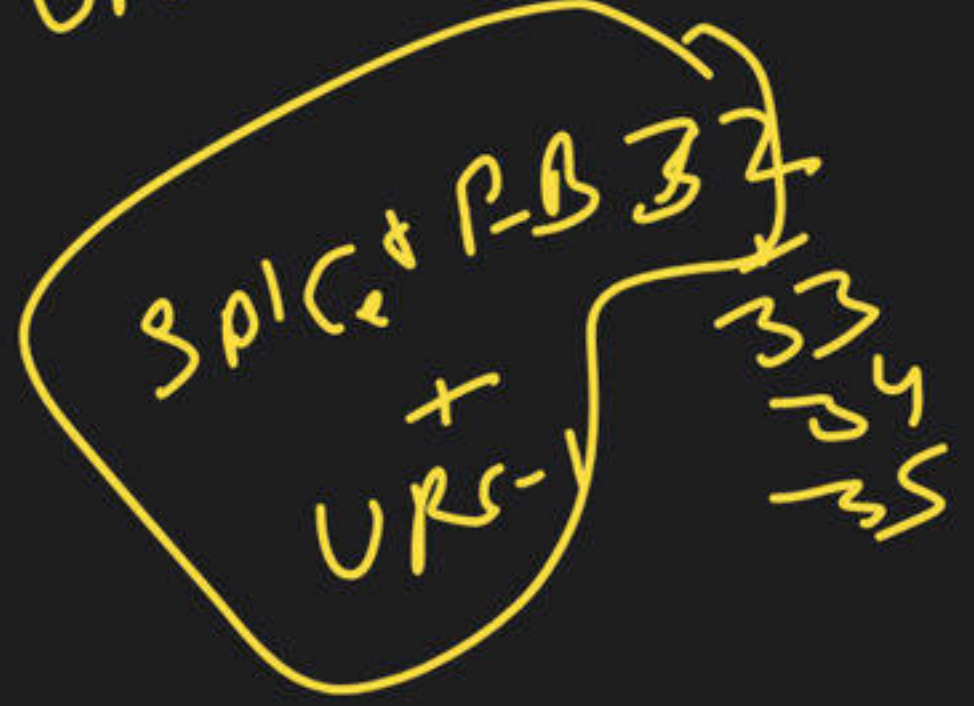
- INC-33 => MOA
- INC-34 => AOA
- INC-35 => AGILE PROS



LLP comments

part A
 Appxone
 URC-1

Attach



min
 pish
 aff

LLP key
 LLPA

Statement

1 Tax Return

Adv (6 days old)

D. Undelivered (Stamp Act)

- with
- Partly
- put / 2 tel'
- new amount
- Cred NoC

Conversion of Company into LLP

Conversion



Board Meeting \Rightarrow BR pass for conversion

+ \Rightarrow BR to apply for name

Name Application

RUN - LLP \Rightarrow Name Options

+ Attach BR passed

CM \Rightarrow BR for conversion

+ Conversion

MG7-14 to ROC

+
Name Approval Letter

+
LLP A

+

Form Fillip (Incorporation
Doc of LLP)

+

Form 18 (Application
for

Conversion)

COI in Form 19 by ROLLP

Attachments under Form-18

Statement of Shareholders

Statement of P/L

(ICSI - IIP) for Professionals
(Approval of Governing Council)

Approval of Regulatory Authority

- Incorporation Documents & Subscriber Sheet (MOA AOA)
- List of Secured Creditors & their consent
- NO C from I Tax Dept & copy of Acknowledgement of I Tax Return
- List of pending proceedings

Conversions

① Pvt. to Public

② Pub to Pvt.

③ OPC → Pvt./Public

④ Pvt. to OPC

⑤ Sec 8 Co. to Co. for Profit

⑥ LLP to Company

⑦ Company to LLP

Homework
7 videos/audios

Max
30
min