

COMPANY SECRETARY

**SBILL CONVERSATION OF CORPORATE ENTITIES
CHAPTER HANDWRITTEN NOTES**

By CS MENTOR

Procedure for conversion of Busi. entities

Section 18:- deals with conversion of companies.

Conversion of ~~Publ~~ Private Co. into Public Company

conversion Benefits

- fully transferrability of shares.
- Greater liquidity.
- Raising of capital from large group
- listing of share in stock ex.
- future expansion.

Procedure:- → convene a Board meeting

Issue notice of extra ordinary gen. meeting to all members, direct. and auditor

Hold [EoM] & pass special resolution.

file copy of special resolution in form [MGT-14] within 30 days to registrar

Make an application to ROC in form [INC 27]

obtain fresh certificate of Incorp. from ROC.

Post conversion requirements

① fresh PAN card needs to be issued

make change in MOA & AOA

Bank ac Needs to be updated.

Intimate to cust department

fresh mukkey stamp of com. to be availed

Intimate to tax author. & IT depart.

Points

- ① exclude word "private"
- ② Director removal
- ③ LPR remove

④ NOT defaulted in filing annual return

Conversion of Public company to PVT. company

Procedure:- Hold Board-meeting

Issue notice of G.M.

Hold General meeting

file copy of special resolution in form MGT-14 within 30 days to registrar.

Publication of an adv. in 21 days.

file appli. with regl. director for conversion of Public company into PVT. company → [form RD-1].

Approval of appli. - for conversion by regional director

file e-form [INC-28] with ROC

File e-form INC-29 with ROC
reg. min issue fresh cert. of incorp.

Benefits

less compliance Better control few members appoint. of Ind. director is not mandatory.
at time of conven. company makes several alter:
① change of name, ② alteration of MOA & AOA
③ New certifi of incorp. ④ Alteration of letter head, book & papers.

Conversion of company to LLP

Board meeting pass. Board resow. & w.m. SR. with form MGT-14.

File 'RUN LLP' to ROC → Name reserve

ROC will approve Name

Draft LLP agreement it should contain

- ① LLP name
- ② Partner, degi. partner
- ③ contrib., profit share.
- ④ right / duties, Business

File incorporation of LLP filip with ROC

- Regi. office address
- Subscribers
- Director → degi. partner → Shareholders → partner.

File Form-18 to ROC & it should contain

- Shareholder lists
- St. of Assets & Liabili. it should be verified by auditor
- List of all auditor along with their consent.
- NOC from Income tax
- Pending cases.
- Certificate of incorp in form 19.

File e-form 3 within 30 days for LLP agreement

Effect of conversion

- ① Co. dissolve after conversion
- ② remove Name from regi.
- ③ conversion does not affect → present liability, oblig. contract.
- ④ No requ. for holding mini. no. of meeting.

Conversion of OPC into Pvt / Public company

→ Holding of Board meeting: → director will pass a B.R & will fix a date time & place for calling G.M.

→ Issue of Notice: - to authorise company secretary and if there is no CS. so director to issue notice to members.



Holding of Annual Meeting:- In C.M. special resolution will be passed & form MGT-14 will be filed to ROC within 30 days

filing of e form [INC-6] along with documents within 30 days of SR.

- Altered MOA & AOA
- copy of special resolution.
- list of proposed member & directors.
- list of auditors.
- copy of latest financial statement.

issuance of New Certif. of Incorp in INC-25.

Points

- 1) minor shall not become member or nominee of OPC.
- 2) minor can't hold share
- 3) One p.c. can't be incorp. or converted in section 8 co.
- 4) OPC can't carry NBFC activities.

Convention of section 8 companies to other company

- 1) Board meeting → BR.
- 2) G.M. → SR.
- 3) MGT-14 → ROE → ROE
 ↓
 NOTICE → copy of BR → copy of SR
 AOA & MOA attachment
- 4) file form INC-18 → RD → ROE
- 5) Publish advert in english & vernacular news in form INC-9
- 6) Order of RD for conversion to be filed with ROE
- 7) Issue fresh copy of Incorp.

Imp effects of conversion of section 8 co.

<p>No benefits or privileges will be given</p>	<p>Sell of assets or pay. of dues of suppliers & auditor.</p>	<p>If sec-8 co. has. prop. & now it is getting converted then the newly converted name to pay. M. Price → = P.M. price</p>	<p>after settlement there is surplus then it is to IEPF within 30 days of conversion</p>
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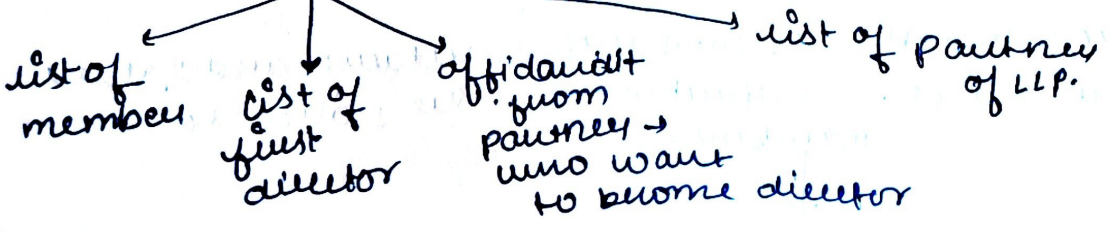
Conversion of LLP into company

→ hold a meeting of partners & take the consent from majority of partners for conversion [SI].

→ The partners who are willing to become directors shall have digital sign. DSC & DIN.

→ Apply for name reservation in form RNM.

file form URC-1 with some attachment



- statement having following particulars: → amt. of share cap.
 - No. of shares/dividends.
 - shares taken & amt paid.
 - Noc from creditor.
 - copy of newspaper adv.
 - statement of accounts.

file form SPICE+ along with eMOA & eAOA.

if ROC is satisfied it will issue fresh COI.

* Companies authorised to reg. under companies act, 2013

- For purpose of chapter 21 company include any partnership firm, LLP, coop. society which applies for reg. under this part.
- If any company formed under any act of parliament other than companies act or princp. under any other law having two or more members can reg. under com. act 2013.

Conditions

- ① Companies reg. under comp. act 1882, 2013, 1956 cannot apply under this section for reg.
- ② Any comp. having limited liabil. under any law cannot reg. as unlim. com.
- ③ Consent of majority is required.
- ④ If members are less than 7 then co. shall be reg. as pr. com.
- ⑤ All assets and liabilities shall vest in comp. incorp. under this act.

→ Essential pre-conditions

- All secured cred. must give consent
- Publish advert. in newspaper in english & vern. language for object
- Affidavit from all members or partners that for reg. they will dissolve, partnership firm, LLP, cooper. society

Effect of reg. [PART 21]

- ① company have to follow all rules & regulations as per act 2013
- ② All provision of co. act 2013 shall apply to company member, contributors, & auditor in same manner.
- ③ In event of company being wound up every person shall be contributorily liable to pay any debt, before reg.

Conversion of PVT. to OPQ

- Applicab. → there is no need at PSC. limit.
- member & M. No objection in writing form
- Hold. M.M. is pass special resolution
- ↓
- file copy of SR & form MGT-14 to ROC within 30 days.
- ↓
- file appli. to ROC in form INC-6.
- ↓
- all things required to submit
- ↓
- ROC dissolve Pvt. co.