COMPANIES ACT 2013

- This came into existence from 29th August 2013.
- This Act comprises of 470 sections with 7 schedules.
- The Ministry of Company Affairs has notified 283 sections till date.

NEW CONCEPTS IN COMPANIES ACT2013

- Residential Director
- Women Director
- Independent Director
- Small Shareholders Director
- One Person Company
- Small Company

RESIDENTIAL DIRECTOR

- This new concept becomes applicable as per the companies Act 2013 from 01st April 2014.
- This is applicable to all types of Companies.
- This is as per the section 149 of the Companies Act.
- Every Company shall have atleast 1 director who stayed in India for a period of 182 days in a calendar year. (For calendar year 2014 , the period is 01.01.2014 to 31.12.2014)
- Companies Incorporated between 01.04 .2014 to 30.09.2014 shall have residential director from the date of incorporation or within 6 months from the date of Incorporation. Companies formed after 30.09.2014 shall have a residential director from the date of incorporation

WOMEN DIRECTOR

- This new concept becomes applicable as per the companies Act 2013 from 01st April 2014.
- This is applicable to listed companies and Public companies
- This is as per the section 149 of the Companies Act.
- Every listed Company shall have atleast 1 women director within 1 year from the commencement of second proviso to sub section 1 of section 149
- Every public company having paid up share capital of Rs. 100 crores or more or turnover of Rs. 300 crores or more in a year shall appoint a women director within 3 years from the commencement of second proviso to sub section 1 of section 149.

INDEPENDENT DIRECTOR

- This new concept becomes applicable as per the companies Act 2013 from 01st April 2014.
- This is applicable to listed Companies and Public companies whose paid up share capital is Rs. 100 crores or more or total turnover is Rs. 300 crores or more or outstanding loans and debentures of Rs. 200 crores of more
- Section 149 (3) defines Independent as a person who is other than a WTD or a MD. The Independent director should not have held any transactions with the company and is not a promoter of the company.
- The Independent director should not hold more than 2% of the total profits of the company or should not hold more than 2% of the voting shares of the company.
- The above prescribed class should have alteast independent director in 1/3 of the total number of directors.

SMALL SHAREHOLDING DIRECTOR

- This new concept becomes applicable as per the companies Act 2013 from 01st April 2014.
- This is applicable to listed Companies who suo moto upon the notice of not less than 500 of the total number of small shareholders shall appoint small shareholders' director
- The period of such small shareholder shall not exceed a period of 3 consecutive years. The director shall not be liable to retire by rotation.
- Such small shareholders should leave a notice with the company, signifying their intention of being a director atleast 14 days before the meeting. Such notice to be accompanied by a statement signed by the declation giving his consent to act as a director.

ONE PERSON COMPANY

- This is a new concept brought in the new Companies Act 2013.
- Section 2(62) defines a one person company as a company which has only one person as a member.
- One person cannot have more than 5 OPCs.
- The financial statements of OPCs can be signed by only one member and cash flow statement is not mandatory for one person company.
- It is sufficient only resolutions is passed and is signed by the member. Such date of the signature of the resolution shall be deemed to be the board meeting of the company.
- It is not necessary to have a gap of 90 days between 2 board meetings as in other companies.

SMALL COMPANY

- This is a new concept brought in the new Companies Act 2013.
- Section 2(85) defines a small company as a company other than a public company whose paid up share capital does not exceed fifty lakhs or its turnover does not exceed two crores.
- This section does not apply to a holding company or a subsidiary company, a company registered under section 8 or to a company or body corporate governed under any special act.
- This is applicable only to private companies