Amendment 1

Schedule II of new Co. Act 2013

Depreciation on Assets

→ As per new rules, useful life of a part of any Assets can be determined seprately if such a part had a significant portion in total cost of that assets : It means that Dep. can be calculated seprately for such part from other Part of the Assets. But there will be no separate accounts for each significant components.

> Allocation of Total cost over Different component can be made on the basis of existing MV or valuer's advise

⇒ As per old rule of S H. XIV of Co. Act 1956, Assets up to ₹5000 were considered as expenses, but under new rule, there is no, such provision, It means that we can disclose any value under the heading of Assets.

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Amendment 2: Section 135 & Schedule VII of Co. Act 2013 [Corporate social Responsibility]

As per provision of Sec 135 of New Co. Act 2013, the following points may be considered :-

1. Application of Section 135 shall be made on the companies which having
   - NP exceeding 5Crore or
   - Sales exceeding 1000 Crore or
   - Networth exceeding 500 Crore
2. The specified Co. shall pay sufficient amount for social welfar, which should not be less than 2% of Net Profit of 3 preceeding year (Average).
3. The Amount of CSR should be expended only for specified Activity as per schedule VII.

(i) P&L App. Or
To CSR Fund
(Being fund created)

(ii) CSR Fund A/c Dr
To Bank A/c
(Being Amt. Expended)

Amendment - 3 : Schedule ~~V~~ XIII (Managerial Remuneration) minimum limits

[Related to Co. Final A/c]

If any Co. has not Adequate profit or such Co. is incurring losses then the following limits for minimum remuneration shall be applied.

Level of Effective Capital	Min. Remuneration (Per Annum)
Less than 5 crore	3000000
5 crore to less than 100 crore	4200000
100 crore to less than 250 crore	6000000
250 crore or More	6000000 + 0.01% of Effective Capital

Amendment 4: Transfer to Reserve Rule 2014

a) As per new rule transfer to General Reserve is not mendatory on the basis of % of Equity dividend as in old rules.

Now, company will decide appropriate amt. of transfer.

b) Incase dividend is paid out of GI Reserve then Average Dividend of 5 year is replaced with Avg. dividend of 3 years now.

Amendment 5: Accounting for Bonus Issue

In previous Act 1956, there was no specific section or Rule for Bonus Issue. As per co Act. 2013 specified 'Section 63' for Accounting of Bonus Issue

Amendment 6 :- Pre-Incorporation Profit

As per new rule "Certificate of Practice" certificate is mandatory for all Companies (Pvt Ltd. Co. as well as Public Ltd. Co.)

So for the calculation of time ratio in Chapter Pre Incorporation should be made on the basis of COB certificate.

(In absence of COB, we can solve Practical Q. by Incorporation Date also.)

Amendment 7: Co. final A/c

→ Balance Sheet

→ P&L A/c

→ CFS

→ Notes to A/c

→ Statement showing Changes in Equity

St showing Changes in Equity → New

Particulars	OB	Addition	deletion	CB
ESC	xxx	xxx	(xxx)	xxx
PSC	xxx	xxx	(xxx)	xxx
R&S	xxx	xxx	(xxx)	xxx
	xxx	xxx	xxx	xxx