August 29th, 2022

NEWSLETTER

A TRUE ENTREPRENEUR IS A "DOER", NOT A "DREAMER"

THIS ISSUE:

G Prerna & Co. | Company Secretaries

The Companies (Incorporation) Third Amendment Rules, 2022

The MCA has notified these rules, whereby according to the amendment, rule 25B is inserted in the Companies (Incorporation) Rules, 2014, stating **physical verification of registered office** of the company by the Registrar in terms of section 12(9) of the Companies Act, 2013 in presence of two witnesses of the locality.

The Registrar shall carry the documents as filed on MCA 21 in support of address of the registered office of the company for the purposes of physical verification and take a photograph of the registered office. Further a report of physical verification of the registered office of the company is also required to be in the prescribed format.

For details:

https://www.mca.gov.in/bin/dms/getdocument?mds=wIHQjtXEQJK%252F7i1M2jM5wQ%253D%253D&type=open dd

Overseas Investment Rules And Regulations

In line with the amendment in the **Foreign Exchange Management Act**, Outward Investments Rules have been framed by the Government of India in consultation with the Reserve Bank. **Presently**, the overseas investment by a person resident in India is governed by the **Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 and the Foreign Exchange Management (Acquisition and Transfer of Immovable Property Outside India) Regulations, 2015.**

The Government of India in consultation with the Reserve Bank undertook a comprehensive **exercise to simplify** these regulations. **Draft Foreign Exchange Management (Overseas Investment) Rules and draft Foreign Exchange Management (Overseas Investment) Regulations** were also put in the public domain for consultations. Extant regulations pertaining to Overseas Investments and Acquisition and Transfer of Immovable Property Outside India have been subsumed within these rules and regulations.

In view of the evolving needs of businesses in India, in an increasingly integrated global market, there is need of Indian corporates to be part of global value chain. The revised regulatory framework for overseas investment provides for simplification of the existing framework for overseas investment and has been aligned with the current business and economic dynamics. Clarity on Overseas Direct Investment and Overseas Portfolio Investment has been brought in and various overseas investment related transactions that were earlier under approval route are now under automatic route, significantly enhancing "Ease of Doing Business".

For details:

https://pib.gov.in/PressReleasePage.aspx?PRID=1853679

MCA21-V3 Portal

In view of the upcoming launch of 9 Company forms in V3 i.e. DIR3-KYC Web, DIR3-KYC Eform, DPT-3, DPT-4, CHG-1, CHG-4, CHG-6, CHG-8 & CHG-9, LLP V3 portal will not be available from 27th Aug (12:00AM) to 28th Aug (11:59PM). V2 Portal for company filing will remain available.

For details:

https://www.mca.gov.in/content/mca/global/en/notifications-tender/newsupdates/updates.html