Brief Notes-Exemptions to Specified IFSC Public Company

Applicability	**:**	**Specified IFSC Public Company**
Compliances Covered:		**Companies Act, 2013 read with MCA circular & notification**
Financial Year	**:**	**2023-24**

“Specified IFSC Public Company:

An unlisted public company which is licensed to operate by the Reserve Bank of India or the Securities and Exchange Board of India or the Insurance Regulatory and Development Authority of India from the International Financial Services Centre located in an approved multi services Special Economic Zone set-up under the Special Economic Zones Act, 2005 (28 of 2005) read with the Special Economic Zones Rules, 2006;

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SI. No.	Nature of Compliances /Exceptions/ Modifications / Adaptations	Relevant provision of the subject matter	Provisions of the Companies Act, 2013
1.	In clause (41), after the second proviso, the following proviso shall be inserted, namely:- “Provided also that in case of a Specified IFSC Public company, which is a subsidiary of a foreign company, the financial year of the subsidiary may be same as the financial year of its holding company and approval of the Tribunal shall not be required.”	Definition of Financial Year	Chapter I, Sec. 2(41)
2.	Shall not apply with respect to Sec. 188.	Definition of Related Party	Chapter I, Sec. 2(76)(viii)
3.	In sub-Sec. (2), the following proviso shall be inserted, namely:- “Provided that a Specified IFSC Public company shall be formed only as a company limited by shares.”	Formation of Company	Chapter II, Sec. 3(2)
4.	In clause (a) of sub-Sec. (1), after the proviso, the following proviso shall be inserted, namely:- “Provided further that a Specified IFSC Public company shall have the suffix “International Financial Service Company” or “IFSC” as part of its name.”	Name of Company	Chapter II, Sec. 4(1)(a)
5.	In clause (c) of sub-Sec. (1) of Sec. 4, the following proviso shall be inserted, namely:- “Provided that a Specified IFSC Public company shall state its objects to do financial services activities, as permitted under the Special Economic Zones Act, 2005 read with the Special Economic Zones Rules, 2006 and any matter considered necessary in furtherance thereof, in accordance with license to operate, from International Financial Services Centre located in an approved multi services Special Economic Zone, granted by the Reserve Bank of India or the Securities and Exchange Board of India or the Insurance Regulatory and Development Authority of India.”.	Objects of Company	Chapter II, Sec. 4(1)(c)

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6.	In sub-Sec. (1), the following proviso shall be inserted, namely:- “Provided that a Specified IFSC Public company shall have its registered office at the International Financial Services Centre located in the approved multi services Special Economic Zone set-up under the Special Economic Zones Act, 2005 read with the Special Economic Zones Rules, 2006, where it is licensed to operate, at all times.”.	Registered Office of Company	Chapter II, Sec. 12(1)
7.	For the words “thirty days” read as “sixty days”.	Registered Office of Company	Chapter II, Sec. 12(2)
8.	For the words “fifteen days” read as “sixty days”.	Registered Office of Company	Chapter II, Sec. 12(4)
9.	For sub-Sec. (5), the following sub-Sec. shall be substituted, namely:- “(5) Except on the authority of a resolution passed by the Board of Directors, the registered office of the Specified IFSC Public company shall not be changed from one place to another within the International Financial Services Centre: Provided that a Specified IFSC Public company shall not change the place of its registered office to any other place outside the International Financial Services Centre.”.	Registered Office of Company	Chapter II, Sec. 12(5)
10.	For the words “an officer” read as “an officer or any other person”.	Authentication of Documents, Proceedings and Contracts	Chapter II, Sec. 21
11.	Shall not apply.	Private Placement	Chapter III Part - II Sec. 42(3) & (7)
12.	For the words “sixty days” read as “ninety days”.	Private Placement	Chapter III Part - II Sec. 42(6)
13.	Shall not apply to a Specified IFSC public company, where memorandum of association or articles of association of such company provides for it.	Kinds of Share Capital	Chapter IV, Sec. 43
14.	Shall not apply to a Specified IFSC public company, where memorandum of association or articles of association of such company provides for it.	Voting Rights	Chapter IV, Sec. 47
15.	Shall not apply.	Issue of Sweat Equity Shares	Chapter IV, Sec. 54(1)(c)

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16.	In sub-Sec. (4), after the proviso, the following proviso shall be inserted, namely:- “Provided further that a Specified IFSC Public company shall deliver the certificates of all securities to subscribers after incorporation, allotment, transfer or transmission within a period of sixty days.”	Transfer and Transmission of Securities	Chapter IV, Sec. 56(4)
17.	In clause (a) of sub-Sec. (1), the following proviso shall be inserted, namely:- “Provided that notwithstanding anything contained in sub-clause (i), in case of a Specified IFSC public company, the periods lesser than those specified in the said sub-clause shall apply if ninety per cent. of the members have given their consent in writing or in electronic mode.”.	Right issue	Chapter IV, Sec. 62(1)(a)
18.	For the words “special resolution” read as “ordinary resolution”.	employees' stock option Scheme	Chapter IV, Sec. 62(1)(b)
19.	Shall not apply to a Specified IFSC public company- (a) in whose share capital no other body corporate has invested any money; (b) if the borrowings of such company from banks or financial institutions or any body corporate is less than twice of its paid up share capital or fifty crore rupees, whichever is lower; and (c) such a company is not in default in repayment of such borrowings subsisting at the time of making transactions under this Sec..	Restrictions on Purchase by Company or Giving of Loans by it for Purchase of its Shares	Chapter IV, Sec. 67
20.	Shall not apply to a Specified IFSC public company which accepts from its members, monies not exceeding one hundred per cent. of aggregate of the paid up share capital and free reserves, and such company shall file the details of monies so accepted to the Registrar in such manner as may be specified.	Conditions for acceptance of deposits from its members	Chapter V, Sec. 73(2)(a) to (e)

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21.	In sub-Sec. (1), the following proviso shall be inserted, namely:- “Provided that in case of a Specified IFSC Public company, the Registrar may, on an application by the company, allow such registration to be made within a period of three hundred days of such creation on payment of such additional fees as may be prescribed.”	Satisfaction of Charge	Chapter VI, Sec. 82(1)
22.	For the words “thirty days” read as “sixty days”.	Declaration in Respect of Beneficial Interest in any Share	Chapter VII, Sec. 89(6)
23.	Shall not apply.	Annual Return on Website of Company	Chapter VII, Sec. 92(3)
24.	In sub-Sec. (1), the following proviso shall be inserted, namely:- “Provided that in case of a Specified IFSC Public company, the Board may subject to the consent of all the shareholders, convene its extraordinary general meeting at any place within or outside India.”.	Place of Annual General Meeting	Chapter VII, Sec. 100(1)
25.	Shall apply in case of a Specified IFSC public company, unless otherwise specified in the articles of the company.	Provisions related to notice, quorum, chairman and method of voting etc.	Chapter VII, Sec.s 101 to 107 and Sec. 109
26.	For the words “thirty days” read as “sixty days”.	Resolutions and Agreements to be Filed	Chapter VII, Sec. 117(1)
27.	Shall not apply.	Resolutions and Agreements to be Filed-Power of Board	Chapter VII, Sec. 117(3)(g)
28.	In sub-Sec. (1), the following proviso shall be inserted, namely:- “Provided that in case of a Specified IFSC Public company, the minutes of every meeting of its Board of Directors or of every committee of the Board, to be prepared and signed in the manner as may be prescribed under sub Sec. (1) at or before the next Board or committee meeting, as the case may be and kept in books kept for that purpose.”.	Minutes of Proceedings of General Meetings, Postal Ballot, Board Meetings & committees	Chapter VII, Sec. 118(1)
29.	Shall not apply.	Applicability of Secretarial Standards	Chapter VII, Sec. 118(10)

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30.	In sub-Sec. (3), the following proviso shall be inserted, namely:- “Provided that in case of a Specified IFSC Public company, if any information listed in this sub-Sec. is provided in the financial statement, the company may not include such information in the report of the Board of Directors.”	Report of the Board of Directors	Chapter IX , Sec. 134(3)
31.	Shall not apply for a period of five years from the commencement of business of a Specified IFSC Public company.	Corporate Social Responsibility	Chapter IX , Sec. 135
32.	Shall apply if the articles of the company provides for the same.	Internal Auditors	Chapter IX , Sec. 138
33.	For the words “fifteen days” read as “thirty days”.	Appointment of Statutory Auditors	Chapter X, 4th proviso to Sec. 139(1)
34.	Shall not apply.	Rotation of Statutory Auditors	Chapter X, All provisos to Sec. 139(2)
35.	In sub-Sec. (1), after the proviso, the following proviso shall be inserted, namely:- “Provided further that in case of a Specified IFSC Public company, where, within a period of sixty days from the date of submission of the application to the Central Government under this sub-Sec., no decision is communicated by the Central Government to the company, it would be deemed that the Central Government has approved the application and the company shall appoint new auditor at a general meeting convened within three months from the date of expiry of sixty days period.”.	Removal of Statutory Auditors	Chapter X, Sec. 140(1)
36.	Shall not apply.	Requirement of one woman director	Chapter XI, 2nd proviso to Sec. 149(1)
37.	In sub-Sec. (3), the following proviso shall be inserted, namely:- “Provided that this sub-Sec. shall apply to the Specified IFSC Public company in respect of financial years other than the first financial year from the date of its incorporation.”.	Resident Director	Chapter XI, Sec. 149(3)
38.	Shall not apply.	Provisions regarding appointment, eligibility criteria, tenure and remuneration etc. of Independent Director	Chapter XI, Sec. 149 (4) to (11) & 149(12) and 149(13)

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39.	For the words "thirty days" read as "sixty days".	Requirement of filing of form DIR-12	Chapter XI, Sec. 152(5)
40.	Shall not apply.	Rotation of Directors in AGM	Chapter XI, Sec. 152(6) & (7)
41.	Shall apply as per the articles framed by the company.	Right of Persons Other than Retiring Directors to Stand for Directorship	Chapter XI, Sec. 160
42.	In sub-Sec. (3), the following proviso shall be inserted, namely:- "Provided that in case of a Specified IFSC Public company, the Board may appoint, any person nominated by any institution or company or body corporate as a director in pursuance of the provisions of any law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a Government company.".	Appointment of Nominee Director	Chapter XI, Sec. 161(3)
43.	Shall not apply.	Appointment of Directors to be Voted Individually	Chapter XI, Sec. 162
44.	For the word "shall" read as "may"	Requirement of filing of form DIR-11 on resignation of Director	Chapter XI, Proviso to Sec. 168(1)
45.	For the words "thirty days" at both places read as "sixty days".	Requirement of filing of form DIR-12 on appointment of Directors and key Managerial Personnel	Chapter XI, Sec. 170(2)
46.	In sub-Sec. (1), after the proviso, the following proviso shall be inserted, namely:- "Provided further that a Specified IFSC Public company shall hold the first meeting of the Board of Directors within sixty days of its incorporation and thereafter hold at least one meeting of the Board of Directors in each half of a calendar year."	Numbers of Meeting of Board	Chapter XII, Sec. 173(1)
47.	Shall apply with the exception that interested director may participate in such meeting provided the disclosure of his interest is made by the concerned director either prior or at the meeting.	Quorum in case of Interested Director	Chapter XII, Sec. 174(3)

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48.	Shall not apply.	Provisions of Audit Committee & Vigil Mechanism	Chapter XII, Sec. 177
49.	Shall not apply.	Provisions of Nomination and Remuneration & Stakeholders Relationship Committee	Chapter XII, Sec. 178
50.	In sub-Sec. (3), after the second proviso, the following proviso shall be inserted, namely:- "Provided also that in case of a Specified IFSC Public company, the Board can exercise the powers by means of resolutions passed at the meetings of the Board or through resolutions passed by circulation."	Powers to be exercised at meeting of board only	Chapter XII, Sec. 179(3)
51.	Shall apply in case of a Specified IFSC public company, unless the articles of the company provides otherwise.	Restrictions on Powers of Board.	Chapter XII, Sec. 180
52.	Shall apply with the exception that interested director may participate in such meeting provided the disclosure of his interest is made by the concerned director either prior or at the meeting.	Participation in Board Meeting by Interested Director	Chapter XII, Sec. 184(2)
53.	In the Explanation, for clause (c), the following clause shall be substituted, namely:- "(c) any private company of which any such director is a director or member in which director of the lending company do not have direct or indirect shareholding through themselves or through their relatives and a special resolution is passed to this effect.".	Loan to Director etc.	Chapter XII, Sec. 185(1)
54.	Shall not apply.	Restrictions on Layers of investment companies	Chapter XII, Sec. 186(1)
55.	Shall not apply, if a company passes a resolution either at meeting of the Board of Directors or by circulation.	Requirement of passing special resolution	Chapter XII, Sec. 186(2) & (3)

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56.	In sub-Sec. (5), after the proviso, the following proviso shall be inserted, namely:- “Provided further that in case of a Specified IFSC Public company, the Board can exercise powers under this sub-Sec. by means of resolutions passed at meetings of the Board of Directors or through resolutions passed by circulation.”	Consent of all the directors present at the meeting	Chapter XII, Sec. 186(5)
57.	Shall not apply.	Restriction for members on voting	Chapter XII, 2nd proviso to Sec. 188(1)
58.	Shall not apply.	Appointment of Managing Director, Whole-time Director or Manager	Chapter XIII, Sec. 196(4)
59.	Shall not apply.	Overall Maximum Managerial Remuneration	Chapter XIII, Sec. 197

Link of circulars/notifications referred under this assignment:

1. **MCA notification dated 04.06.2017**
   https://ebook.icsi.edu/notificationdetail.aspx?acturl=6CoJDC4uKVUR7C9Fl4rZdatyDbeJTqg3ks3gwg9KmdTHOB/K5jVGhQ==

2. **MCA general Circular dated 10.03.2015**
   https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTM3MDk=&docCategory=NotificationandCirculars&type=open

SI. No.	Nature of Compliance	Timeline	Provisions applicable
1.	Disclosure of Interest by Directors **[Form MBP-1]**	At the 1st BM in every Financial year; and At 1st BM, if any changes, therein	Sec. 184 read with Rule 9 of the Companies (Meetings of Board and its Powers) Rule, 2014
2.	Intimation by Director about disqualification **[Simple Declaration/ DIR-8]**	To be obtained on 31st March	Sec. 164(2) read with Rule 14(1) of the Companies (Appoint. & Qualifications) Rules, 2014
3.	Declaration of Independence **[Simple Declaration]**	At the 1st BM in every Financial year; and At 1st BM, if any changes, therein	Sec. 149(7)
4.	Director's KYC **[Form DIR-3 KYC / Web KYC]**	On or before 30th September of immediate next financial year	Sec. 153 read with Rule 12A of the Companies (Appoint. & Qualifications) Rules, 2014
5.	Return of Deposits and/or Outstanding Loans other than deposits **[Form DPT-3]**	On or before 30th June every year	Sec. 73 read with Rule 16 of the Companies (Acceptance of Deposits) Rules, 2014
6.	Declaration by Significant Beneficial Owner **[Form BEN-1]**	Within 30 days of acquiring the Significant Beneficial Owners or any changes therein.	Sec. 90(1) read with Rule 3 of the Companies (Significant Beneficial Owners) Rules, 2018
7.	Return to Registrar in respect of Declaration by Significant Beneficial Owners **[Form BEN-2]**	Within 30 days from the date of receipt of declaration	Sec. 90(4) read with Rule 4 of the Companies (Significant Beneficial Owners) Rules, 2018
8.	Filing of Audited Financial Statements along with the Director's Report and Auditor's Report **[Form AOC-4 XBRL/ (CFS) (XBRL)]**	Within 30 days from the date of Annual General Meeting	Sec. 129, 134 and 137 read with Rule 12 of the Companies (Accounts) Rules, 2014
9.	Filing of Annual Return **[Form MGT-7/7A]**	Within 60 days from the date of Annual General Meeting or last of Annual General Meeting should have been held	Sec. 92 read with Rule 11 of the Companies (Management and Administration) Rules, 2014
10.	Appointment of Cost Auditor **[Form CRA-2]**	Within 30 days of the Board Meeting in which appointment was made or 180 days of the commencement of every financial year, whichever is earlier	Sec. 148 read with Rule 6(1) of the Companies (Cost Records and Audit) Rules, 2014
11.	Filing of Cost Audit Report **[Form CRA-4 (XBRL)]**	Within 30 days of the receipt of Cost Audit Report	Sec. 148 read with Rule 6(6) of the Companies (Cost Records and Audit) Rules, 2014

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12.	Notice to the Registrar for appointment of Statutory Auditor **[Form ADT – 1]**	Within 30 days from the date of Annual General Meeting	Sec. 139(1) read with Rule 4(2) of the Companies (Audit and Auditors) Rules, 2014
13.	Return in respect of outstanding payments to Micro or Small Enterprise **[Form MSME-1]**	Within 1 month from the conclusion of each half year.	Sec. 405 read with MCA Notification dated 22.01.2019
14.	Statement of unclaimed and unpaid amounts and details of Nodal Officer	Within a period of 60 days of Annual General Meeting	Rule 5 (8) of IEPF Authority (Accounting, Audit, Transfer, and Refund) Rules, 2016
15.	Report on Annual General Meeting **[Form MGT-15]**	Within 30 days from the date of Annual General Meeting	Sec. 121 read with Rule 31 the Companies (Management and Administration) Rules, 2014
16.	Resignation of Statutory Auditors **[Form ADT-3]** **[Generally filed by Statutory Auditors himself]**	Within 30 days from the date of resignation	Sec. 140(2) read with Rule 8 of the Companies (Audit and Auditors) Rules, 2014
17.	Particulars of appointment of Directors & KMP changes among them **[Form DIR-12]**	Within 60 days from the date of Appointment /Resignation /Removal	Sec. 168 & 170 read with Rule-15 & 18 Companies (Appointment and Qualifications of Directors) Rules, 2014
18.	Return of appointment of managerial personnel [Managing Director, Whole Time Director or Manager] **[Form MR-1]** **Optional**	Within 60 days of the appointment Remuneration of Managerial Personnel) Rules 2014]	Sec. 196 read with Rule 3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014]
19.	Appointment of Secretarial Auditor **[Form MGT-14]**	Within 60 days of the appointment	Sec. 204, 179 & 117 read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
20.	Appointment of Internal Auditor **[Form MGT-14]** **Sec. 138 shall apply if articles provides for the same.**	Within 60 days of the appointment	Sec. 138, 179 & 117
21.	Appointment of Company Secretary **[Form MGT-14]** **[Form DIR-12]**	Within 60 days of the appointment	Sec. 203, 179 & 117 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
22.	Resignation of Director **[Form DIR-11]** **[Generally filed by Director himself]**	Within 30 days of the resignation	Sec. 168 read with Rule-16 Companies (Appointment and Qualifications of Directors) Rules, 2014

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23.	Removal of Statutory Auditors **[Form ADT-2]**	Within 30 days from the date of resolution passed by the Board.	Sec. 140(1) read with Rule 7 of the Companies (Audit and Auditors) Rules, 2014
24.	Reconciliation of Securities Capital Audit Report **[Form PAS-6]**	Within 60 days from the conclusion of each half year	Sec. 42 read with Rule 9A of Companies (Prospectus and Allotment of Securities) Rules, 2014
25.	Intimation about disqualification of Director by Company to RoC **[Form DIR-9]**	Within 30 days of receipts of form DIR-8	Sec. 164(2) read with Rule 14(1) of the Companies (Appoint. & Qualifications) Rules, 2014
26.	Intimation of creation of Charge by Company to RoC **[Form CHG-1]**	Within 30 days of creation	Sec. 77(1) read with Rule 3(1) of the Companies (Registration of Charges) Rules, 2014
27.	Intimation of modification of Charge by Company to RoC **[Form CHG-1]**	Within 30 days of modification	Sec. 77(1) read with Rule 3(1) of the Companies (Registration of Charges) Rules, 2014
28.	Intimation of satisfaction of Charge by Company to RoC **[Form CHG-4]**	Within 30 days of payment /satisfaction	Sec. 82(1) read with Rule 8(1) of the Companies (Registration of Charges) Rules, 2014
29.	Intimation of appointment of Receiver or Manager by Company to RoC **[Form CHG-6]**	Within 30 days of making of appointment	Sec. 84(1) read with Rule 9 of the Companies (Registration of Charges) Rules, 2014
30.	Report on Corporate Social Responsibility (CSR) for financial year 2022-2023 **[Form CSR-2]** **Sec. 135 shall not apply or a period of five years from the commencement of business**	On or before 31st March, 2024 after filing Form No. AOC-4/AOC-4 XBRL	Sec. 129, 134 and 137 read with Rule 12 of the Companies (Accounts) Rules, 2014
31.	Statement or information of unclaimed and unpaid amounts **[Form IEPF-2]**	Within 60 days from the date of Annual General Meeting or last of Annual General Meeting should have been held	Sec. 124(5) read with rule 5(8) of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016
32.	Notice of change of the situation of the registered office **[Form INC-22]**	Within 60 days from the date of change of registered office	Sec. 12(4) read with rule 27 of Companies (Incorporation) Rules, 2014
33.	Notice of change verification of its registered office **[Form INC-22]**	Within 60 days from the date of incorporation	Sec. 12(4) read with rule 25 of Companies (Incorporation) Rules, 2014
34.	Minimum 1 Resident Director	For Specified IFSC Private company in respect of financial years other than the first financial year from the date of its incorporation	Sec. 149(3)

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35.	Allotment of Securities (Private Placement)	Within 90 days from the date of receipt of the application money	Sec. 42(6)
36.	Resolutions and Agreements to be Filed **[Form MGT-14]**	Within 60 days of resolution passed or agreement entered	Sec. 117(1)
37.	Consent to act as a Director **[Form DIR-2)** **[Filing in Form DIR-12]**	Within 60 days from the date of appointment	Sec. 152(5) read with rule 8 of the Companies (Appointment and Qualifications of Directors) rules, 2014

Thank you so much & best wishes for future

Shree Radhe Krishna…

Sharing is Caring always…

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