



Info Capsule

MCA NOTIFIES REVISED SPICe FORM¹

MCA has issued notice to the stakeholders regarding - SPICe form which is likely to be revised, due to implementation of GST, on MCA21 Company Forms Download page.

The revised e-form shall be available on the MCA portal w.e.f July 1, 2017. Stakeholders are advised to check the latest version before filing.

Further, fees for the below mentioned has been revised due to GST w.e.f July 1 2017.

- PAN fee shall be revised from INR 107 to INR 110 and
- TAN fee from INR 63 to INR 65

RECORDING OF NON DISPOSAL UNDERTAKING (NDU) IN THE DEPOSITORY SYSTEM²

SEBI has allowed depositories to offer a system for recording of non-disposal undertaking (NDU). In this direction, the depositories are advised the following:

- Depositories shall develop a separate module/ transaction type in their system for recording NDUs.
- Both parties to the NDU shall have a demat account with the same depository and be KYC compliant.
- Pursuant to entering the NDU, the Beneficial Owner (BO) along with the other party shall make an application through the participant (where the BO holds his securities) to the depository, for the purpose of recording the NDU transaction.

¹ Available at: <http://www.mca.gov.in/>

² Available at http://www.sebi.gov.in/legal/circulars/jun-2017/recording-of-non-disposal-undertaking-ndu-in-the-depository-system_35106.html

- The application shall necessarily include details of BO ID, PAN, email-id, signature(s), name of the entity in whose favour such NDU is entered and the quantity of securities. Such entity in whose favour NDU is entered shall also authorize the participant of the BO holding the shares, to access the signatures as recorded in that entity's demat account.
- The participant after being satisfied that the securities are available for NDU shall record the NDU and freeze for debit the requisite quantity of securities under NDU in the depository system. .
- The depositories shall make suitable provisions for capturing the details of BO ID and PAN of the entity in whose favour such NDU is entered by the participant. The depositories shall also make available to the said participant, the details of authorized signatories as recorded in the demat account of the entity in whose favour such NDU is entered.
- On creation of freeze in the depository system, the depository/ participant of the BO holding shares, shall inform both parties of the NDU regarding creation of freeze under NDU.
- The depositories shall make suitable provisions for capturing the details of company/ promoters if they are part of the NDU.
- In case if the participant does not create the NDU, it shall intimate the same to the parties of the NDU along with the reasons thereof.
- Once the freeze for debits is created under the NDU for a particular quantity of shares, the depository shall not facilitate or effect any transfer, pledge, hypothecation, lending, rematerialisation or in any manner alienate or otherwise allow dealing in the shares held under NDU till receipt of instructions from both parties for the cancellation of NDU.
- The entry of NDU made as per para 5.5 above may be cancelled by the depository/ participant of the BO through unfreeze of specified quantity if parties to the NDU jointly make such application to the depository through the participant of the BO.
- On unfreeze of shares upon termination/ cancellation of NDU, the depository shall inform both parties of the NDU in the form and manner agreed upon at the time of creating the freeze. The unfreeze shall be effected in the depository system after a cooling period of 2 clear business days but no later than 4 clear business days.

The freeze and unfreeze instructions executed by the Participant for recording NDUs will be subject to 100% concurrent audit. The DPs shall not facilitate or be a party to any NDU outside the depository system as outlined herein.

Team ICSI

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