



Companies Amendment Rules, 2021 : Revision in the threshold for paid up capital and turnover for Small Companies

The MCA vide Companies (Specification of Definition details) Amendment Rules 2021 has revised the threshold for paid up capital and turnover for small companies. For the purposes of sub-clause (i) and sub-clause (ii) of clause (85) of section 2 of Companies Act, 2013 paid up capital and turnover of the small company shall not exceed rupees two crores and rupees twenty crores respectively. These rules shall come into force on April 1, 2021

Source: [MCA circular](#) dated 01.02.2021

Amendment in Companies Incorporation Rules

MCA vide Companies (Incorporation) Second Amendment Rules, 2021 has amended the sub-rule 1 of rule 3 by substituting the “whether resident in India or otherwise” in place of “and resident in India”.

MCA has also amended the explanation by substituting the words “one hundred and twenty days” in place of “one hundred and eighty-two days”.

MCA further amended Companies (Incorporation) Second Amendment Rules, 2021 by revising the Rules 6 related to One Person Company to Convert Itself into a Public Company or a Private Company and Rule 7 related to Conversion of private company into One Person Company.

Source: [MCA circular](#) dated 01.02.2021

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