

21 Conditions for Conversion of a Company Registered Under [Section 8](#) into a Company of Any Other Kind

(1) A company registered under [section 8](#) which intends to convert itself into a company of any other kind shall pass a special resolution at a general meeting for approving such conversion.

(2) The explanatory statement annexed to the notice convening the general meeting shall set out in detail the reasons for opting for such conversion including the following, namely:-

(a) the date of incorporation of the company;

(b) the principal objects of the company as set out in the memorandum of association;

(c) the reasons as to why the activities for achieving the objects of the company cannot be carried on in the current structure i.e. as a [section 8](#) company;

(d) if the principal or main objects of the company are proposed to be altered, what would be the altered objects and the reasons for the alteration;

(e) what are the privileges or concessions currently enjoyed by the company, such as tax exemptions, approvals for receiving donations or contributions including foreign contributions, land and other immovable properties, if any, that were acquired by the company at concessional rates or prices or gratuitously and, if so, the market prices prevalent at the time of acquisition and the price that was paid by the company, details of any donations or bequests received by the company with conditions attached to their utilization etc.

(f) details of impact of the proposed conversion on the members of the company including details of any benefits that may accrue to the members as a result of the conversion.

(3) A certified true copy of the special resolution along with a copy of the Notice convening the meeting including the explanatory statement shall be filed with the Registrar in [Form No.MGT.14](#) along with the fee

(4) The company shall file an application in [Form No.INC.18](#) with the Regional Director with the fee along with a certified true copy of the special resolution and a copy of the Notice convening the meeting including the explanatory statement for approval for converting itself into a company of any other kind and the company shall also attach the proof of serving of the notice served to all the authorities mentioned in sub-rule (2) of [rule 22](#).

(5) A copy of the application with annexures as filed with the Regional Director shall also be filed with the Registrar.

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