

## **Nidhi Amendment Rules 2019 - All About NDH-4 - Meaning, procedure and filings**

If you are running a Nidhi Company and already frustrated with the amount of compliance you face, we have bad news for you. The government of India has amended the original Nidhi rules 2014 by through [Nidhi \(amendment\) rules 2019](#). With new rules, the government has also introduced a brand new compliance form, NDH 4 which is required to be filed by every Nidhi Company.

Let us understand all about NDH - 4.

### **What is NDH - 4 form?**

NDH - 4 is the recently introduced compliance form under Nidhi (amendment) rules, 2019. The form has been introduced by the government to make sure that every Nidhi Company must declare itself that it has been complying with all the prescribed rules and regulations to the government.

### **Claim status of Nidhi and Not incorporation after 15th August 2019**

The new Nidhi rules have changed the basic status of Nidhi Companies. Now, companies have to claim the Nidhi status by filing NDH-4 form instead of registration. It is one of the most important changes because if it in case a company does not follow the Nidhi rules, then it will lose the Nidhi status.

### **When to file - Due date for filing NDH-4?**

The due date for filing the NDH-4 form is as follows;

Particulars	Due date
For every new Nidhi company	Within sixty days after the expiry of one year from the date of its incorporation
For every existing company	Within a period of one year from its date of incorporation OR within a period of six months from the date of commencement of Nidhi rules 2019, whichever is later

## Content of NDH-4 form

The content of NDH-4 is important because through this, the government will be looking at the important aspects of Nidhi rule, 2014 and if any deviation is found from the rules, the penal actions or Nidhi status cancellation may come into play.

Therefore it is important to understand all the required information of NDH 4 form;

- **Number of members:** Members are most important aspect of Nidhi Company because it is authorised to work only with members and no one else. Further, members are the persons who own at least one share of the company and as per rules; a Nidhi must have minimum 200 members in its list. Hence, members on papers shall not be counted as members until they hold the valid shares of the company and a proper PAS 3 return has been filed.
- **Activities not permitted:** If your MOA contains objectives which are not allowed to Nidhi Company, then those objectives are to be reported.
- **Dealing with public:** If you have dealt with clients other than members, you need to report that in the form.
- **Complied with rules:** If the company has not complied with the rules, it needs to report it in the form.
- **Details of branches:** If you have opened any branch of Nidhi Company without approval, then you need to report that as well. It has been observed by the government that various Nidhi Companies are operating at different location without approvals and hence, reporting them may invite penal actions.

- **Important Attachments:** Other than the above details, a Nidhi Company also has to attach the following attachments;
  - Copy of resolution to request for Nidhi status.
  - List of members certified by two directors
  - Auditor certificate
  - Copy of notification issued under previous company law. Companies registered after 2014, can attached their COI.

## Conclusion

This form is one of the most important form because government will be keeping eyes on your activity through this form. So, be alert, comply and [file NDH 4](#) form on time.



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