

(i) Puresoft Solutions Private Limited is incorporated in Singapore and more than 60% of the paid up share capital is held by two citizens of India who are Software Engineers. The company wants to open a branch office in Kolkata. Determine the status of Puresoft Solutions as per the provisions of the Companies Act, 2013.

Requirement of holding of paid up share capital [Section 379 (2) of the Companies Act, 2013]:

Where not less than 50% of the paid-up share capital, whether equity or preference or partly equity and partly preference, of a foreign company is held by:

- (i) one or more citizens of India; or
- (ii) by one or more companies or bodies corporate incorporated in India; or
- (iii) by one or more citizens of India and one or more companies or bodies corporate incorporated in India,

whether singly or in the aggregate, such company shall comply with the provisions of Chapter XXII and such other provisions of this Act as may be prescribed with regard to the business carried on by it in India as if it were a company incorporated in India. [Section 379(2)]

In the instant case, Puresoft Solutions Private Limited is a Foreign Company and has to comply with the provisions of Chapter XXII i.e. legal provisions for companies incorporated outside India.