

# **REFRESHER COURSE ON COMPANIES ACT, 2013 BY WIRC OF ICAI**

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**Annual Compliances under  
Companies Act, 2013**

**By**

**Ranganayaki Rangachari  
FCA,ACS,ACMA,IP,RV**

- E-mail:  
[ranganayaki@rituranganayaki.in](mailto:ranganayaki@rituranganayaki.in)



# BACKGROUND OF AMENDMENTS

To promote ease of doing business and ease of living



Instituting transparent and technology driven in-house mechanism by minimizing physical interface



Enhancing corporate compliances and corporate governance

# WHY TO COMPLY IN TIME?

- **403. Fee for filing, etc.—(1)** Any document, required to be submitted, filed, registered or recorded, or any fact or information required or authorised to be registered under this Act, shall be submitted, filed, registered or recorded within the time specified in the relevant **provision on payment of such fee as may be prescribed:**
- Provided that where any document, fact or information required to be submitted, filed, registered or recorded, as the case may be, **under section 92 or 137** is not submitted, filed, registered or recorded, as the case may be, within the period provided in those sections, without prejudice to any other legal action or liability under this Act, it may be submitted, filed, registered or recorded, as the case may be, after expiry of the period so provided in those sections, on payment of such additional fee as may be prescribed, which shall **not be less than one hundred rupees per day and different amounts may be prescribed for different classes of companies:**

# WHY TO COMPLY IN TIME?

- What is section 92 ?- Annual Return – MGT 7/7A
- What is Section 137 –Financial Statements – AOC-4
- Late filing of the above 2 forms will cost Rs.100 per day
- So late filing of these 2 forms will be very costly affair

# WHY TO COMPLY IN TIME?

Provided further that where the document, fact or information, as the case may be, in cases other than referred to in the first proviso, is not submitted, filed, registered or recorded, as the case may be, within the period provided in the relevant section, it may, without prejudice to any other legal action or liability under this Act, be submitted, filed, registered or recorded as the case may be, on payment of such **additional fee as may be prescribed and different fees may be prescribed** for different classes of companies:

w.e.f :1/7/22

Provided also that where there is **default on two or more occasions in submitting**, filing, registering or recording of such document, fact or information, as may be prescribed, it may, without prejudice to any other legal action or liability under this Act, be submitted, filed, registered or recorded, as the case may be, on payment of such **higher additional fee**, as may be prescribed.

[(2) Where a company fails or commits any default to submit, file, register or record any document, fact or information under sub-section (1) before the expiry of the period specified in the relevant section, **the company and the officers of the company who are in default**, shall, without prejudice to the liability for the payment of fee and additional fee, **be liable for the penalty or punishment** provided under this Act for such failure or default.



# Fee payable

TABLE

Sl. No.	Period of delays	Additional fee as a multiple of normal fees	Higher additional fee as a multiple of normal fees (for certain cases)
(1)	(2)	(3)	(4)
1.	Upto 15 days (sections 139 and 157)	One time of normal fees	-
2.	More than 15 days and upto 30 days (Section 139 and 157) and upto 30 days in remaining forms.	2 times of normal filing fees	3 times of normal filing fees
3.	More than 30 days and upto 60 days	4 times of normal filing fees	6 times of normal filing fees
4.	More than 60 days and upto 90 days	6 times of normal filing fees	9 times of normal filing fees
5.	More than 90 days and upto 180 days	10 times of normal filing fees	15 times of normal filing fees
6.	Beyond 180 days	12 times of normal filing fees	18 times of normal filing fees

# COMPANIES ( REGISTRATION OFFICES AND FEES) RULES, 2014

- Notified from 11/1/2022
- Fee for filing u/s 403 except Annual filings, Charge filings and Increase in nominal capital
- Higher additional fee introduced
- w.e.f from 1/7/22
- Additional fee increased from 12 times to 18 times
- For 2 or more delay in default in filing of forms
- Form INC 22 & e form PAS -3
- Delay from last 365 days
- If higher additional fee paid then no additional fee payable

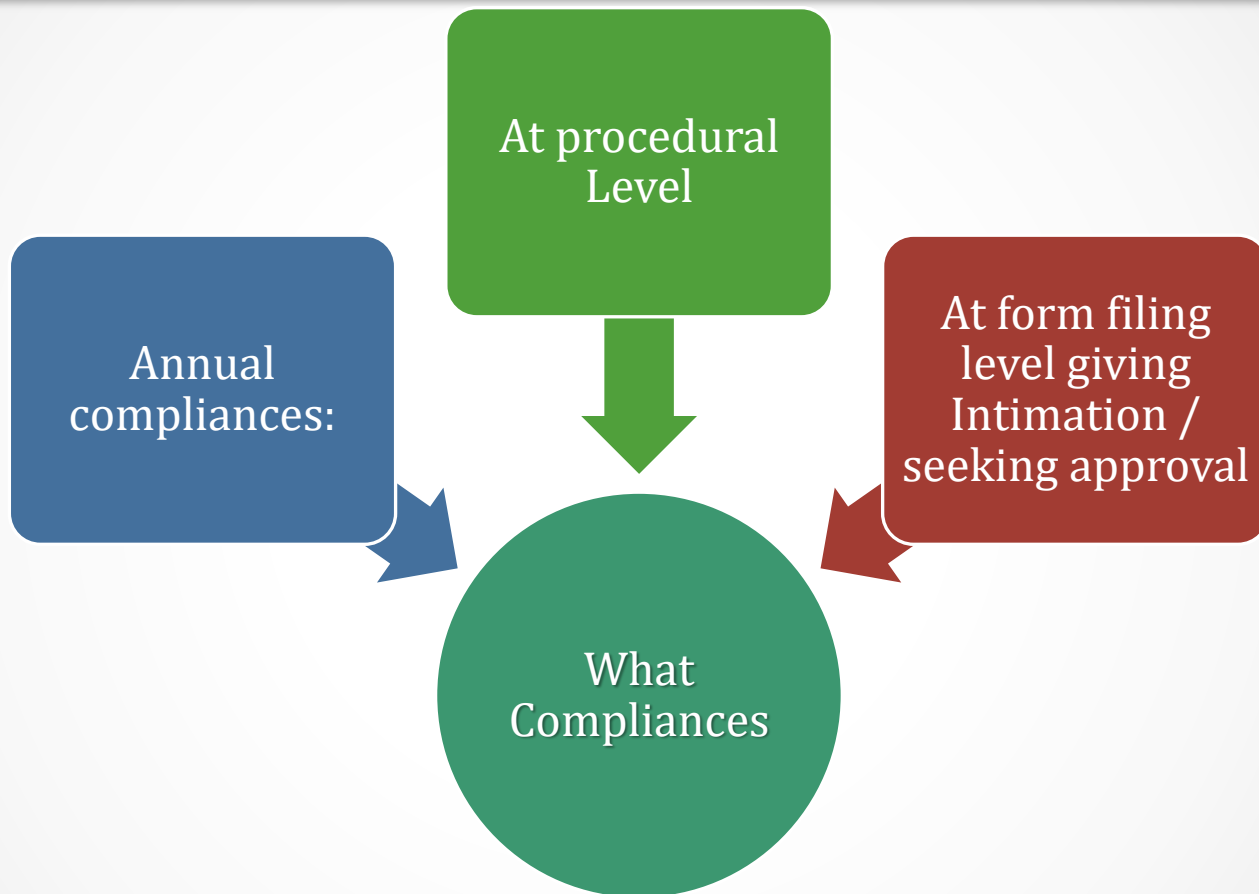
# ONE PERSON COMPANY & SMALL COMPANY

## ➤ Section 446B:

- Notwithstanding anything contained in this Act, if penalty is payable for non-compliance of any of the provisions of this Act by a One Person Company, small company, start-up company or Producer Company, or by any of its officer in default, or any other person in respect of such company, then such company, its officer in default or any other person, as the case may be, shall be liable to a penalty which **shall not be more than one-half of the penalty specified in such provisions subject to a maximum of two lakh rupees in case of a company and one lakh rupees in case of an officer who is in default or any other person**, as the case may be.
- Explanation.—For the purposes of this section-
- (a) "Producer Company" means a company as defined in clause (l) of section 378A;
- (b) "start-up company" means a private company incorporated under this Act or under the Companies Act, 1956 and recognized as start-up in accordance with the notification issued by the Central Government in the Department for Promotion of Industry and Internal Trade.]



# WHAT COMPLIANCES



# WHAT COMPLIANCES

On Incorporation – one time activity

- First Board meeting:
- Opening of bank a/c
- Appoint First auditor to hold office till the conclusion of first AGM
- Issue of share certificates within 2 months
- Taking on record MOA , AOA & COI
- Form 20A – Commencement of Business



# PROCEDURAL COMPLIANCES

Section 184 (1) :- Disclosure of Interest by Directors -Filing of MBP- 1

“(1) Every director shall at the **first meeting of the Board** in which he participates as a director and thereafter at the **first meeting of the Board in every financial year or whenever there is any change in the disclosures already made**, then at the first Board meeting held after such change, disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals which shall include the shareholding, in such manner as may be prescribed.”

- If interest occurs later to be disclosed immediately
- Not to participate in those decisions
- If not disclosed – contract is voidable at the option of the company
- Does not apply to Pvt . Ltd. Company



# PROCEDURAL COMPLIANCES

## **Section 173 :- Meeting of the Board**

1) Every company shall hold the first meeting of the Board of Directors within **thirty days of the** date of its incorporation and thereafter hold a **minimum number of four meetings of its Board of Directors every year** in such a manner that **not more than one hundred and twenty days shall intervene between two consecutive meetings** of the Board:

Provided that the Central Government may, by notification, direct that the provisions of this sub-section shall not apply in relation to any class or description of companies or shall apply subject to such exceptions, modifications or conditions as may be specified in the notification.

“(5) A One Person Company, small company and dormant company shall be deemed to have complied with the provisions of this section if at least one meeting of the Board of Directors has been conducted in **each half of a calendar year and the gap between the two meetings is not less than ninety days**:

Provided that nothing contained in this sub-section and in section 174 shall apply to One Person Company in which there is only one director on its Board of Directors.”

# PROCEDURAL COMPLIANCES

## **Section 164(2) -Disclosure of Non- Disqualification by Directors - DIR -8**

2) No person who is or has been a director of a company which—

(a) has not filed financial statements or annual returns for any continuous period of three financial years; or

(b) has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more,

shall be eligible to be re-appointed as a director of that company or appointed in other company for a period of five years from the date on which the said company fails to do so.

Provided that where a person is appointed as a director of a company which is in default of clause (a) or clause (b), he shall not incur the disqualification for a period of six months from the date of his appointment.

(3) A private company may by its articles provide for any disqualifications for appointment as a director in addition to those specified in sub-sections (1) and (2):

Provided that the disqualifications referred to in clauses (d), (e) and (g) of sub-section (1) shall continue to apply even if the appeal or petition has been filed against the order of conviction or disqualification.

# PROCEDURAL COMPLIANCES

## Section 149(6) - Declaration by independent director

- First Board Meeting or first meeting as Independent director
- Declaration that he meets the criteria of independence as provided in sub-section (6)
- Not a Promoter/ relative of promoter/ no pecuniary interest beyond 10%/relatives not holding interest/indebted /guarantee/ pecuniary transactions beyond 2%/ himself or relatives – auditors/CS/consultants in the past 3 years/2% n more voting rights
- Applicable to Listed Company & Public Company meeting the Criterion



# MAINTENANCE OF MINUTES BOOK & STATUTORY REGISTERS

- Minutes book of AGM, EGM
- Minutes book of Board meeting
- Minutes book of Committee meeting
- Register of Members - Section 88(1) & Rule 3 – Companies (Management and Administration ) Rules, 2014 -MGT-1
- Register of Debenture Holders - Section 88(1) & Rule 4 - MGT-2
- Index of Members & Debenture-Holders Section 88(2) & Rule 6
- Register & Index of Beneficial Owner Section 88(3) requires to maintain the Register and Index of Beneficial Owners
- Foreign Register of Members, Debenture Holders, Other Security Holders or Beneficial Owners Residing Outside India Section 88( 4) & Rule 7
- Registers of Renewed & Duplicate Share Certificates Section 46(3) & Rule 6 - SH-2
- Registers of Sweat Equity Shares Section 54 & Rule 8 - SH-3
- Registers of Employee Stock Option (ESOP) - Section 62 & Rule 12 –SH -6

# MAINTENANCE OF STATUTORY REGISTERS

- Registers of Securities Bought Back - Section 68 - SH-10.
- Registers of Deposits Section 73 & Rule 14 requires to maintain the Register of Deposits providing the details of deposits, interest thereon, tenure etc..
- Registers of Charges -Section 85 - CHG-7.
- Registers of Directors & Key Managerial Personnel (KMP) - Section 170 & Rule 17 Companies (Appointment and Qualification of Directors) Rules- Register of Directors & KMP and their Shareholding describing the Details of Directors such as Name, Address, PAN etc and their shareholding in the Company itself, its Associate Companies, Subsidiary Companies etc.
- Registers of Loan & Guarantee Section 186( 9) & Rule 12 requires to maintain the Register of Loan and Guarantee given, Security provided, Acquisitions - MBP-2
- Registers of Investments of The Company Not Held in Its Own Name Section 187 & Rule 12 -- MBP-3
- Registers of Contracts & Arrangements in Which Directors Are Interested Section 189 & Rule 62 - Part-A Entries regarding interest of Director in other concerns shall be recorded & Part-B Disclosure regarding Related Party Transaction -MBP-4

# STATUTORY FORMS TO BE FILED – DIR3 KYC

Physical form to be filed first time and for change of any basic data

Due by September 30 of every year

Further compliance web KYC

Penalty – Rs.5000 for delay in filing

# STATUTORY FORMS TO BE FILED – MSME 1

- Outstanding dues towards MSME enterprises for more than 45 days
- From the date of receipt of services
- To file form MSME form 1
- Half-yearly return
- Due date October to March – April 30
- Due date April to September - October 31



# STATUTORY FORMS TO BE FILED – DPT -3

- E Form DPT-3 - Return of Deposits
- Particulars of transactions not considered as deposit
- Filed pursuant to rule 16 of the of the Companies (Acceptance of Deposits) Rules, 2014
- Filed by a company

Every company except a government company

Additionally, as per Rule 1(3) of the Companies (Acceptance of Deposits) Rules, 2014, the following companies are also exempt: -

Banking company

Non-Banking Financial Company

A housing finance company registered with National Housing Bank

# STATUTORY FORMS TO BE FILED – DPT -3

Transactions by a company not considered as deposit as per rule 2 (1) (c) of the Companies (Acceptance of Deposits) Rules, 2014:

Transactions not considered as deposits :

- Amount received from the government or foreign government or foreign bank or the amount guaranteed by the government.
- Money received as loan or facility from any Public Financial Institutions or Insurance companies
- Inter corporate deposits
- Loans from director or the company
- Subscriptions to securities
- Unsecured loans
- The amount received by the company from an employee
- The amount received as advance by the company for the supply of goods or provision of services not older than 365 days
- Due by 30<sup>th</sup> June



# SHARE CAPITAL RECONCILIATION AUDIT REPORT- FORM PAS – 6

- Unlisted public companies
- Reporting details and changes in the share capital
- Half yearly basis for each ISIN separately
- Within 60 days of the end of each half year
- Due date to file :

October – March period – 30th May

April – September period – 29th November.



RECONCILIATION OF  
**SHARES CAPITAL**  
**AUDIT REPORT:**  
**FORM PAS 6**

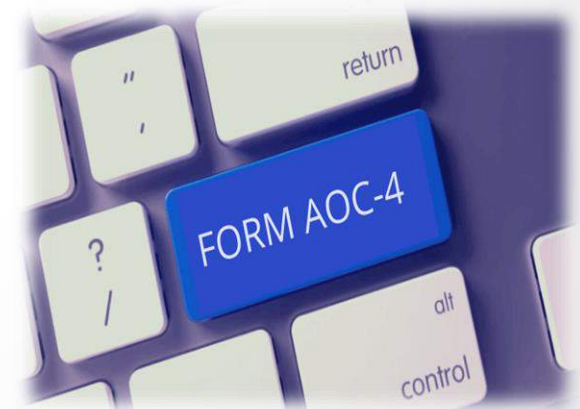
# STATUTORY FORMS TO BE FILED – AOC-4

## FINANCIAL STATEMENTS:

➤ Every company requires to file its Financial Statements along with Consolidated Financial Statements, if any in Form AOC 4 and Form AOC 4 CFS, within 30 Days of the conclusion of Annual General Meeting or last date for holding AGM

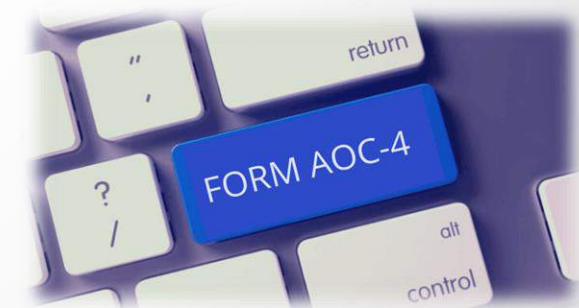
### • **Categorization of Companies**

- Companies not requiring consolidation
- Companies requiring consolidation
- Companies for which filing in XBRL is applicable



# STATUTORY FORMS TO BE FILED – E-FORM AOC-4 XBRL

- Companies listed with stock exchanges in India and their Indian subsidiaries;
- Companies having paid up capital of five crore rupees or above;
- Companies having turnover of one hundred crore rupees or above;
- All companies which are required to prepare their financial statements in accordance with Companies (Indian Accounting Standards) Rules, 2015



# STATUTORY FORMS TO BE FILED – AOC-4

## **Attachments to AOC-4**

- Copy of financial statements duly authenticated as per section 134 (including Board's report, auditors report and other documents)
- Statement of subsidiaries as per section 129 – Form AOC-1
- Statement of the fact and reasons for not adopting Financial statements in the annual general meeting (AGM)
- Statement of the fact and reasons for not holding the AGM
- Approval letter of extension of financial year or AGM
- Company CSR policy as per sub-section (4) of section 135
- Details of other entity(s)
- Details of salient features and justification for entering into contracts/Arrangements/transactions with related parties as per Sub-section (1) of section 188 – Form AOC-2
- Details of comments of CAG of India
- Secretarial Audit Report
- Directors report as per sub-section (3) of section 134
- Details of remaining CSR activities
- Optional attachment(s), if any

# STATUTORY FORMS TO BE FILED - FORM MGT 7 & MGT 7A

## **Annual Return**

- Within 60 days of the conclusion of Annual General Meeting
- On March 05, 2021, MCA amended Companies (Management and Administration) Rules, 2014 wherein Rule 11 has been substituted
- Every Company shall file Annual Return in revised Format of Form MGT-7 from FY 20-21.
- OPC and Small Company shall file Annual Return in new Format of Form MGT-7A from the Financial Year 2020-21 onwards
- ISIN of the equity shares of the Company to be mentioned at the end of the Table of Share Capital, Debentures and other Securities of the Company.
- Names, addresses, countries of incorporation, registration and percentage of shareholding held by Foreign Institutional Investors (FII)

# STATUTORY FORMS TO BE FILED - FORM MGT 8

## **Certification of Annual return**

- Section 92(2) read with Rule 11(2) of the Companies (Management and Administration) Rules, 2014 every listed Company or a company having Paid up Share Capital of Rs. 10 Crore or more or Turnover of Rs. 50 Crore or more required to get its Annual Return certified by a Company Secretary in Form MGT 8 Attached with MGT-7





# STATUTORY FORMS TO BE FILED - FORM MGT 15

## Report on AGM

Section 121 every listed public company shall prepare a report on each AGM including the confirmation to the effect that the meeting was convened, held and conducted file the same in e-Form MGT-15 with ROC within 30 Days of AGM



ALL ABOUT OF  
**MCA E-FORM MGT 15**

# STATUTORY FORMS TO BE FILED - FORM ADT-1

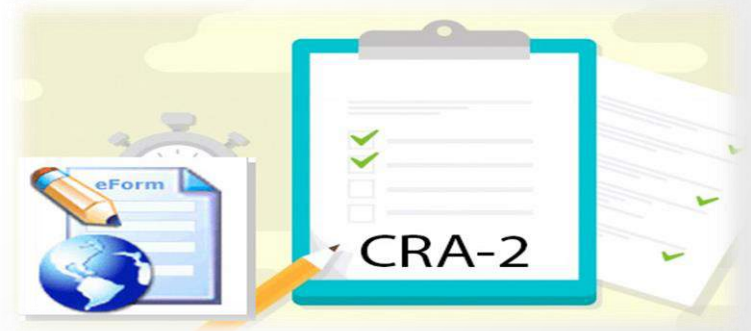
- APPOINTMENT OF AUDITORS – Section 139
- In case of first AGM:
- Appointment for 5 years – till 6<sup>th</sup> AGM
- Thereafter every appointment for every 5 years
- In both the cases Form ADT-1 has to be filed within 15 days of AGM.



# STATUTORY FORMS TO BE FILED - FORM CRA -2

## APPOINTMENT OF COST AUDITORS – Section 148(3)

- Cost audit shall be conducted by Cost Accountant in Practice who shall be appointed by the Board on such remuneration as determined by the members in such a manner as may be prescribed
- CRA-2 to be filed Within 30 Days of Appointment and change in appointment
- Every company specified in item (A) and Item (B) of rule 3 The Companies (Cost Records and Audit) Rules, 2014
- Turnover 35 crores or more in preceding year



# STATUTORY FORMS TO BE FILED - FORM CRA -4

## COST AUDIT REPORT – Section 148(6)

- Form for filing Cost Audit Report with the Central Government – CRA -4
- Within a period of 30 days from the date of receipt of a copy of the cost audit report
- Every company specified in item (A) and Item (B) of rule 3 The Companies (Cost Records and Audit) Rules, 2014



# STATUTORY FORMS TO BE FILED - FORM MR-3

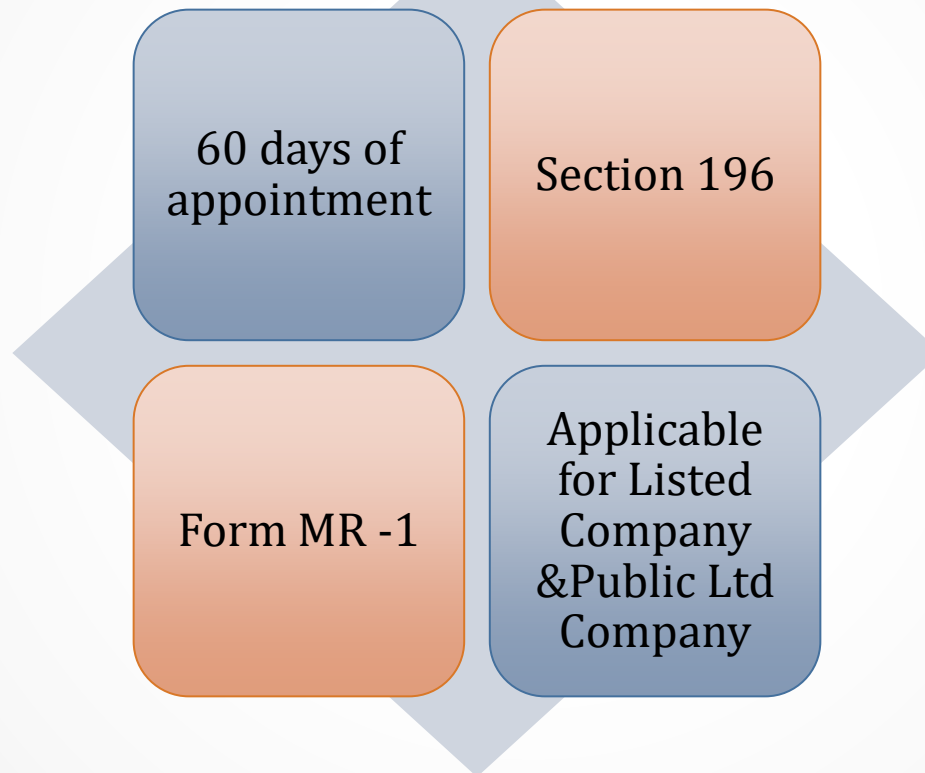
## SECRETARIAL AUDIT REPORT – Section 204 (1)

- Every listed company
- Every public company having paid up share capital of Rs. 50 crore or more.
- Every public company having a turnover of Rs. 250 crore or more.
- Every company having outstanding loans or borrowings from banks or public financial institutions of Rs. 100 crore or more.



# STATUTORY FORMS TO BE FILED – MR-1

## Appointment and re-appointment of Managing Director or Whole Time Director or Manager





# STATUTORY FORMS TO BE FILED – DIR-12

## Appointment and resignation of directors



# STATUTORY FORMS TO BE FILED – CORPORATE SOCIAL RESPONSIBILITY

- The Companies (Amendment) Act, 2020 exempts companies with a CSR liability of up to Rs. 50 lakh a year from setting up CSR Committees
- Further, companies which spend any amount in excess of their CSR obligation in a financial year can set off the excess amount towards their CSR obligations in subsequent financial years
- With regard to the penal provision, if a company is in default in complying with CSR expenditure, the company shall be liable to a penalty of twice the amount required to be transferred to the Fund specified in Schedule VII or the Unspent CSR Account, as the case may be, or one crore rupees, whichever is less, and every officer of the company who is in default shall be liable to a penalty of one-tenth of the amount required to be transferred to such Fund specified in Schedule VII, or the Unspent Corporate Social Responsibility Account, as the case may be, or two lakh rupees, whichever is less
- ( 500 crores, 1000 crores, 5 crores, preceding year, 2% Average profits , PBT, sect 198)

# CORPORATE SOCIAL RESPONSIBILITY

## CSR -2

- Every company covered under the provisions of sub-section (1) to section 135
- shall furnish a report on Corporate Social Responsibility in Form CSR-2
- Registrar for the preceding FY (2020-2021) and onwards as an addendum to Form AOC-4 or AOC-4 XBRL or AOC-4 NBFC (Ind AS), as the case may be:
- Provided that for the preceding financial year (2020-2021), Form CSR-2 shall be filed separately on or before 31st March 2022
- Extended upto 31/5/22 Companies (Accounts) Second Amendment Rules, 2022 - 31/3/22
- after filing Form AOC-4 or AOC-4 XBRL or AOC-4 NBFC (Ind AS), as the case may be

# STATUTORY FORMS TO BE FILED – MGT 14

- **Categories of Filing Resolutions**
- The resolutions have to be filed in the E-form for the following categories:
- Board Resolutions
- Special resolutions
- Ordinary Resolutions
- Board resolutions must be duly filed in Annexure A, special resolutions in Annexure B and ordinary resolutions in Annexure C
- **Annexure A – Board Resolution**
- This annexure need not be filed by Private Limited Companies, though private limited companies which are subsidiaries of public limited entities are not exempt from this provision.
- **Annexure B – Special Resolution**
- special resolutions must be files in Annexure B of the form
- **Annexure C – Ordinary Resolutions**
- eForm MGT 14 needs to be filed with the ROC within 30 days from the date of passing of resolution or formulating the agreement

# STATUTORY FORMS TO BE FILED – MGT 4, 5 & 6

## Section 89: Declaration in respect of Beneficial Interest in **any share**

- FORM MGT 4 – Declaration by registered Owner to the company within 30 days from date of entry in the register of members as a registered member or 30 days of any change in beneficial interest
- FORM MGT 5- Declaration by Beneficial Owner to the company within 30 days of acquiring beneficial interest or 30 days of any change in beneficial interest.
- E-form MGT 6- it is to be filed by a company after receiving MGT 4 and MGT 5 before ROC
- necessary entries to be made in MGT 1 (Register of Member) post receipt of declarations

# STATUTORY FORMS TO BE FILED – BEN 2

## Section 90

- BEN- 2 is filed after receipt of declaration by SBO in BEN- 1
- Event Based Within 90 days of Receipt of BEN 1
- Applicable to Listed Company, Public Company & Private Limited Company



# STATUTORY FORMS TO BE FILED – BEN 2

- Every company shall take necessary steps to identify an individual who is a significant beneficial owner in relation to the company and require him to comply with the provisions of this section
- The introduction of section brings more clarity casting duty on company to identify and report SBO to the Registrar
- if a Company fails to take necessary steps, then the company and every officer of the company who is in default shall be punishable with **fine** which shall not be less than ten lakh rupees but which may extend to fifty lakh rupees and where the failure is a continuing one, with a further fine which may extend to one thousand rupees for every day after the first during which the failure continues.
- Sub section 9 – One year period provided for applying to Tribunal against the order by Company or any aggrieved party for relaxing the restriction



# STATUTORY FORMS TO BE FILED – CHARGE FORMS

## List of forms related to charge

CHG 1	Creation of new charge or modification in existing charge for other than Debenture.
CHG 2	Certificate of registration.
CHG 3	Certificate of modification in existing charge.
CHG 4	Payment or satisfaction in full of any charge.
CHG 5	Certificate of registration of satisfaction of charge.
CHG 6	Notice of appointment or cessation of receiver or manager.
CHG 7	Register of charges made by the Company.
CHG 8	Application to Central Government for extension of time for filing particulars of modification / satisfaction of charge OR for rectification of omission or misstatement of any particular in respect of creation/ modification/ satisfaction of charge.
CHG 9	Creation of new charge or modification in existing charge for debenture.

# STATUTORY FORMS TO BE FILED – CHG 1

## **Application for Registration of Creation, Modification of Charge (other than those related to debentures) CHG-1**

- Section 77, 78, 79 and Section 384 and Rule 3(1) of the Companies Rules, 2014.
- As per Section 2(16) of Companies Act, 2013, “Charge” means an interest or lien created on the property or assets of a company or any of its undertakings or both as security and includes a mortgage
- Company shall file the particulars of the Charge with ROC within 30 days of execution of the instrument creating or modifying charge

# STATUTORY FORMS TO BE FILED – CHG 4

## Particulars for satisfaction of charge thereof - CHG-4

- E-Form CHG-4 is required to be filed pursuant to Section 82(1) of the Companies Act, 2013 and Rule 8(1) of Companies (Registration of Charges) Rules, 2014.
- This form is filled within thirty days of satisfaction of charge.
- Every company shall intimate the RoC of the payment or satisfaction (in full) of any charge relating to the company within 30 days from the date of such payment or satisfaction.

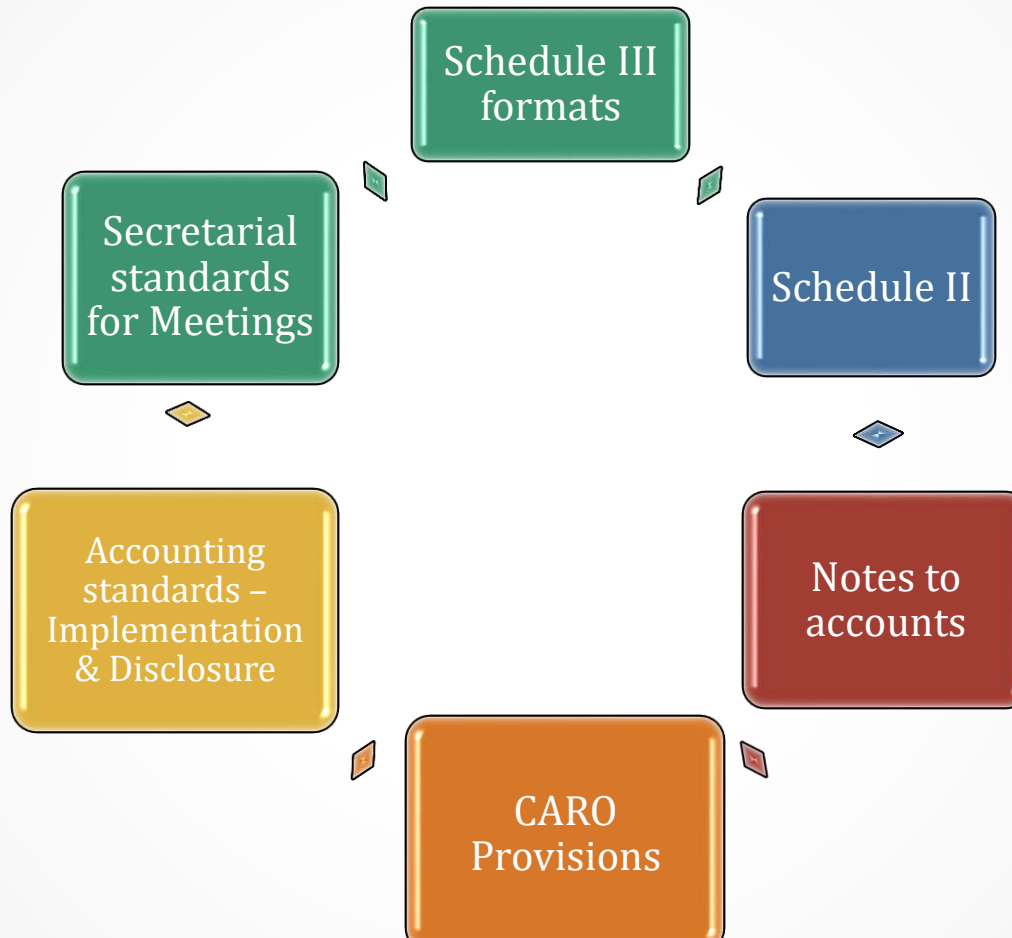


# STATUTORY FORMS TO BE FILED – CHG 9

Creation of new charge or modification in existing charge for debenture - CHG-9

- E-Form CHG-9 is required to be filed pursuant to Sections 71(3), 77, 78 & 79 and Section 384 of the Companies Act, 2013 and Rule 3 of Companies (Registration of Charges) Rules, 2014.
- This E-form will be filled Within 30 days of date of Creation/Modification of Charge.
- All the companies are required to file particulars for registration of charges created or modified for the purpose of securing debentures or rectification of particulars filed in respect of creation or modification of charge on debentures within specified period to concerned Registrar of Companies.
- Every charge that is created or modified by the company is required to be filed in eForm CHG-9 to concerned ROC

# OTHER CRITICAL AREAS



# CENTRAL SCRUTINY CENTER (CSC)

MCA has established a Central Scrutiny Centre (CSC) under the administrative control of e-governance cell of the MCA - On March 18, 2021

- CSC shall carry out scrutiny of e-forms filed at Straight Through Processes (STP) and forward their findings to the concerned jurisdictional ROC
- ROC shall then prosecute the defaulters and initiate action
- Any e-form approved through STP are later within 8 years found as defective by CSC, reporting will be made to ROC and ROC shall send Notice to file e-form or document afresh along with fees and additional fees within 30 days timeline
- No opportunity of resubmission or rectification of defect will be given
- Any form other than STP: ROC will be sending notice and an opportunity be given to company to rectify and resubmit the form within 15 days time with any fees or additional fees
- ROC through CSC may open e-forms filed earlier under STP mode (upto past 8 years)
- Effective from 23<sup>rd</sup> day of March, 2021

**KNOWLEDGE  
HAS A  
BEGINNING  
BUT NO END**

Thank You!  
😊