

J. B. NAGAR CPE STUDY – WIRC OF ICAI

PRESENTS

WEBINAR ON

**OVERVIEW OF RECENT UPDATES AND
AMENDMENTS UNDER COMPANIES ACT, 2013**

**INTRICACIES AND DEADLINES FOR ANNUAL
FILINGS UNDER COMPANIES ACT, 2013**

--CS Raj Kapadia

- Heavy late filing fees are prescribed under Companies Act, 2013 for annual filings of Companies and LLPs.
- For Annual financials and Annual Returns, late fees are Rs. 100 per day without any upper limit.
- The focus of Government is clear for corporate governance, that it assists in Nation Building.
- It is seen that filings are mandatory required and the late fees are non discretionary.

- Required disclosures are a part of good governance
- 40 Unicorn start-ups in 2021 – Overall from beginning 80.*
- 2021 has seen start-ups have stellar listings on stock exchanges
- Any outsider (stakeholder) dealing with the Company is entitled to assume that the internal requirements and procedures have been complied with – Turquand Rule
- Company has many stakeholders. Compliance and timely disclosure is required to protect the larger interest of stakeholders.

*Source - <https://www.ventureintelligence.com/Indian-Unicorn-Tracker.php>

Professionals are important link between the Government and Corporates w.r.t good Corporate Governance Culture

BusinessLine
TUESDAY, OCTOBER 5, 2021

BusinessLine

Help us weed out needless compliances, Sitharaman urges company secretaries

Finance Secretary TV Somanathan says corporate governance can still improve

OUR BUREAU

New Delhi, October 4

The Company Secretaries Institute must help the government by identifying “unnecessary, redundant or low value compliances” in various laws that affect the corporate sector and telling it how to get rid of them, Finance Secretary T V Somanathan said on Monday.

Finance Minister Nirmala Sitharaman said that company secretaries have a big role to play in ensuring “matured compliance”, especially as regards ease of compliance. She called upon them to suggest greater simplicity in corporate compliances.

“The greater simplicity we can bring into the system is where things work better. The simpler it is, the better it is and compliance itself can be more tempting,” Sitharaman said in her address at

the 53rd Foundation Day celebrations of the Institute of Company Secretaries of India (ICSI).

Impact of technology

There has always been an accent for “law abiding wealth creators” to prosper and for such companies to function without compliance being on their shoulders, she said.

“Company secretaries have a bigger role to play, more so when the government wants to ease compliance and opportunities are ever growing because of introduction of technology. Technology can bring in ease, but it also brings certain challenges,” Sitharaman said.

“Opportunities lie ahead of us. Simple compliances also lie ahead of us. Therefore it is right for suggestions to be made by an insider (the finance secretary is a company secretary him-



Nirmala Sitharaman,
Finance Minister

self) to seek your (ICSI) help in identifying redundant compliances and suggesting ways to bring in greater simplicity,” she added.

Making life simpler

Sitharaman highlighted that since the global financial crisis, the world is looking for ways to streamline compliance and most often, big scandals have come out for want of “matured compliance”.

Somanathan said that the government is very keen to make life easier for the corporate sector by reducing compliance burden and ensuring few compliances are kept in place.

He said that there has been a lot of improvement

in the area of corporate governance, but there is more room for it.

“My request to you (ICSI) to tell us how we can get rid of unnecessary compliances is counter intuitive as practising company secretaries are those who have to guide these companies through these processes. This is perhaps not apparently in your interest. But I want you to be exemplary. If country grows at the pace we want it to grow, it will create its own growth opportunity for the profession. You don’t have to rely on unnecessary compliances in order to make your practice thrive,” Somanathan said.

Corporate Affairs Secretary Rajesh Verma said that government has been taking various measures to reduce compliance burden and decriminalise several provisions in company and LLP law. He said that corporate affairs ministry is now in the process of deploying MCA 3.0, which will use artificial intelligence in big way.

CSR – Amendments wef 01st April, 2021 – Notification dated 21st January, 2021

CSR Spending made mandatory from financial year 2020 – 21. Unspent Amount for ongoing project (>3 years) to be trfd to USCSR Acc by 30/04.

If not spent on ongoing project then to be trfd to Funds specified under Schedule VII

Impact Assessment to be carried out for CSR Spending > Rs. 10 Crores. To be done for outlays > Rs. 1 Crores and completed 1 year.

Report to be placed before Board.

CSR Activities to be disclosed on Website

New detailed format for Annual Return of CSR prescribed and to be followed. Details of CSR Committee, projects including ongoing projects, spending, setoff, transfer to USCSR Acc etc. details included

If CSR done through Trust/Society/Section 8 Company then track record of 3 years is must.

Such entity has to be registered as CSR Entity in **FORM CSR I** and obtain unique ID Number.

Penalty – twice the amount trfd to Schedule VII fund or USCSR Acc or Rs. 1 Cr which is less
For every Officer – 1/10th Amount to be trfd to Schedule VII or USCSR Acc or 200000 which is less

AGM / EGM THROUGH AUDIO VISUAL MEANS

CLARIFICATION ON PASSING OF ORDINARY AND SPECIAL RESOLUTIONS ON ACCOUNT OF COVID-19

Clarification for convening and conducting Extra Ordinary General Meeting (EGM) of members of the Companies **till 30.06.2022** through Video Conferencing (VC) or Other Audio Visual Means (OAVM). In absence of specific provisions under the Companies Act, 2013 for meetings through VC or OAVM, the procedures contained in the Circular are to be followed.

Companies which are required to provide evoting facility under the Act or Companies which opt for the same:

- Recording of the meeting through VC / OAVM to be maintained and also made available on website only in case of public Cos.
- Two way teleconferencing to be allowed to members. Facility to enable participation of at least 1000 members on first come first serve basis. Chairpersons of committees and Auditors to be allowed without this restriction. Attendance via VC / OAVM to be counted. Independent Director, if any and Auditor or representative to attend such meeting.
- Remote Evoting to be provided in accordance with the Act.
- Chairperson to be appointed as per Section 104 if less than 50 members at the meeting, else through evoting during the meeting, unless AoA provide for a specific person to be Chairperson.
- If less than 50 members are present at the meeting, voting can be through evoting or through show of hands. In other cases, voting shall be through evoting.
- Appointment of proxies is dispensed with. Representatives may be appointed for such meeting.
- Notice shall include disclosures of the framework and shall be prominently displayed on website.
- All resolutions under this mechanism to be filed with ROC within 60 days.

For Companies not required to provide the facility of evoting

- Provisions relating to attendance, presence, conduct through VC / OAVM and proxies are the same as above.
- Where poll is specifically called for in the meeting, including for appointment of Chairman, Companies shall have dedicated email address, which shall be conveyed to all members for voting. Confidentiality and safeguards of the email address to be maintained by the Company.

Note: Companies to ensure that all other compliances under the Companies Act, 2013 related to general meetings to be complied with. All resolutions passed at such OAVM General Meetings to be uploaded with Form MGT 14.

AUDIO VISUAL BOARD MEETINGS

RULE 4 OF COMPANIES (MEETINGS OF BOARD AND ITS POWERS) RULES, 2014 OMMITTED

- Pursuant to the amendment dated 15th June, 2021, Rule 4 of Companies (Meetings of Board and its Powers) Rules, 2014 has been omitted.
- Agenda including
 - approval of financial statements,
 - prospectus,
 - Audit Committee meeting for consideration of financial statements and
 - Approval of amalgamation, demerger, acquisition, takeover
- Can now be approved at Audio – Visual Board Meetings.
- This rule was temporarily removed in 2020 owing to COVID Restrictions. It has now been completely omitted.

PROCEDURE FOR VIDEO CONFERENCE (VC)/ OTHER AUDIO VISUAL MEANS (OAVM)

Rule 3 - Meetings of Board Through VC / OAVM Company to follow the below process for conducting board meeting –

- To make necessary arrangements to avoid failure of connection.
- The Chairperson of the meeting and the company secretary, if any, shall take due and reasonable care to safeguard the integrity of the meeting;
 - to ensure availability of proper equipment / facilities for providing transmission of the communications
 - to record proceedings and prepare the minutes of the meeting;
 - to store for safekeeping and marking the tape recording(s) or other electronic recording mechanism as part of the records of the company at least before the time of completion of audit of that particular year.
 - to ensure no person other than the concerned director are attending or have access to the meetings
 - to ensure that participants attending the meeting are able to hear and see the other participants clearly
- The notice of the meeting shall be sent to all the directors in accordance with the provisions
- At the commencement of the meeting,
 - a roll call shall be taken by the Chairperson when every director shall state, for the record, the following:-
 - (a) name;
 - (b) location from where he is participating;
 - (c) that he has received the agenda and all the relevant material for the meeting; and
 - (d) that no one other than the concerned director is attending or having access to the proceedings of the meeting at the location mentioned in clause (b);

- After the roll call, Chairperson /CS to inform the Board about the names of persons other than the directors and confirm the required quorum.
- Chairperson to ensure that the required quorum is present throughout the meeting.
- No other person to have access of the proceedings at the BM without the permission of the Board.
- At the end of discussion on each agenda item, the Chairperson of the meeting shall announce the summary of the decision taken on such item along with names of the directors, if any, who dissented from the decision taken by majority 3["and the draft minutes so recorded shall be preserved by the company till the confirmation of the draft minutes in accordance with sub-rule (12)"].
- The minutes shall disclose the particulars of the directors who attended the meeting through video conferencing or other audio visual means.
- The draft minutes of the meeting shall be circulated among all the directors within fifteen days of the meeting either in writing or in electronic mode as may be decided by the Board.

AMENDMENT RELATING TO APPOINTMENT OF INDEPENDENT DIRECTORS:

- Persons not required to pass online Proficiency Self Assessment Test if the person has served for > 3 years as:
 - A Director / KMP in Listed Public Co., Unlisted Public Co with Paid Up Cap - > 10 Crores, body corp on any recognized stock exchange, Body Corp incorp o/s India with Cap of > US\$ 2 Mn, Statutory Corporations;
 - *In pay scale of Director or equivalent or above in any Ministry or Govt and experience in:*
 - *Matters relating to commerce, finance, industry, corporate affairs*
 - *Affairs related to Govt Companies or Statutory Corporations*
- Individuals who have been for 10 years
 - An advocate of Court,
 - Practicing Chartered Accountant,
 - Practicing Cost Accountant
 - Practicing Company SecretaryShall not be required to pass the Online Proficiency Self Assessment Test.

Books of Accounts Kept in Electronic Mode – 01/04/2022

- Proviso to Rule 3 of Companies (Accounts) Rules, 2014 amended wef 01/04/2022.
- Every Company which uses Accounting Software for maintaining Accounts shall use only such S/ware which gives Audit Trail of each and every transaction, creating edit log of each change made in Accounts along with date of such change and ensure that the trail cannot be disabled.
- Audit Reports to include report this compliance wef 01/04/2022

SCHEDULE III AND CARO AMENDMENTS

ADDITIONAL DISCLOSURES UNDER SCHEDULE III – WEF 24TH MARCH, 2021

- Details of Promoter Shareholding with % change during the year.
- Ageing schedule of Trade Payables with separate disclosures for MSME and disputed dues to MSME.
- Reconciliation of each class of assets of tangible and intangible assets
- Trade Receivables ageing schedule – disputed and undisputed – considered good and doubtful.
- Additional Disclosure:
 - ✓ Details of immovable property not held in name of Company
 - ✓ Separate disclosure of Loans and Advances to promoters, KMPs, Directors and Related Parties
 - ✓ Assets under development ageing schedule (CWIP and Intangible)

ADDITIONAL DISCLOSURES UNDER SCHEDULE III – WEF 24TH MARCH, 2021

- Whether Company is declared as Wilful Defaulter by any Bank / FI.
- Relationship with struck off Companies and Balance Outstanding.
- Charges or satisfaction yet to be registered and reasons.
- Ratios analysis with changes > 25% with previous year – reasons to be disclosed. (Current / Debt-Equity / Debt Service Coverage / Return on Equity / Inventory T/o / Trade Receivable T/o / Trade Payable T/o / Net Capital T/o / NP Ratio / ROCE / ROI).
- CSR Disclosures and activities.
- If Companies are trading or investing in Crypto Currencies, disclose
 - Holding
 - Profit / Loss
 - Deposits/advances.

CARO 2020 applicable from FY 2021 – 22:

- New important points which are to be reported include:
 - Whether property, plant, equipment have been Valued – whether by RVO
 - Whether proceedings initiated under Benami Transactions (Prohibition) Act, 1988.
 - Whether Company has been sanctioned WC Limit > Rs. 5 Crores in aggregate during FY – Quarterly returns filed?
 - Whether any loan or advance in nature of Loan granted during the year has renewed / extended / fresh loan to settle overdues of existing loans to same parties – details to be given (N.A. for Cos whose principal business is to give loans)
 - Whether transactions not recorded in Accounts have been surrendered / disclosed as Income and whether previously unrecorded income is properly recorded.

CARO 2020 applicable from FY 2021 – 22:

- New important points which are to be reported include:
 - Whether entity is termed wilful defaulter by Bank/FI/Lender.
 - Whether Term Loans used for purpose they were obtained – details to be given if not.
 - Whether any loan taken for obligations of Subsidiary / Associates / Joint Ventures – Details and Nature is to be reported.
 - Resignation of Statutory Auditors to be reported and whether Auditor has taken into consideration issued, objections, concerns of outgoing Auditors.
 - On basis of ageing, ratios and other information, Auditor's Knowledge and other factors, whether Auditor is of opinion that Company is capable of meeting obligations as and when they fall due within one year from Balance Sheet

CARO 2020 – Reporting relating to CSR

- Whether in other than ongoing projects, Company has transferred unspent amount to a Schedule VII Fund within 6 months from close of Financial Year, i.e., by September 30 of the relevant year (Section 135 (5) of the Companies Act, 2013).
- Whether any unspent amount has been transferred to USCSR Account pursuant to Section 135 (6).

MCA21 VERSION 3

MCA 2I Version 3

- 1** To be launched in Phases – 1st phase rolled out in May, 2021. Complete rollout is forthcoming within this fiscal year.
- 2** Separate module for e – scrutiny, e Adjudication, e Consultancy and Compliance Management.
- 3** Revamped home page in first phase
- 4** New Logo of the MCA, Night mode, adjust font, separate tabs for different services, E – Books for different Laws, E – Consultation launched.

E – Adjudication – Digital transformation of adjudication – E - Hearings

E – Consultation – Public consultation on proposed Acts, Rules, Amendments

E – Books – Digitization of Acts, Rules and Regulations administered by MCA

Data Dissemination – from Govt to Govt and Govt to Businesses

Compliance Management System for conducting compliance checks, issuing reminders, identifying defaulters.

MCA 21 Version 3 – Features/Improvements

- 1** New format of Master Data – including details pertaining to jurisdiction of RoC, RD, NCLT, Auditor Details, key financial information, etc.
- 2** Web Based Forms to be introduced – in line with SPICE+, Web KYC, etc.
- 3** Size of attachments to be increased
- 4** Access to selected services also proposed via Mobile Apps.

EXTENSION OF PERIOD OF HOLDING AGM

AGM Extension for Y.E. 31/03/2021

- 1** ROC Circulars in September, 2021 for extension – ROC Mumbai order dated 23.09.2021
- 2** Time limit for holding AGM under Section 96(1) extended by 2 months.
- 3** Relief for Companies which would not be able to convene AGM due to COVID-19
- 4** Relief granted by ROC without need to file GNL – I for seeking extension.
- 5** Where GNL – I filed, the same is deemed to be approved. Where GNL – I rejected, the same would be approved.
- 6** Where GNL – I approved for less than 2 months, the extension would be granted for 2 months.

TIME LIMITS SPECIFIED UNDER SECTION 96(1) OF COMPANIES ACT, 2013:



PURSUANT TO CIRCULAR, TIME LIMIT AGM OTHER THAN 1ST AGM EXTENDED BY 2 MONTHS.

DEFINITION OF SMALL COMPANIES

- Amendment introduced in the Budget Speech, 2021
- Base of Small Companies increased.

Particulars	Old Limits	New Limits
Paid up Capital	Rs. 50 Lakhs	Rs. 2 Crores
Turnover	Rs. 2 Crores	Rs. 20 Crores

Features of Small Companies

- 1** Only Private Company can be a Small Company – Both conditions to be fulfilled
- 2** Only 2 Board Meetings in a year required for Small Companies, OPC, Startup Cos and dormant Cos – Gap not less than 90 days
- 3** Exempt from Cash Flow Statement
- 4** Abridged Board Report under Rule 8A – Companies (Accounts) Amendment Rules, 2018 – Detailed disclosures not required.
- 5** Annual Return in Form MGT 7A – Lesser Information
- 6** Pre certification of certain compliance related MCA Forms not required for OPC and Small Companies.

Features of OPC

- 1** Introduced in Companies Act, 2013 – Benefits of Proprietorship and Corporate entity, i.e., push towards organized sector.
- 2** Amendment in the budget speech of 2021 – Indian Citizen – *Whether resident in India or Otherwise* – NRIs can form OPC
- 3** Days stayed in India – reduced from 180 days to 120 days.
- 4** OPC – Paid up capital up to Rs. 50 Lakhs and T/o up to Rs. 2 Crores. If any exceeds – converted to Pvt. Ltd. Co. within 6 months.
- 5** MCA Form INC 6 notified for conversion into OPC or conversion from OPC to Private Co.
- 6** Requirements of AGM not applicable to OPC – Annual Accounts to be filed within 180 days from end of relevant FY.

INTRICACIES AND DEADLINES FOR ANNUAL FILINGS UNDER COMPANIES ACT, 2013



The Annual
Return
Compliance
Spl. train –
starts on
01st April

Source: https://upload.wikimedia.org/wikipedia/commons/thumb/2/20/Train_leaving_Churchgate.jpg/1024px-Train_leaving_Churchgate.jpg

1ST STOP – 30TH APRIL – FORM MSME 1

- Government may take measures for development and promotion of MSMEs from time to time (Section 9 of MSMED Act, 2006)
- Under this Section, the Government directed all Companies to file return of dues to MSME.
- Form MSME I notified for this purpose
- Name of Supplier, PAN, Amount, due date and reason for delay to be mentioned.
- Half yearly requirement.
- Schedule 3 also provides for dues to MSMEs to be specifically disclosed.

Section 15 and 16 of the MSMED Act, 2006:

- Payment to be made to MSME registered Supplier within Due Date / date agreed upon.
- Such due date shall not exceed 45 days from date of acceptance of goods / services.
- Failing this, compound interest to be levied at 3 times the Bank Rate with monthly rests.
- Period of starting of interest would be the date immediately following the date agreed upon (i.e, due date)
- Form MSME I introduced by MCA under Section 9 of MSMED Act, 2006 for promotion and development of MSMEs.

POINTS TO REMEMBER – FORM MSME 1

- Obtain confirmations from MSME suppliers of registration.
- Verify UDYAM Registration.
- In case supplier has UDYOG Aadhar Registration, switch to UDYAM by 31st December, 2021.
- If Company is registered as MSME, inform all your customers.
- NIL return not required to be filed.

2ND STOP – 30TH JUNE – FORM DPT 3

- E-Form DPT-3 is required to be filed pursuant to rule 16 and 16A of the of the Companies (Acceptance of Deposits) Rules, 2014.
- Form DPT-3 shall be used for filing return of deposit or particulars of transaction not considered as deposit or both by every company other than Government company.
- Auditor's Certificate not required for Return of Particulars Other Than Deposits.
- One Time Return from 01/04/2014 – 31/03/2019 and thereafter annual requirement for particulars other than deposits – Select appropriate option.
- NIL return not required to be filed.

PARTICULARS NOT CONSIDERED AS DEPOSITS

- Net worth as per most recent Audited Financials.
- Clause No. 15 of Form – Figures as on relevant year:
 - Banking Facility
 - From Any Other Company
 - Received against offer made or issue of instruments/bond/NCD
 - Received from person who was director at the time of receipt.
 - Course of Business
 - Brought in by promoters in stipulation of lending financial institution
 - Amount from MF,AIF, REIT, etc.

STOP NO. 3 – DIR 3 KYC

MANDATORY FOR ALL DIRECTORS

- DIR 3 KYC – Web for annual compliance
- E – Form DIR 3 KYC for new DINs which have been issued in previous FY.

DIR 3 KYC Web	DIR 3 KYC Form
<ul style="list-style-type: none">• OTP on Mail and Phone.• Confirm all details• Submit	<ul style="list-style-type: none">• PAN (Mandatory for Indian National)• Passport (Mandatory for foreign National)• Aadhar Card• Proof of residential address• Notarized for Foreign National• Email and Phone OTP• Upload

Due date for 2021 was 30th September, 2021. Rs. 5000 fee for filing after due date.

DISQUALIFIED DIRECTORS

- Disqualification period from 31/10/2016 till 31/10/2021.
- Disqualification has been removed by MCA
- DIR 3 KYC to be filed by all such Directors – If 1st time then E – Form else Web KYC.
- DIR 12 to be filed for all Directors who intend to be appointed as offices of Directors are vacated by operation of Law.



JUNCTION STOP

Bogies added	Auditors Report – Statutory, Secretarial, Cost and Board Report
Passengers meet their stakeholders – Friends, relatives, families	Shareholders, Auditors, Directors, Invitees – AGM
Ticket Checker checks tickets	Financial Statements approved at AGM
Tickets are mandatory	Mandatory for all Companies
Half time break	Time Limits for AGM.
Fork ahead	Returns for Small Companies/OPC and Returns for Other Companies

SEQUENCE:

- Financial Statements prepared
- Audit commenced
- Financial Statements signed by Board of Directors
- Sent to Auditors for their report – Statutory/Secretarial/Cost Audit
- Board Report – Signed
- Convening AGM
- Approval at AGM
- Annual Returns.

BOARD REPORT – CHECKLIST [SEC. 134 (3) AND RULE 8 OF COMPANIES (ACCOUNTS) RULES, 2014,

Particulars	Checklist / Remarks
State of Company's Affairs	<ul style="list-style-type: none"> Financials and Notes to Accounts. Note on Company's Performance Any information to be shared with stakeholders Include key financial parameters.
Material Changes	Changes affecting the Company to be mentioned with impact
Dividend	<ul style="list-style-type: none"> Dividend including interim dividend declared Check applicable compliance/Minutes
Reserves	Amounts trf to Reserves - Financials

BOARD REPORT – CHECKLIST [SEC. 134 (3) AND RULE 8 OF COMPANIES (ACCOUNTS) RULES, 2014,

Particulars	Checklist / Remarks
Auditors – Statutory / Secretarial / Cost	<ul style="list-style-type: none"> • Auditors appointment • Audit report – Director’s response / explanation to qualifications/adverse remarks
Board of Directors and Committees	<ul style="list-style-type: none"> • Composition, changes in Directors • Number of meetings • Check Minutes, resolutions for changes in Board, Entries in Registers • Composition of Committees • Committee meetings
Declaration by Independent Directors	• As per 149 (6) as applicable
Frauds by Auditors	Section 143 (12) as applicable.

BOARD REPORT – CHECKLIST [SEC. 134 (3) AND RULE 8 OF COMPANIES (ACCOUNTS) RULES, 2014,

Particulars	Checklist / Remarks
Particulars of Loans or Investment or Guarantees under Section 186	<ul style="list-style-type: none"> • Check from financials and notes to accounts • Check Resolutions authorizing such transactions • Whether entries made in registers
Contracts and Arrangements with Related Parties	<ul style="list-style-type: none"> • Check disclosures in Financials • Resolutions authorizing the transactions • Details in Form AoC 2
JV / Subsidiary / Associates	<ul style="list-style-type: none"> • Extract of Financials of respective S / A / JV in Form AoC I • Whether ceased to be S / A / JV?
Extract of Annual Return Return – MGT 9	From 2021 onwards, Annual Return to be uploaded on website and link to be mentioned.

BOARD REPORT – CHECKLIST [SEC. 134 (3) AND RULE 8 OF COMPANIES (ACCOUNTS) RULES, 2014,

Particulars	Checklist / Remarks
Policies relating to Director's Appointment, CSR, Risk Management and POSH	<ul style="list-style-type: none"> • As applicable, gist of policies to be stated • Respective committees to be formed and the minutes to be checked for meetings • Respective Laws to be checked, For eg. The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 (also referred to as the "POSH Act")
CSR Applicability and Annual Report	<ul style="list-style-type: none"> • As per Section 135 and Rules • Committee and outline of policy • Working of liability and web link • Amount spent and unspent • Details of ongoing project and other than ongoing project • Detail of capital asset created, if any • Details of unspent CSR for preceding 3 FY

BOARD REPORT – CHECKLIST [SEC. 134 (3) AND RULE 8 OF COMPANIES (ACCOUNTS) RULES, 2014,

Particulars	Checklist / Remarks
the conservation of energy, technology absorption, foreign exchange earnings and outgo	<ul style="list-style-type: none"> Steps taken, benefits made – details to be mentioned
Whether formal evaluation of Board has been done	<ul style="list-style-type: none"> For listed Cos and Public Cos with Paid Up Capital > Rs. 25 Cr.
Whether Deposits accepted during the year	<ul style="list-style-type: none"> Details to be given including defaults in repayment
Maintenance of Cost Records	Whether made or N.A. – disclose
Director's Responsibility	Applicable AS followed in preparation, Adequate care for safeguarding, Accounts on going concern basis, devised systems to ensure compliance and operating effectively, where applicable, internal financial controls are effective.

Note: Sec 134 (8) – Default – Penalty of Rs. 300000 on Company and every officer – Rs. 50000

Limited Disclosures in Abridged Board Report for Small Companies / OPC

State of Company's Affairs, Financial Position, material change	Web Address for Annual Return, Number of Meetings of Board, Director's Responsibility Statement	Details of Fraud reported by Auditors, explanation for qualification / adverse remarks/ disclaimer made by Auditors	Changes in Directors, material orders passed by authorities, POSH Committee
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No disclosure required for CSR, Remuneration, Technology absorption, foreign exchanges, etc.

STOP NO. 4 – FILING OF FINANCIAL STATEMENTS

- Audited approved financial statements to be filed with the Registrar of Companies within 30 days of the date of the Annual General Meeting (Section 137)
- Form AoC 4 for standalone and AoC 4 CFS for consolidated financial statements.
- Companies required to file AoC 4 XBRL:
 - Listed Cos and Subsidiaries
 - Paid up Capital Rs. 5 Crores or more
 - Turnover of Rs. 100 Crores or more.

FORM AOC 4 – POINTS TO REMEMBER:

- Details of AGM held;
- Details of holding / subsidiary Companies
- Details of Auditors – SRN of ADT I and other details
- Financial Statement particulars and parameters
- Details of Directors / KMP who have signed (Section 134 (I))
- Share Capital particulars
- Principal products and services details
- Extract of CSR spending

FORM AOC 4 – POINTS TO REMEMBER:

- Related Party Transactions – Particulars thereon:
 - Name of RP and Relationship
 - Nature of contract / arrangement
 - Duration
 - Date of approval by Board
 - Amount paid as advance
- Auditors Report and CARO disclosures
- Attachments – Financials set, Board Report, AoC 2, CSR Policy/Annual Return

FORM AOC 4 – POINTS TO REMEMBER:

- For 2021:
 - Filing of Financial Statements in AoC 4 / XBRL / CFS till 15th February, 2022,
 - Filing of MGT 7 / MGT 7A till 28th February, 2022.
- Normal late fees – Rs. 100 per day.
- For OPC, due date is within 180 days from end of FY, i.e., 31st March.
- For XBRL filing, the tagging is to be done as per applicable taxonomy and the same is to be prescrutinized and uploaded with AoC 4XBRL.

MINI STOP 5 – MSME HALF YEARLY RETURN

- Form MSME I for 1st half of the financial year to be filed, i.e., period between 01st April to 30th September.
- Dues to MSME between 01st April to 30th September to be filed
- NIL return is not required to be filed.

STOP NO. 6 – ANNUAL RETURN

- To be filed in Form MGT 7 – Section 92.
- Due date – 60 days from the date of AGM.
- In case of Small Company / OPC, Return in Form MGT 7A
- For OPC, due date is within 60 days from the end of 180 days from 31st March (26th November).
- For 2021, late fee will not be charged till ~~31st December, 2021~~. 28th February, 2022.
- Details of most of corporate actions during the year under review are to be mentioned in MGT 7 / MGT 7A

ANNUAL RETURN MGT 7:

- Details of the Company
- Details of AGM held
- Business activity of the Company
- Particulars of Holding, Subsidiary and JV
- Share Capital of the Company and ISIN
- Details of Transfers (also attached as attachments)
- Details of Debentures and Securities outstanding
- Turnover and Net worth

ANNUAL RETURN MGT 7:

- Composition of Members, Directors and KMP
- Details of Meetings:
 - Board / Committee and General Meetings
 - Attendance
- Details of Remuneration to Directors and KMP
- Whether applicable compliance has been followed
- Penalty / Punishment details, if any
- Certification.

ANNUAL RETURN MGT 7/7A:

- Attachment:
 - List of Shareholders and debenture holders
 - List of transfers, if any
 - MGT 8 – Certificate by PCS:
 - Listed Company,
 - Turnover > Rs. 50 Crores
 - Paid up Share Capital > Rs. 10 Crores.
- MGT 7A is an abridged form of annual return for OPC / Small Companies – Doesn't contain disclosure pertaining to certification of compliances.

MGT 8 CERTIFICATION:

- Records, registers, forms
- Convening of meetings
- Loans to directors
- Changes in capital
- Dividend
- Signing of financials
- Appointment / reappointment / casual vacancy of Auditors and Directors
- Acceptance of Deposits
- Charges
- Loans, investments, guarantees U/s 186
- Alteration of MoA / AoA

AUDITOR'S APPOINTMENT

- ADT I to be filed within 15 days of appointment.
- Auditor appointed for 5 years subject to rotational auditor conditions under Section 139 (2)
- Qualification certificate – Criteria U/s 141 satisfied.
 - Eligible to be appointed
 - Within the limits of the Act
 - Whether any proceedings against the Auditor

ADT I to be filed with Auditors details – name, address, M. No, PAN, contact details and the aforesaid certificate as attachment.



* For 2021:

- Filing of Financial Statements in AoC 4 / XBRL / CFS till 15th February, 2022,
- Filing of MGT 7 / MGT 7A till 28th February, 2022.



THANK YOU

For any queries, send email to csraj@rkkapadia.in
or contact on WhatsApp at +919702017664