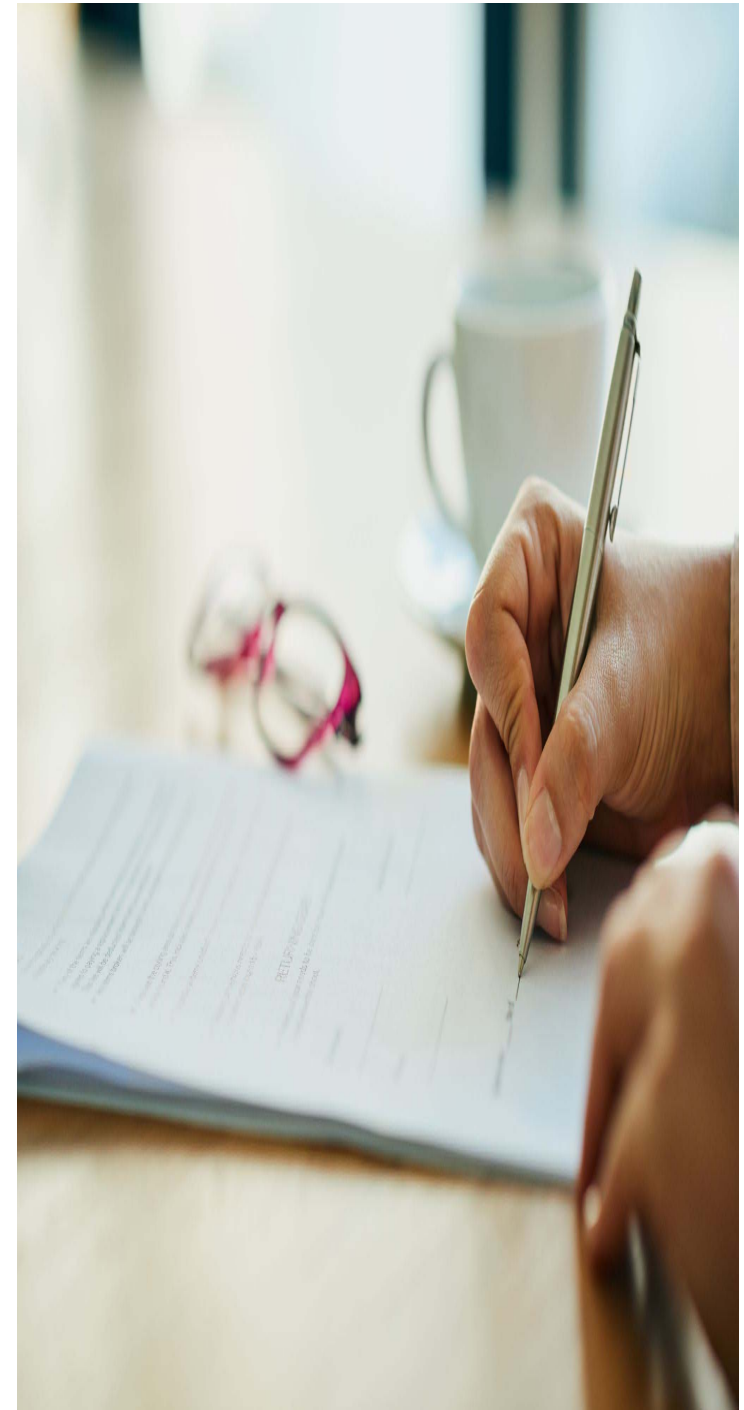


**JB NAGAR CPE STUDY CIRCLE –  
STUDY GROUP  
WIRC- ICAI**

**ANNUAL COMPLIANCES  
APPLICABLE TO  
PRIVATE COMPANY, LLP,  
SMALL COMPANY, OPC  
UNDER COMPANIES ACT,  
2013**

**BY CS RAJ KAPADIA**



# ANNUAL COMPANY LAW COMPLIANCES

## COVERAGE:

- ROC ANNUAL COMPLIANCE FORMS FOR COMPANIES
- DIRECTOR'S INTEREST (RELEVANT AMENDMENT)
- SMALL COMPANIES, OPC
- ANNUAL FILINGS, MEETINGS, AGM
- LLP ANNUAL FILING
- CONDONATION OF DELAY SCHEME FOR LLP

# OVERVIEW

India set to become USD 10 Trillion economy by 2030 and is taking definitive steps in this regard.

India has become 3<sup>rd</sup> largest startup ecosystem in the world.

The exponential growth creates an added responsibility on professionals as drivers of corporate culture in India.

With the separation of ownership and management in Companies, there is the responsibility to safeguard the stakeholders' interest in Companies and to follow good corporate governance practices.

Professionals acting as catalyst to achieve the end.



# Form MSME-1



Semi - Annual Requirement for Companies  
which have dues to MSMEs.

# 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 interests.

Period of starting of interest would be the date immediately following the date agreed upon (i.e, due date)

Form MSME 1 introduced by MCA under Section 9 of MSMED Act,2006 for promotion and development of MSMEs.

# MSME HALF YEARLY RETURN

1<sup>st</sup> Half – April to September  
– file by 30<sup>th</sup> October



2<sup>nd</sup> Half – October to March  
– file by 30<sup>th</sup> April



Nil return is not to be filed.

# FORM MSME 1



## Details filed with the Form:

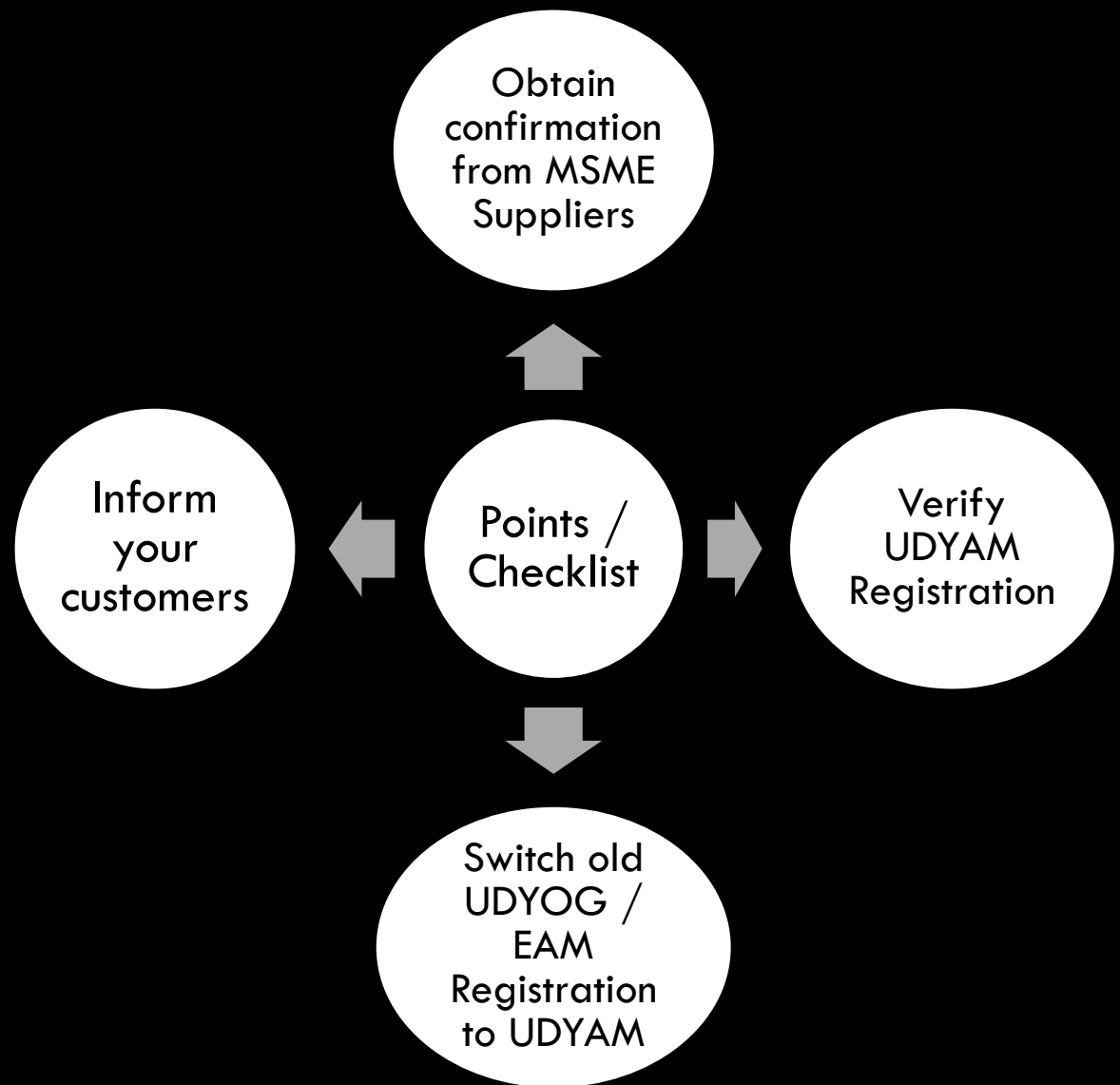
Name of Supplier,  
PAN,  
Amount,  
due date and  
reason for delay



## Schedule III Disclosure

Schedule for Trade Payable  
Dues to MSME  
Ageing.

# POINTS TO REMEMBER — FORM MSME 1





# DPT -3 E - FORM



*Details regarding deposits, and transactions not considered as deposits - Receipt of Money.*

## **FORM DPT 3 – 30<sup>TH</sup> JUNE**

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

Every company other than Government company.

Auditor's Certificate not required for Return of Particulars Other Than Deposits.

NIL return not required to be filed.

Deadline without payment of late fees extended to 31<sup>st</sup> July, 2023

# PARTICULARS NOT CONSIDERED AS DEPOSITS

Net worth as per most recent Audited Financials (Not for other than deposit)

Clause No. 15 of Form – Figures as on relevant year:

- Received from Government
- 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.(Advances)
- Brought in by promoters in stipulation of lending financial institution.
- Amount from MF, AIF, REIT, etc.

# FORM DPT 3 ON V3:

## Changes during the year

- Details to be included
- Opening – Current year transaction and closing

## Ageing

- Items to include ageing for all particulars
- Ageing – less than 1 year, one to 3 years, more than 3 years

Auditors' attestation not required for Particulars other than deposits. For other reporting, Auditor's attestation / certificate is required.

## **DIR 3 KYC – ANNUAL REQUIREMENT**

**Mandatory for all Directors and Partners / Designated Partners having DIN**

**Even for Disqualified Directors, DIR KYC to be complied to keep DINs active**

**Any change in particulars – DIR 6 followed by DIR 3 KYC / DIR 3 KYC Web**

# DIR 3 KYC – ANNUAL

DIR 3 KYC – Web for DINs which are in existence.

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

Due date for 2023 is 30<sup>th</sup> September, 2023. Rs. 5000 fee for filing after due date.

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

Case Law: F.No.ROC/CHN/THIYAGARAJAN /ADJ Order/S.155/2023 Date: 10 JUL 2023 - Chennai ROC has taken stringent action against Director for obtaining two DINs, imposing a penalty of Rs. 5,03,500 as violating the provision of section 155 of the Companies Act 2013.

# INTEREST OF DIRECTORS – ANNUAL



Relevant forms for disclosure of Interest of Director and Qualification of Director:

- MBP 1
- DIR 8
- DIR 9
- DIR 10

# DIR 08 – INTIMATION OF DIRECTOR REGARDING DISQUALIFICATION U/S 164 OF COMPANIES ACT, 2013.

## **BEFORE AMENDMENT**

Intimation on Disqualification of Directors u/s 164(2).

## **AFTER AMENDMENT IN JANUARY 2023**

Intimation on Disqualification of Directors u/s 164(1) & 164(2).

Now Director has to intimate about Disqualification u/s 164(1)

(unsound mind- undischarged insolvent-adjudicated as an insolvent and his application is pending- convicted by a court of any offence, whether involving moral turpitude or otherwise).



FORM DIR – 9 (INTIMATION ABOUT QUALIFICATION & DISQUALIFICATION OF DIRECTOR BY COMPANY TO REGISTRAR) & DIR – 10 - APPLICATION TO REGIONAL DIRECTOR (NORTH) TO REMOVE DISQUALIFICATION OF DIRECTORS.

New Disclosure – Disqualification of Directors u/s 164(1) (unsound mind / undischarged insolvent / adjudicated as an insolvent and his application is pending/convicted by a court of any offence, whether involving moral turpitude or otherwise) with 164(2).

Following are to be attached in V3 Forms:

1. Proof of the violations/ Offences being Compounded by NCLT/Court – with DIR 10
2. Proof of the violations in which default has made good – with DIR10
3. Copy of Court Order as attachment – with DIR 9



# AMENDMENT IN V3 DIR – 12

## Form DIR 12 for Appointment of Director

- Declaration of no offence, Number of directorship and disqualification added in Form
- Director being appointed is required to sign the DSC followed by the Company representative
- All DSC to be registered on MCA Portal under respective Logins.

# OPC & SMALL COMPANY



Concepts and definitions introduced for the first time in Companies Act, 2013 for promotion of the entrepreneurs in having a separate legal entity and to reduce compliance burden.

Particulars	Old Limits	New Limits
Paid up Capital	Rs. 2 Crores	Rs. 4 Crores
Turnover	Rs. 20 Crores	Rs. 40 Crores

## DEFINITION OF SMALL COMPANIES

Base of Small Companies has been increased significantly.

# FEATURES OF SMALL COMPANIES

Only Private Company can be a Small Company – Both conditions to be fulfilled

Only 2 Board Meetings in a year required for Small Companies,

OPC, Startup Cos and dormant Cos – Gap not less than 90 days

Exempt from Cash Flow Statement.

Abridged Board Report under Rule 8A – Companies (Accounts).

Detailed disclosures not required in Board Report.

Annual Return in Form MGT 7A – Lesser Information and no certification.

Pre certification of certain compliance related MCA Forms not required for OPC and Small Companies.

However, the concept of small companies does not apply to the following companies:

- A holding or a subsidiary company.
- A company registered under section 8.
- A body corporate or company governed by any special act.

# FEATURES OF OPC

Introduced in Companies Act, 2013 – Benefits of Proprietorship and Corporate entity, i.e., push towards organized sector.

Indian Citizen – Whether resident in India or Otherwise – NRIs can form OPC.

Days stayed in India – reduced from 180 days to 120 days.

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.

MCA Form INC 6 notified for conversion into OPC or conversion from OPC to Private Co.

Requirements of AGM not applicable to OPC.

# LIMITED DISCLOSURES IN ABRIDGED BOARD REPORT FOR SMALL COMPANIES / OPC

State of Company's  
Affairs, Financial Position,  
material change.

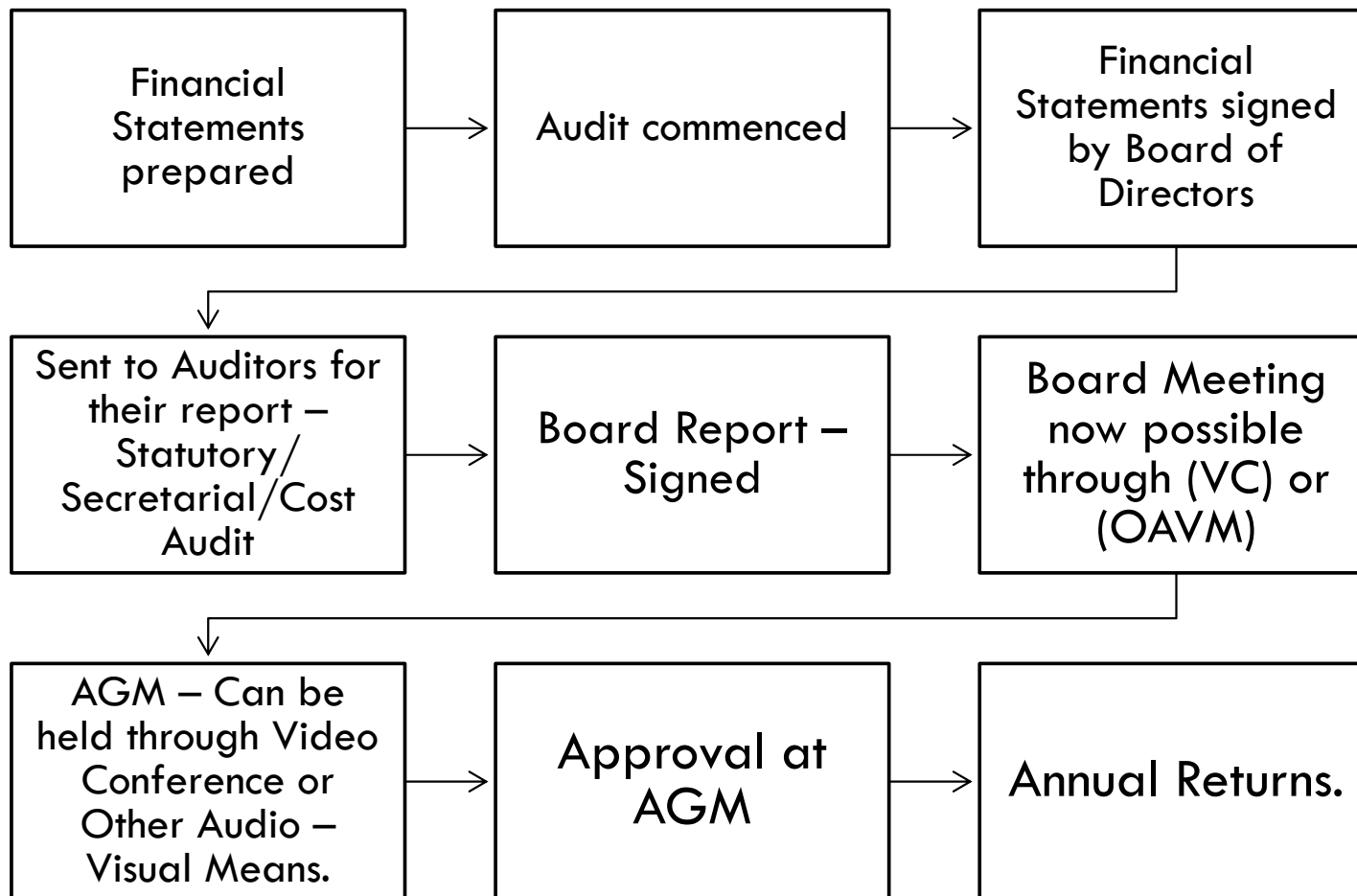
Web Address for Annual  
Return, Number of  
Meetings of Board,  
Director's Responsibility  
Statement.

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.

**No disclosure required for  
CSR, Remuneration,  
Technology absorption,  
foreign exchanges, etc.**

# FINANCIAL STATEMENT APPROVAL:





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

1st AGM – 9  
months

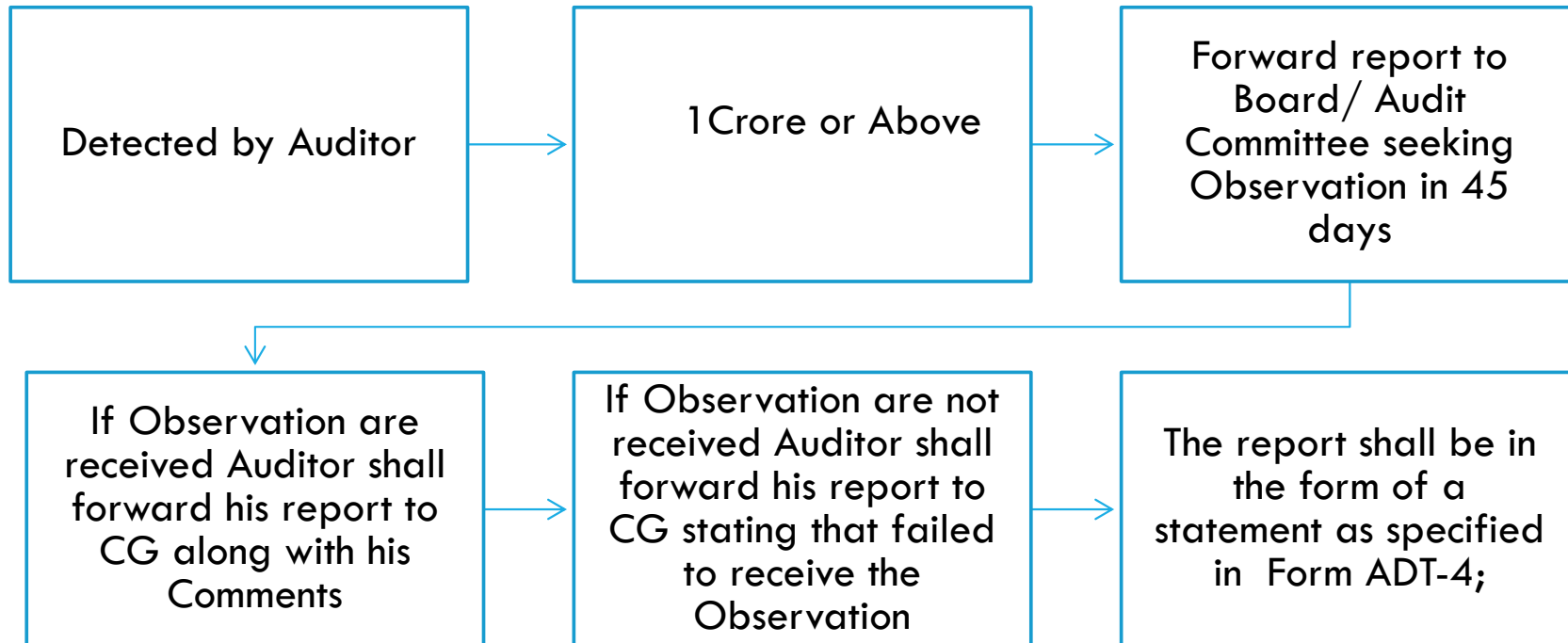
Next AGM – 6  
months from FY

Gap between 2  
AGMs – 15  
Months.

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

Particulars	Checklist/Remark
Auditors - Statutory / Secretarial / Cost:	<ul style="list-style-type: none"> <li>• Auditors appointment</li> <li>• Audit report - Director's response</li> <li>• explanation to qualifications / adverse remarks</li> </ul>
Board of Directors and Committees.	<p>Composition, changes in Directors</p> <p>Number of meetings</p> <p>Check Minutes, resolutions for changes in Board, Entries in Registers.</p> <p>Composition of Committees</p> <p>Committee meetings</p>
Declaration by Independent Directors	Section 149 (6)
Fraud noticed by Auditors	Section 149 (12)

# FRAUD REPORTING UNDER SECTION 143 (12)



In case of a fraud involving lesser Rs. 1 Cr the auditor shall report the matter to Audit Committee constituted under section 177 or to the Board immediately but not later than two days of his knowledge of the fraud.

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

<b>Particulars</b>	<b>Checklist / Remarks</b>
Particulars of Loans or Investment or Guarantees under Section 186	Check from financials and notes to accounts. Check Resolutions authorizing such transactions. Whether entries made in registers.
Contracts and Arrangements with Related Parties	Check disclosures in Financials. Resolutions, authorizing the transactions. Details in Form AoC 2.
JV / Subsidiary / Associates	Extract of Financials of respective S / A / JV in Form AOC 1. Whether ceased to be S / A / JV?
Extract of Annual Return Return – MGT 9.	Annual Return to be uploaded on website if any and link to be mentioned.

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

Particulars	Checklist / Remarks
<p>Policies relating to Director's Appointment CSR, Risk Management and POSH</p>	<p>As applicable, gist of policies to be stated Respective committees to be formed and the minutes to be checked for meetings.</p> <p>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")</p>
<p>CSR Applicability and Annual Report</p>	<ul style="list-style-type: none"> <li>• As per Section 135 and Rules</li> <li>• Committee and outline of policy</li> <li>• Working of liability and web link</li> <li>• Amount spent and unspent</li> <li>• Details of ongoing project and other than ongoing project</li> <li>• Detail of capital asset created, if any</li> <li>• Details of unspent CSR for preceding 3 FY</li> </ul>

# FORM CSR-1- “REGISTRATION OF ENTITIES FOR UNDERTAKING CSR ACTIVITIES”



Form CSR-1 is a registration form for getting CSR funding by implementing agencies from the corporates.



The Form mainly consists of two parts, first part is relating to the information about the entity who intends to undertake CSR activities.



Second part of Form CSR-1 is certification by practicing professional.



On successful submission of Form CSR-1, a unique CSR Registration Number shall be generated by system automatically to applying organization.

# ELIGIBILITY AND DETAILS FOR CSR 1

- ✓ Section 8 Company, or a registered public trust or a registered society,
  - ✓ Registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961) incorporated by Company. or
  - ✓ established by the Central Government or State Government or
  - ✓ Section 8 Company, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.
- ✓ any entity established under an Act of Parliament or a State legislature; or
- ✓ Following documents are required for filing Form CSR-1:
  1. Copy of PAN Card of the entity
  2. Mail ID of both entity and the authorized person signing the document
  3. Details of authorized person signing the document
  4. Copy of Registration Certificate
  5. Digital Signature of the Authorised Person with his PAN Number

# FORM CSR-2 MANDATORY ANNUAL CSR REPORTING BY CORPORATES

Reporting requirement on CSR for Corporates in a web-based Form CSR-2.

The form shall be filed as an attachment to form AOC-4, AOC-4 (XBRL), AoC-4 (NBFC).

**Applicability** - These Rules shall be applicable on all the Companies on which CSR provisions under Section 135 are applicable.

**Manner and Time of Reporting** - Every Company covered under the provisions of section 135(1) in the following manner:

- As a Separate web-based form CSR-2 for FY 2022-23, after filing of Financials in Form AOC-4, by 31<sup>st</sup> March 2024 (amendment dt. 31/05/2023);
- As an Addendum to Form AOC-4 or AOC 4 XBRL or AOC -4 NBFC (Ind AS), as the case may be.



# FORM CSR-2 MANDATORY ANNUAL CSR REPORTING BY CORPORATES

## **Key Features of the Form CSR – 2 -**

- Criteria that triggered CSR applicability;
- Details of CSR Committee, Number of Directors and Number of Meetings;
- Details of website of the Company and Website disclosures w.r.t. CSR, if any;
- Net Profit & other details for the preceding FY's; Average Net Profit, Total CSR Obligation;
- Details of CSR Amount spent during the FY on ongoing & other than ongoing projects & its details;
- Details of transfer of Unspent CSR amount for the FY to unspent CSR account or Funds specified as the case may be;
- Reason(s) if the company has failed to spend two per cent of the average net profit;

# FORM CSR-2 MANDATORY ANNUAL CSR REPORTING BY CORPORATES.

Whether any unspent amount of preceding three financial years (financial year ending after 22<sup>nd</sup> January 2021) has been spent in the financial year;

Whether any unspent amount pertaining to FY 2014-15 to FY 2019-20 has been spent in the financial year, details of the project;

F.NO.ROC/ CHN/ TAKRAF/ADJ Order / S.135(6) /2023 Date: 11 JUL 2023 - The Chennai ROC Ministry of Corporate Affairs (MCA) has issued an order adjudicating a penalty of Rs. 36.25 Lakh on M/s Takraf India Private Limited and its directors for non-compliance with Section 135(6) of the Companies Act, 2013. The violation pertains to the failure to transfer Rs. 14.50 Lakh of unspent Corporate Social Responsibility (CSR) funds to a special account.

# FORM AOC 4 – POINTS TO REMEMBER:

Details of AGM held;

Details of holding / subsidiary Companies.

Details of Auditors – SRN of ADT 1 and other details.

Financial Statement particulars and parameters.

Details of Directors / KMP who have signed (Section 134 (1)).

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:

Due date – 30 days from the conclusion of the AGM.









Normal late fees – Rs. 100 per day.

For OPC, due date is within 180 days from end of FY. For FY 2022 – 23, due date is 30<sup>th</sup> September 2023.

For XBRL filing, the tagging is to be done as per applicable taxonomy and the same is to be pre scrutinized and uploaded with AoC 4XBRL.

Registrar of Companies Chhattisgarh- Bilaspur (C.G.) of Ministry of Corporate Affairs for the omission of crucial contact information on a company's letterhead, in accordance with the Companies Act, 2013, The omission of contact information led to penalties being imposed under section 12(8) of the Act. The penalty amounted to Rs. 28,000 per day of default on each director as No. of days of default is 28 days, not exceeding Rs. 1,00,000. The company, as well as the directors, Satija Nikish and Akshat Goyal, were deemed liable for the penalty.

# 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:

## 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

# RECENT MCA ORDERS

NO.ROC-GUJ/ADJ-Order/Section 454/STA (V)/2021-22/4454 to 52 Dated:08 Sep 2022 - ROC Ahmedabad imposed penalty of 6,00,000 on Company and Directors for **not mentioning DIN** in the Financial Statements for Violation Of Section 158 Of The Companies Act, 2013.

*F.NO.ROC/CHN/MEENAKSHI INDIA /ADJ Order/S.92 (6) /2023 Date: 15.06.2023- Chennai ROC (MCA) imposes Rs. 2 Lakh Penalty on Practicing Company Secretary as per **section 92(6)** of the Companies Act 2013 for wrong certification of annual return of Company i.e. not disclosing Board Meeting dates.*

# AUDITOR'S APPOINTMENT

ADT 1 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 1 to be filed with Auditors details – name, address, M. No, PAN, contact details and the aforesaid certificate as attachment.

# LIMITED LIABILITY PARTNERSHIP

ANNUAL FILINGS,  
RECENT AMEDMENTS

## LLP ANNUAL FILING

LLP Annual Filing is a crucial process that every Limited Liability Partnership (LLP) must undertake. It involves the preparation and submission of ROC forms to the Registrar of Companies each year.

The first form, Form LLP 11, is an Annual Return.

The second form, Form LLP 8, is a Statement of Account & Solvency.

# LLP FORM 11 (ANNUAL RETURN FILING)

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Filed in LLP Form 11 within 60 days from the closure of the financial year, i.e., 30<sup>th</sup> May of every year.

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Summary of all the changes made in the Management of an LLP during a financial year.

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Partner / DP details prefilled in excel sheet – contribution, paid and no. of entities to be filled.

---

A NIL return must be filed even if there are no changes, or no business conducted by an LLP as it is a mandatory requirement of the Limited Liability Partnership Act.

# LLP FORM 8



LLP Form 8 is a Statement of Account and Solvency. The Due Date for filing LLP Form 8 falls within 30 days from the end of six months of the financial year's closure, i.e., 30<sup>th</sup> October.



LLP Form 8 includes a declaration by designated partners on the solvency state of the LLP.



LLP Form 8 also contains information about the Statement of Assets and Liabilities and Statement of Income and Expenditure of the LLP.



Declaration of Dues to MSME is a mandatory attachment with Form 8 LLP

# SMALL LLP - “SMALL LIMITED LIABILITY PARTNERSHIP” MEANS

## Contribution

Does not exceed Twenty-five Lakh Rupees (Rs. 25,00,000/-) or

Such higher amount, not exceeding Five Crore (Rs. 5,00,00,000) Rupees

## Turnover

As per the Statement of Accounts and Solvency for the immediately preceding financial year.

does not exceed Forty Lakh Rupees (Rs. 40,00,000/-) or

such higher amount, not exceeding Fifty Crore Rupees (Rs.50,00,00,000/-) , as may be prescribed or

which meets such other requirements as may be prescribed and fulfils such terms and conditions as may be prescribed.



## ADDITIONAL FEES FOR DELAY IN FILING LLP FORMS.

Period of Delay	Small LLPs	Other than Small LLP
Upto 15 days	One-Time	One-Time
Beyond 15 days and within 30 days	2 times of regular filing fees	4 times of regular filing fees
Beyond 30 days and within 60 days	4 times of regular filing fees	8 times of regular filing fees
Beyond 60 days and within 90 days	6 times of regular filing fees	12 times of regular filing fees
Beyond 90 days and within 180 day	10 times of regular filing fees	20 times of regular filing fees
Beyond 180 days and within 360 days	15 times of regular filing fees	30 times of regular filing fees
Beyond 360 days for forms other than form 11 and form 8	25 times of regular filing fees	50 times of regular filing fees
Beyond 360 days for filing form 11 and form 8	15 times regular filing fees plus 10 per day for delay beyond 360 days	30 times regular filing fees plus 20 per day for delay beyond 360 days

# CONDONATION OF DELAY SCHEME FOR LLP:

The filing of Form-11 without additional fee FY 2021-22 onwards.

Form – 11 for previous years (prior to FY 2021 – 22) can be filed with 02 times and 04 times of normal filing fee as additional fee for small LLPs and Other than small LLPs respectively.

The scheme available for filing from **01.09.2023 onwards till 30.11.2023 (both dates inclusive)**.

The LLPs availing the scheme shall not be liable for any action for delayed filing of the Form-3, Form-4 and Form - 11.

## CONDONATION OF DELAY SCHEME FOR LLP:

- Form 3 and Form 4 – STP Mode for initial filings.
- Non STP mode for change services.
- Most data prefilled with option of editing.
- The filing of Form-3 and Form-4 without additional fee shall be applicable for the event dates 01.01.2021 and onwards. For events dated prior to 01.01.2021, these forms can be filed with 02 times and 04 times of normal filing fees as additional fee for small LLPs and Other than small LLPs respectively.



# THANK YOU

For any queries, send email to [csraj@rkkapadia.in](mailto:csraj@rkkapadia.in)  
or contact on WhatsApp at +919702017664