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MCA UPDATES FOR THE MONTH OF JULY 2018

Rules

1. Companies (Accounts) Amendment Rules, 2018 (July 31, 2018)

MCA has issued Companies (Accounts) Amendment Rules, 2018 w.r.t Board Report which shall come into force on the date of their publication in the Official Gazette i.e 31-07-2018. The Board shall additionally disclose, as to whether maintenance of cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained and a statement that the company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, the Rule 8(5) shall not apply to One Person Company or Small Company. New Rule 8A has been inserted to deal specifically to deal with the Matters to be included in Board's Report for One Person Company and Small Company.

For More Information:-

http://www.mca.gov.in/Ministry/pdf/companisAccountsRules_31072018.pdf

2. Companies (Incorporation) Third Amendment Rules, 2018 (July 27, 2018)

MCA has notified the Companies (Incorporation) Third Amendment Rules, 2018 which shall come into force on the date of their publication in the Official Gazette i.e 27-07-2018. For the purposes of these rule, the term “resident in India” means a person who has stayed in India for a period of not less than 182 days during the immediately preceding Financial Year replacing the word ‘Calendar Year. Further, while counting the number of days of stay of a director in India for the financial year 2018-2019, any period of stay between 01.01.2018 till the date of notification of this rule shall also be counted. The requirement of Affidavit from first directors and subscribers at the time of incorporation has been done away with and Declaration on a plan papers from Subscribers and First Directors shall suffice the purpose.

For More Information:-

http://www.mca.gov.in/Ministry/pdf/CompaniesIncorporation3rdRules27_30072018.pdf

3. The Companies (Acceptance of Deposits) Amendment Rules, 2018 (July 05, 2018)

The Companies (Acceptance of Deposits) Amendment Rules, 2018. These shall come into force on August 15, 2018.

- In proviso to Rule 4(1), a proviso inserted:
Certificate from Statutory auditor attached to DPT-1 stating that Company has not defaulted in repayment of deposits or interest thereof. In the case of any default made the Statutory Auditor shall certify that the default had been made good and its been five years that the default had been made good.
- Rule 5 omitted
- Proviso to Rule 13 substituted as under:
“Provided that the amount remaining deposited shall not at any time fall below twenty per cent of the amount of deposits maturing during the financial year”.
- In rule 14(1), clause (K) omitted;
- DPT-1 substituted

For More Information:

http://www.mca.gov.in/Ministry/pdf/CompaniesAcceptanceDepositsAmendmentRules_06072018.pdf

4. Companies (Appointment and Qualification of Directors) Fourth Amendment Rules, 2018 **(July 05, 2018)**

The Companies (Appointment and Qualification of Directors) Fourth Amendment Rules, 2018. These shall come into force on July 10, 2018.

The rule 11 shall be renumbered as sub-rule (1) thereof and after sub-rule (1) as so renumbered, the following sub-rules shall be inserted, namely:-

"(2) The Central Government or Regional Director (Northern Region), or any officer authorised by the Central Government or Regional Director (Northern Region) shall, deactivate the Director Identification Number (DIN), of an individual who does not intimate his particulars in e-form DIR-3-KYC within stipulated time in accordance with rule 12A:

(3) The de-activated DIN shall be re-activated only after e-form DIR-3-KYC is filed along with fee as prescribed under Companies (Registration Offices and Fees) Rules, 2014. (ii) after rule 12, the following shall be inserted, namely:- "12A Directors KYC:- Every individual who has been allotted a Director Identification Number (DIN) as on 31st March of a financial year as per these rules shall, submit e-form DIR-3-KYC to the Central Government on or before 30th April of immediate next financial year. Provided that every individual who has already been allotted a Director Identification Number (DIN) as at 31st March, 2018, shall submit eform DIR-3 KYC on or before 31st August, 2018.";

- a. New Rule 12 A inserted to provide for filing of Form DIR-3 KYC;
- b. A new Form DIR-3KYC inserted.

For More Information:-

http://www.mca.gov.in/Ministry/pdf/CompaniesAppointmentQualificationRules_06072018.pdf

5. The Companies (Authorised to Register) Second Amendment Rules, 2018 (July 05, 2018)

The Companies (Authorised to Register) Second Amendment Rules, 2018. These shall come into force on August 15, 2018.

- Rule is substituted with revised Rule 3;
- Some amendments in Rule 4 and Rule 5;
- Form UGC-1 and UGC-2 substituted with new forms

For More Information:-

http://www.mca.gov.in/Ministry/pdf/CompaniesAuthorisedRegister_06072018.pdf

6. The Companies (Registration of Charges) Amendment Rules, 2018 (July 05, 2018)

The Companies (Registration of Charges) Amendment Rules, 2018, These shall come into force from the date of publication in the official gazette

- Rule 8(1) substituted as under:
"8. "(1) A company or charge holder shall within a period of three hundred days from the date of the payment or satisfaction in full of any charge registered under Chapter VI, give intimation of the same to the Registrar in Form No.CHG-4 along with the fee."; (iii) in rule 12, in sub-rule (1), for the words "within thirty days" the words 'within a period of three hundred days' shall be substituted.
- In Rule 12(1), for the words ' within 30 days', the words ' within a period of 300 days' substituted.

For More Information:-

http://www.mca.gov.in/Ministry/pdf/CompaniesRegistrationChargesRules_06072018.pdf

7. The Companies (Registration offices and Fees) Third Amendment Rules, 2018 (July 05, 2018)

The Companies (Registration offices and Fees) Third Amendment Rules, 2018.
Save as otherwise provided in these Rules, these shall come into force from July 10, 2018.

Following to be inserted:-

"VII. FEE FOR FILING e- Form DIR-3 KYC under rule 12A of the Companies (Appointment and Qualification of Directors) Rules, 2014

i) Fee payable till the 30th April of every financial year in respect of e-form DIR-3 KYC as at the 31st March of immediate previous year.	----
ii) Fee payable (in delayed case)	Rs.5000

Note: For the current financial (2018-2019), no fee shall be chargeable till, the 31st August, 2018 and fee of Rs.5000 shall be payable on or after the 1st September, 2018"

For More Information:-

http://www.mca.gov.in/Ministry/pdf/CompaniesRegistrationOfficesFeesRle_06072018.pdf

Notifications

8. COMMENCEMENT NOTIFICATION **(July 05, 2018 and July 27, 2018)**

Notification of sections under Companies (Amendment) Act, 2017 and rules made thereunder

In reference to Commencement notification dated May 07, 2018 and June 21, 2018, the Ministry of Corporate Affairs vide its notifications dated July 05, 2018 and July 27, 2018 has notified the following Sections of the Companies (Amendment) Act, 2017:

#	Section of Companies Amendment Act, 2017	Amended Sections of Companies Act, 2013	Particulars	Effective Date
1	Section 5	Section 7	Incorporation of Company	July 27, 2018
2	Section 6	Section 12	Registered office of Company	July 27, 2018
3	Section 15	Section 73	Prohibition on acceptance of deposits from public	15th August, 2018
4	Section 16	Section 74	Repayment of deposits etc. Accepted before the commencement of this Act	15th August, 2018
5	Section 20	Section 82	Company to report satisfaction of charge	5th July, 2018

6	Section 75	Section 366	Companies capable of being registered	15th August, 2018
7	Section 76	Section 374	Obligations of companies registering under this part	15th August, 2018

Notification Link:-

http://www.mca.gov.in/Ministry/pdf/CommencementNotiAmendment27_30072018.pdf

http://www.mca.gov.in/Ministry/pdf/CommencementNotification0507_06072018.pdf

http://www.mca.gov.in/Ministry/pdf/CommencementNotification05_06072018.pdf

Hope the information will assist you in your Professional endeavours. In case of any query / information, please do not hesitate to write back to us.

Best Regards '


**Chinki Singhal
& Associates**

Chinki Singhal | Company Secretary

Reg. Off. | DG-3/263, Vikaspuri | Delhi 110018

M: +91-9050320565

E: pcschinki@gmail.com | W: www.csassociate.com