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MCA UPDATES FOR THE MONTH OF FEBRUARY 2019**Rules****1. Companies (Significant Beneficial Ownership) Amendment Rules, 2019.**
(February 08, 2019)

The MCA has notified the Companies (Significant Beneficial Owners) Amendment Rules, 2019 which shall come into force on the date of their publication in the Official Gazette i.e 08-02-2019. Apart from providing more clear definitions for determining whether an individual or an entity has significant beneficial ownership, corporates will be required to provide the details in a more elaborate manner to the ministry. The Rules aim to look-through corporate layers to reveal individual shareholders that ultimately derive economic benefits from and/or control a corporate entity in India. The new Rule 2A states that every reporting company shall take necessary steps to find out if there is any individual who is a significant beneficial owner as defined in the Rules, and make such individuals to file declaration. Also, the company shall serve notice to all members (other than individuals) of a company which if they are holding not less than ten percent of shares or voting rights or right to receive or participate in dividend or any distribution payable in a financial year, seeking information in accordance with Section 90(5). Every significant beneficial owner of a company has to file declaration to that effect within 90 days of commencement of the amendment rules.

For More Information: -

http://www.mca.gov.in/Ministry/pdf/CompaniesOwnersAmendmentRules_08020219.pdf

2. Companies Prospectus and Allotment of Securities) Second Amendment
Rules, 2019.
(February 19, 2019)

MCA has notified the Companies (Prospectus and Allotment of Securities) Second Amendment Rules, 2019 which shall come into force on the date of their publication in the Official Gazette i.e 19-02-2019. The amendment are carried out in the Form PAS-3 which is required to be filed with the Registrar of Companies for Allotment of Securities by the companies. According to the Amendment, against serial number 6, in item (b), the words “not allotted securities with an application size of less than twenty thousand per person” against the second check box shall be omitted. As the MCA has done away with the requirement of application size of Rs. 20,000/- for all companies in the recent past, this amendment in PAS - 3 will sync the form with the applicable rules.

For More Information: -

http://www.mca.gov.in/Ministry/pdf/ProspectusAllotmentRule2019_20022019.pdf

3. Companies (Adjudication of Penalties) Amendment Rules, 2019
(February 19, 2019)

The MCA has notified the Companies (Adjudication of Penalties) Amendment Rules, 2019 which shall come into force on the date of their publication in the Official Gazette i.e 19-02-2019. The Amendments are carried out in the Rule 3 of the Original Rule, wherein the Central Government may appoint any of its officers not below the rank of Registrar, as adjudicating officers for adjudging penalty. The adjudicating officer for the purpose of adjudicating penalty, shall issue a written notice indicating (non-compliance, default, relevant penal provision, maximum penalty) to the relevant person to show cause why the penalty should not be imposed. Further, reply to this notice shall be filed only in the electronic mode and if the adjudicating officer is of the opinion that physical appearance is required, he may call for the personal hearing with in 10 days of the reply. The adjudicating officer shall pass an order with in 30 days and in case of physical appearance with in 90 days in writing. The adjudicating officer while adjudging quantum of penalty, shall have due regard to the size, nature of business, nature of default, repeat nature of default etc and in no case, the penalty imposed shall be less than the minimum penalty prescribed, if any, under the relevant section of the Act.

For More Information: -

http://www.mca.gov.in/Ministry/pdf/AdjudicatioPenalties2019_20022019.pdf

4. Companies (Incorporation) Amendment Rules, 2019 & Companies (Region offices and Fees)Amendment Rules, 2019.
(February 21, 2019)

Every company incorporated on or before the 31st December, 2017 shall file the particulars of the company and its registered office, in e-Form ACTIVE (Active Company Tagging Identities and Verification) on or before 25.04.2019.

No fee is payable till 25.04.2019 thereafter fee of Rs.10,000/- is payable.

For More Information-

http://www.mca.gov.in/Ministry/pdf/CompaniesIncorporationAmendmentRules_21022019.pdf
<http://www.mca.gov.in/Ministry/pdf/CompaniesRegnOfficesFeesRules21022019.pdf>

Circular

1. General Circular 01/2019
(February 21, 2019)

MCA has issued a General Circular w.r.t Extension for last date of filing initial return in MSME Form I. It has been clarified that pending the deployment of MSME Form I on MCA 21 portal and in order to avoid inconvenience to stakeholders on account of various factors, it is stated the period of thirty days for filing initial return in MSME Form 1 as specified in Specified Companies (Furnishing of information about payment to micro and small enterprise suppliers) Order, 2019 shall be reckoned from the date the said e-form is deployed on MCA 21 portal.

For More Information: -

http://www.mca.gov.in/Ministry/pdf/InitialReturnInMSMEForm_21022019.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.

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Best Regards '



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