

**Companies (Management and Administration) Amendment
Rules, 2021**

Ministry of Corporate Affairs (MCA) has issued notification G.S.R. 159(E)ⁱ dated 05th March, 2021 to further amend the Companies (Management and Administration) Rules, 2014.

These amended Rules may be called the Companies (Management and Administration) Amendment Rules, 2021. They shall be effective from 5th March, 2021.

Further, MCA vide notification S.O. 1066(E)ⁱⁱ appoints 05th March, 2021 as the date on which the provisions of clause (i) of section 23 of the Companies (Amendment) Act, 2017 shall come into force. Section 23 of Companies (Amendment) Act, 2017 deals with Amendment in Section 92 (Annual Return) of the Companies Act, 2013.

AMENDMENTS IN THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014

I. In Sub-rule 1 of the Rule 11 the following sub-rule shall be substitute:

“(1) Every company shall file its annual return in Form No.MGT-7 except One Person Company (OPC) and Small Company. One Person Company and Small Company shall file annual return from the financial year 2020-2021 onwards in Form No.MGT-7A”

Effect: Now, MCA has provided a separate format of annual return in Form No. MGT-7A for One Person Company and Small Company. Now from the financial year 2020-2021 onwards, One Person Company and Small Company are required to file the annual return in Form No. MGT-7A. Other Companies will continue to file annual return in Form No. MGT-7. MCA has also revised the format of Form No. MGT-7.

II. For rule 12, the following rule shall be substituted

12. Filing of Annual Return with Registrar.- *A copy of the annual return shall be filed with the Registrar with such fees as may be specified for this purpose.”.*

Effect: Now, after amendment, there is no requirement to attach extract of the annual return in Form No. MGT 9 with the Board's Report. As per the Section 92(3) of the Companies Act, 2013, annual return in Form No. MGT-7 and Form No. MGT-7A as applicable, is required to be uploaded on the website of the company, if any, and web-link of the same to be provided in the Board's Report.

AMENDMENT IN SECTION 92 (ANNUAL RETURN) OF THE COMPANIES ACT, 2013.

1. in sub-section (1), clause (c) shall be omitted;
2. in clause (j), the words "indicating their names, addresses, countries of incorporation, registration and percentage of shareholding held by them" shall be omitted;
3. after the proviso, the following proviso shall be inserted, namely

‘Provided further that the Central Government may prescribe abridged form of annual return for "One Person Company, small company and such other class or classes of companies as may be prescribed”

EFFECTS:

1. There is no requirement to furnish indebtedness in annual return.
2. There is no requirement to furnish details indicating names, addresses, countries of incorporation, registration and percentage of shareholding of Foreign Institutional Investors;
3. Central Government has been empowered to prescribe an abridged form of annual return for One Person Company (OPC) and Small Companies.

ⁱ http://www.mca.gov.in/Ministry/pdf/CompaniesMgmtAdminAmndtRules_11032021.pdf

ⁱⁱ http://www.mca.gov.in/Ministry/pdf/CommencementNotification_11032021.pdf

Suggestions may be sent to
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