MCA has notified the revised form for annual return (MGT-7) and has also introduced the abridged form of annual return (MGT-7A) for small and one-person companies (OPCs). The changes have been introduced by enforcing the relevant provisions of the Companies (Amendment) Act, 2017. Requirements such as furnishing details of indebtedness in the annual return, details indicating names, addresses, countries of incorporation, registration and percentage of shareholding of Foreign Institutional Investors, have been omitted.

Further, certain changes have been introduced in Rule 20 of the Companies (Management and Administration) Rules, 2014, which deals with voting through electronic means. New explanations have been incorporated for terms such as agency, cut-off date, cyber security, electronic voting system, remote e-voting, secured system, voting by electronic means.

MCA has also introduced Aadhar based authentication for Goods and Service Tax Identification Number (GSTIN) registration, while incorporating a company. The same will be done as part of e-form AGILE – PRO.

Aforementioned changes have been brought by (a) Notification dated March 5, 2021 enforcing section 23(i) of the Companies (Amendment) Act, 2017; (b) Companies (Management and Administration) Amendment Rules, 2021 dated March 5, 2021; and (c) Companies (Incorporation) Third Amendment Rules, 2021 dated March 5, 2021.

We trust you will find this an interesting read. For any queries or comments on this update, please feel free to contact us at insights@elp-in.com

Disclaimer: The information provided in this update is intended for informational purposes only and does not constitute legal opinion or advice. Readers are requested to seek formal legal advice prior to acting upon any of the information provided herein. This update is not intended to address the circumstances of any particular individual or corporate body. There can be no assurance that the judicial/quasi-judicial authorities may not take a position contrary to the views mentioned herein.