CHAPTER 16 · COMPLIANCE MANUAL · 2024 EDITION

COMPANY LAW MATTERS

*This chapter is an extract from **The RST Compliance Manual**, a regulator-mapped reference for Indian business entities curated by the partners of R S T & Co.*

Corporate law (also known as business law or enterprise law or sometimes company law) is **the body of law governing the rights, relations, and conduct of persons, companies, organizations and businesses.**

The term refers to the legal practice of law relating to corporations, or to the theory of corporations

16.1 Applicability

Entities Registered under the above Acts.

16.2 INCORPORATION Forms

Form	Purpose
DIR- 3	Availability of DIN
INC 1	Reservation of Name
INC 7	Declaration for incorporation
INC 22	Situation of Registered Office
DIR 12	Appointment of Director
INC 29	Integrated form for Incorporation of All Companies
INC-2	Incorporation of OPC (one person company)
INC-12	Application for grant of licence under Section 8
FC-1	Information to be filed by foreign company

16.3 POST INCORPORATION Forms

Form	Events	Due Date
DIR-6	Intimation of changes in Directors' particulars	30 days
PAS-3	Return of Allotment of shares	30 days
INC-24	Application of Change of Name of Company	30 days
SH -7	Increase in Share Capital/Member	30 days
CHG-1	Creation/Modification of charges	30 days
CHG-4	Satisfaction of Charges	30 days
MGT 14	Registration of Resolution/Agreement	30 days

Form	Events	Due Date
DIR 12	Change in Director/Secretary	30 days
ADT-3	Resignation of Statutory Auditor	30 days
RD-1	Application to the regional director	30 days
INC-22	Change in situation of Registered Office	15 days
CHG-8	Application to Central Government for extension of time for filing of FORM CHG-1/CHG-4	Not applicable

16.4 Compliances

16.4.1 AGM

Particulars	Time Limit
First AGM	Within 9 months from the balance sheet date
Subsequent AGMs	Within 6 months from the balance sheet date
Notice to AGM	“21 clear days” notice to be sent to all members

A shorter period notice to AGM is valid if acceptd by all members (Section 101).

16.4.2 Annual ROC Filing

Sl No.	Document	Form	Applicable To	Time Limit
1	Financial Statements	AOC 4	All companies u/s 137	30 days from the date on which the document was laid before AGM or AGM was due to be held
2	Annual Return	MGT 7	Companies having/not having share capital	60 days from the date of AGM or AGM due to be held
3	Information by auditors to Registrar	ADT 1	All companies	Within 30 days from the date of appointment
4	Annual accounts of foreign company	FC-3	Foreign Companies	9 Months from the closure of FY

16.4.3 Document / Form Required to be filed for Names Availability (Before Incorporation)

Form	Purpose	Fees
INC 1	Availability of Name for a New Company	Rs. 1,000

16.4.4 Documents / Forms Required at the time of Incorporation

Document Name	Event	Due Date Of Filing	Required Fee (Refer Section 403)
INC -7	Registration of a Company	At the time of Incorporation	Based on Authorised capital
INC -22	Details of Registered office of the company	At the time of Incorporation	Based on Authorised capital
DIR-12	Appointment of a Director/Secretary	At the time of Incorporation	Based on Authorised capital
AOA	Articles of Association	At the time of Incorporation	Based on Authorised capital
MOA	Memorandum of Association	At the time of Incorporation	Based on Authorised Capital

16.4.5 Documents / Forms Required After Incorporation

Form No	Event	Due Date Of Filing	Addl Fee Is Req?
INC- 22	Change in Situation of Registered office	Within 30 days	Yes
DIR-12	Changes In Director/Manager	Within 30 days	Yes
SH-7	Increase in Share Capital / Members	With in 30 days	Yes
MGT-14	Registration of Resolution / Agreement	With in 30 days	Yes
MGT -7	Annual Return	Within 60 Days of AGM	Yes
AOC 4	Financial Statements	Within 30 Days of AGM	Yes
CHG-1	Creation/modification of charge	Within 30 days	Yes
CHG-7	Register of Charges	NA	No
CHG-4	Memorandum & Complete Satisfaction of Charges	Within 30 days	Yes
INC-28	Notice of Court / CLB Order / RD	Notice of Court / CLB Order / RD	Within 30days
PAS-3	Return of Allotment	Within 30 days	Yes
SH 4	Share Transfer Form	NA	No
INC-27	Conversion of Public to Private application	Conversion of Public to Private application	Yes
PAS 3	Particular of Contract Relating toShare alloted for consideration on than cash	With in 30 days	Yes
AOC-5	Address at which Books of A/c of CO are maintained	With in 7 days	Yes
FTE	Striking off the name of company under fast track exit mode	With in 30 days	No

16.5 Penalties under Companies Act, 2013

Sl No.	Section	Nature of Default	Penalty	Persons held responsible
1	99	Failing to hold AGM according to sec 96 to sec 98	Rs. 100,000 + 5,000 per day	Company and every officer of the company who is in default.
2	137	Failure to file financial statements with MCA	Refer **Note 1** at the end of table **Company:** Lower of Rs. 1,000 per day or Rs. 10 Lakh **Officer:** Imprisonment upto 6 months or with fine Rs. 1 lakh to Rs. 5 lakh or with both	Company and every officer of the company who is in default.
3	129	Default in laying Accounts at the AGM	Imprisonment up to 12 months or with fine of Rs. 50,000 to Rs. 5,00,000 or with both.	Officers and Directors of the company
4	136	Failure to file members Annual Accounts/Auditors Report 21 days before meeting	**Company:** Rs. 25,000 **Officer:** Rs. 5,000	Company & Officer in default
5	92	Non compliance with the Annual Return	**Company:** Rs. 50,000 to Rs. 5,00,000 **Officer:** Imprisonment up to 6 months or with fine of Rs. 50,000 to Rs. 5,00,000 or with both.	Company & Officer in default
6	117	Failure to file with MCA certain Resolutions or Agreements	**Company:** Rs. 5,00,000 to Rs. 25,00,000 **Officer & Liquidator:** Rs.1,00,000 to Rs. 5,00,000	Company & Officer in default
7	134	Default in complying with Boards report and financial statements	**Company:** Rs. 50,000 to Rs. 25,00,000 **Officer:** Imprisonment up to 3 years or with fine of Rs. 50,000 to Rs. 5,00,000 or with both	Company & Officer in default
8	102	Contents & manner of service of notice in contravention of the provisions of the Act	**Promoter/Director/Manager/KMP or any relatives of KMP:** Rs. 50,000 or 5 times the amount of benefit W.I.M	Company & Officer in default
9	118	Minutes of proceedings of General Meeting	Fine up to Rs. 500	The company and every officer of the company who is in default

Sl No.	Section	Nature of Default	Penalty	Persons held responsible
10	129	Failure to prepare Annual Accounts in the form & contents specified in the section	**MD/WTD(finance)/CFO/other person charged by the board/All directors:** With or without imprisonment with a term upto 1 year Rs. 50,000 to Rs. 5,00,000	The company and every officer of the company who is in default
11	86	If any company contravenes any provisions of this chapter	**Company:** Rs. 1 Lakh to Rs. 10 Lakh **Officer in default:** Imprisonment upto 6 months or with fine Rs. 25,000 to Rs. 1,00,000 or both	The company and every officer of the company who is in default
12	85	Wilfully omission of any entry in the Registrer of charges / Refusal for inspection of registar of charge	**Company:** Rs.1 Lakh to Rs.10 Lakh **Officer in default:** Imprisonment upto 6 months or with fine Rs. 25,000 to Rs. 1,00,000 or both	The company and every officer of the company who is in default
13	12	Failure to intimate Registrar about change of Registered Office	Fine upto Rs. 1,000 for every day during which the default continues. Max Rs. 1,00,000	Company & Officer in default
14	60	Failure to publish Authorised, Subscribed and Paid – up Capital simultaneously	**Company:** Rs. 10,000 for each default **Officer:** Rs. 5,000 for each default	The company and every officer of the company who is in default
15	88	Failure to maintain Register of members Failure to maintain Index of members Failure to maintain Index of Debenture holders Failure to maintain other security holders	**Company:** Rs. 50,000 to Rs. 3,00,000 Where failure is continuing one further fine which may extend to Rs. 1,000 for every day	The company and every officer of the company who is in default
16	8	Failure to comply with the conditions with relation to Sec 8 companies (Sec-8 formation of companies with charitable objects,etc)	**Company:** Rs. 10 lakh to Rs.1 Crore **Directors and every officer of the company in default:** Imprisonment upto 3 years or fine Rs. 25,000 to Rs. 25,00,000 or both	The company and every officer of the company who is in default
17	15	Default in alteration is made in memorandum or articles in each copy after the alteration in MOA and AOA	Company & officer in default: Rs. 1,000 for each copy so issued	The company and every officer of the company who is in default

Sl No.	Section	Nature of Default	Penalty	Persons held responsible
18	187	Investments of company to be held in its own name	**Company:** Rs.25,000 to Rs. 25 Lakhs **Officer in default:** Imprisonment upto 6 months or with fine Rs. 25,000 to Rs. 1,00,000 or both	
19	91	If the register of members and debenture holders is closed without giving notice or giving a notice of atleast 7days	Fine upto Rs. 5,000 for every day during which the register is so closed (maximum penalty is Rs. 1,00,000)	The company and every officer of the company who is in default
20	92	Failure in complying with the provisions of section – 159, 160, 161 *(regarding filing of Annual Return)*	Fine upto Rs. 500 for every day during which the default continues	Every officer of the company who is in default
21	94	If any inspection, or the making of any extract u/s 163 is not sent	Fine upto Rs. 500 for every day during which the refusal or default continues	The company and every officer of the company who is in default
22	99	If default is made in holding an AGM or in complying with any directions of the CG *(Sec 167)*	Fine upto Rs. 50,000 + Rs. 2,500 for every day after the first during which such default continues	The company and every officer of the company who is in default

Note: Following fees were applicable from 1stApril, 2014

Period of delay	Penal fees
Upto 30 days	2 times of normal fees
More than 30 days & upto 60 days	4 times of normal fees
More than 60 days & upto 90 days	6 times of normal fees
More than 90 days& upto 180 days	10 times of normal fees
More than 180 days	12 times of normal fees

Normal fees varies on the basis of Authorised capital of the company. The above fees is to be paid in addition to the normal fees.

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End of Chapter. *For the complete Compliance Manual, additional chapters, or a tailored briefing for your finance and compliance teams, contact* ***info@rstandco.co.in****.*