



STRATAGE UPDATES

MCA vide a notification ([available here](#)) has brought into force Section 23 (i) of the Companies (Amendment) Act, 2017 with effect from March 5, 2021, which has amended the provisions of Section 92 (*Annual Return*) of the Companies Act, 2013. Section 92 states that every company is required to prepare an annual return in the prescribed form. Now, the following particulars in Section 92, have been modified:

- (a) Earlier, the “*indebtedness*” of the company, which included the details of the secured and unsecured loans and deposits taken by the company, was required to be set out in Form MGT – 7. Now, the requirement to set out the “*indebtedness*” has been deleted, and the revised Form MGT - 7 only requires details of the debentures issued by a company to be set out. Please note that the details of the loans and deposits may still be found under the financial statements filed by the Company in Form AOC-4 (XRBL);
- (b) Now, the details of the Foreign Institutional Investors, as may be prescribed, in respect of shares held by it or on behalf of it are required to be set out, as per the revised Form MGT – 7. However, the language in Section 92 of the Companies Act, 2013 requiring the Foreign Institutional Investors to set out its *names, addresses, countries of incorporation, registration and percentage of shareholding held by it*, has been deleted;
- (c) A new proviso has been added to Section 92(1) stating that the Central Government may prescribe an abridged form of annual return for One Person Company, Small Company and such other class or classes of companies as may be prescribed.

Revised Particulars under Annual Returns

This Update is meant for general information and shall not be deemed to be a legal advice or opinion. This Update is neither intended to be an advertisement or solicitation.

Communications: Contact@stratage.in



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New Forms **MGT - 7 & MGT - 7A**

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MCA vide the Companies (Management and Administration) Amendment Rules, 2021 dated March 5, 2021 ([available here](#)) has made the following key changes:

- New format of Form No. MGT – 7 has been prescribed, which is applicable to companies other than One Person Company and Small Company.
- One Person Company and Small Company are now required to file its annual returns in Form No. MGT - 7A from the financial year 2020-21 onwards.
- Filing of Form No. MGT – 9, with respect to filing an extract of the annual return attached with the Board's Report has been done away with.
- Certain expressions such as 'nidhi', 'agency', 'cut-off date', 'remote e-voting', 'voting by electronic means', with respect to Rule 20 (Voting through Electronic Means) of the Companies (Management and Administration) Rules, 2014 have been explained vide the aforesaid amendment.

The aforementioned amendment has come into effect from March 8, 2021.