

CORPORATE UPDATE

FAQ ON COMPLIANCE OF SHARE CAPITAL AUDIT REPORT

1. What are the Regulation and Act applicable?

Regulation 55A of the SEBI (Depository and Participant) 1996 read with Rule 9A of Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018, Issue of Securities in Dematerialized form by Unlisted Public Companies.

2. Which company needs to submit Share Capital Audit Report?

As per Rule 9A- Issue of securities in dematerialized form, Every unlisted public company need to submit Audit Report.

3. What is the time period of submitting Share Capital Audit Report?

Within 30 days from the end of each half year to the Registrar under whose jurisdiction the registered office of the company is situated.

4. What is the mode of filing of Share Capital Audit Report?

Share Capital Audit Report is to be filed in E-form GNL-2 with the ROC.

5. Who will issue Share Capital Audit Report?

Share Capital Audit Report is to be certified by Practicing Company Secretary or Chartered Accountant.

6. Whether Companies which have all the Shares in physical form need to file Share Capital Audit Report?

Yes, Share Capital Audit Report need to filed even if your capital is having all the share in physical form.

7. What is the penalty for non-compliance of filing of share capital audit report?

As per section 450 of Companies Act, 2013-

- a. Fine on company and every officer of the company- 10,000/-
- b. Where the contravention is continuing one- 1,000/- per day

NOTIFICATION LINK:

http://www.mca.gov.in/Ministry/pdf/CompaniesProspectus3amdRule_10092018.pdf

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