

COMPANIES (MANAGEMENT AND ADMINISTRATION) AMENDMENT RULES, 2020

Introduction:

The Ministry of Corporate Affairs vide circular dated 28th August 2020, General Circular No. 01/34/2013-CL-V- (Pt-I), has amended Rule 12 of the Companies (Management and Administration) Rules, 2014 vide Companies (Management and Administration) Amended Rules, 2020 (“**Amendment Rules**”). The Amendment Rules shall come into force from 28th August 2020 (“**Effective Date**”).

Background:

Rule 12 of the Companies (Management and Administration) Rules, 2014 contains provision which mandates companies to file extract of the annual returns which are enclosed with the board's report through Form No. MGT-9.

Amendment Rules:

The Amended Rules provides that from the Effective Date, the companies shall not be required to attach extracts of annual returns with the board's report in Form No. MGT-9 in case where the web link of such annual return has been disclosed in the Board's report by the companies in accordance with sub-section (3) of section 92 of the Companies Act, 2013.

Conclusion:

The Amended Rules seeks to bring more clarity in case if any company has its own website then the annual return will have to be uploaded on the website and its extract will be required to be attached with the boards' report in form MGT-9. For companies who does not have a website, will continue to attach the extract of annual return with the board's report in form MGT-9.

DISCLAIMER

This alert has been written for general information of our clients and should not be treated as a substitute for legal advice. We recommend that you seek proper legal advice prior to taking any action pursuant to this alert. We disclaim all liability for any errors or omissions. For further clarifications you may write to Hitesh Jain (hitesh.jain@parinamlaw.com) and Mallika Noorani (mallika.noorani@parinamlaw.com).

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