

# Annual Return-MGT-7- FAQs

Annual Return is a yearly return filed by every company with ROC every year. Non-filing of this annual compliance has many ramifications and legal interventions. The Author has tried to capture few basic FAQs in this article related to Annual Return-MGT-7, which will help the readers to meet the compliance in time and clarity on some conceptual issue.

## **1.What is Company Annual Return?**

Annual return is an Annual /yearly form/return which contains information regarding the company, its shareholders, Directors, KMP etc as on 31<sup>st</sup> March and filed with ROC. It is a mandatory requirement. A company files the Form MGT-7 for its annual return.

## **2. Section, Rule and Provisions applicable related Annual Return?**

Section 92 & Rule 11, 12 of **Companies(Management & Administration ) Rule 2014**.

## **3. Applicability of Company Annual Return?**

Applicable to all the class of companies including OPC and small companies.

## **4. Due date for filing of Company Annual Returns**

- Form MGT-7 is to be filed within 60 days from the date of Annual General Meeting of the company.
- The due date for regulating annual general meeting is on or before the 30th day of September following the close of every financial year.
- Therefore, the last date for filing form MGT-7 is generally 29th of November every year unless extended by MCA.

## **5. My company is a small company, will it require to file this return?**

Yes, as per section 92, Annual return also to be filed by a small company also.

## **6. Is an OPC also required to file this return?**

Yes, as per section 92, Annual return also to be filed by an OPC.

## **7. My company is a Private limited company and not doing any business since years, should we need to file this return?**

Yes, as long as the company is showing as “ active” and DORMANT status has not been obtained from ROC.

## **8. My company is a listed company, what additional requirements with regard to filing of annual return needs to be ensured?**

The Annual return also need to be certified by a Practicing Company Secretary in form MGT-8

## **9. What is certification by a Practicing Company Secretary?**

Every listed company and unlisted companies having paid up share capital more than Rs 10 cr or Turnover more than Rs 50 cr shall require to attach a certificate in MGT-8 along with the annual return to be filed with ROC.

**10. Is Annual return can be certified by a PCA or PCMA or a Advocate?**

No, Annual Return is only be certified by a PCS.

**11. My company has not filed INC-22A, will it be able to file annual return?**

Yes, the company can able to file MGT-7.

**12. Some of directors of my company has not filed DIR-KYC3/WEB, can the company file Annual Return?**

Yes, the company can file the MGT-7 annual return but the DSC of the defaulted director cannot be used for signature.

**13. Who will sign the Annual return?**

For Normal company – Director + CS if any, if no CS then by a PCS (D+CS/PCS)

For OPC /Small company –CS and if no CS then by a Director. No need to sign from any PCS.(CS/D)

**14. My company does not have full time Company Secretary, who should sign the annual return?**

As per section 92, if the company do not have a full time company secretary then the annual return can be signed by a PCS along with the Director.

**15. The company secretary of the company has signed the Annual return, will it again to be signed by a PCS?**

It depend on the status of the company. If it is a listed company then yes. If the paid up share capital is more than 10 cr or Turnover is more than Rs 50 cr then yes. Rest all cases no need to signed from a PCS.

**16. Can MGT-7 and MGT-8 both be signed by same PCS?**

Yes.

**17. My company has not filed Annual returns for last two years, can it file now for the current year and past years?**

Yes by making additional fees.

**18. All the directors of the company has resigned /disqualified under section 164-2, how to file annual return?**

It is advisable to get a director appointed from back end by ROC and then get the same filed.

**19. Annual Return shall contains the data as on end of Financial year or as on date of AGM?**

As on the closure of the financial year and not as on the date of AGM.

**20. Any event occurred after 31<sup>st</sup> March, will it also be captured?**

Annual return contains the data/informations as stood on the end of Financial Year. But, the Annual return shall also contains any event occurred after 31<sup>st</sup> March, in case there is change in Director/KMP.

**21. The annual return of my company has filed with wrong information, can it be rectified?**

Yes it can be after the same is cancelled by ROC.

**22. The AGM of my company has not been held, how the annual return will be filed?**

As per provision of section 92, if there is no AGM held, then within 60 days from the date on which the AGM should have been held. The MGT-7 also should be attached with a reasons for not holding the AGM.

**23. AGM of my company has been extended by ROC, how the annual return will be filed?**

Within 60 days from the extended date of AGM.

**24. Our company has not filed DPT-3, will it be allowed to file Annual Return?**

Yes.

**25. What are the penalty /consequences for late or non filing of annual return?**

(a) Late filing – Rs 100 per day as “ penalty “ upto maximum Rs 5 Lac + company and its officers who is in default shall be liable to pay penalty of Rs 50000.

(b) Non-filing – Non Filing for continuous period of three financial years will leads to disqualification of Directors.

Additionally, after the companies amendment act 2019, Delay filing of annual returns will also amount to adjudication by ROC after issuing of Show Cause Notice.

**26. My company has filed annual return with additional fees, will it relieved from all liability?**

No. After the companies amendment act 2019, Delay filing of annual returns will also amount to adjudication by ROC after issuing of Show Cause Notice. Additional fees is not a fine or penalty.

**27. My Company is under NCLT, will it require to file Annual return and who will sign ...RP or Director?**

Yes. To be signed as per section 92 of the [companies act 2013](#).

**28. My Company has paid up share capital of Rs 10 cr and above, and do not have Company Secretary, who will sign the annual return and MGT-8?**

It has to be signed by a director and a PCS.

**29. Can an alternate director sign MGT-7?**

Yes.

**30. Can a PCS sign annual return of the company evenif the company has company secretary?**

No. Only PCS can sign(certification) if it is a listed company or paid up share capital is more than Rs 10 cr or Turnover is more than Rs 50 cr.

**31. My company is a dormant company, will it require to file MGT-7?**

If dormant status is taken from ROC then not required.

**32. What are the attachment to be done with the MGT-7?**

- List of shareholders, debenture holders, if any.
- Approval letter for extension of AGM, if applicable
- Copy of MGT-8;
- Optional Attachment(s), if any

**33. My company could not able to file annual return this year, can they fie next year?**

Yes, by payment of additional fees.

**34. Annual accounts of my company is not audited, can we file annual return?**

Yes.

**35. The accounts of my company is not adopted in the AGM, how can we file annual return.**

Can file.

**36. My company secretary joined after the end of financial year, can he sign the annual return for past period?**

Yes.

**37. The paid up share capital of my company is less than 5 cr, do the MGT-7 also need to be signed by the company secretary?**

If the company has CS then yes or else any director can sign and a PCS will also sign.

**38. We have already applied for strike off of my company, will it require to file MGT-7?**

Yes.

**39. My company has been applied for the voluntary winding up under section 272 of the companies act, will it require to file MGT-7?**

Yes

**40. Can an additional director sign the Annual return?**

Yes.

**41. Should we upload the copy of the Annual Return in our website?**

Not required. Section 92(3) is yet to be effective. But if a company wishes to do so can do.

**42. My company has made non-compliance in filing DPT-3 and MSME-1 return during 2018-19, should it be capture?**

No. The non-compliance has been made during FY 2019-20, hence will be captured next year's MGT-7

Source courtesy:  taxguru.in