MCA Relaxation (Due to CoVID) 03rd May, 2021

Ministry of Corporate Affairs has issued Circulars on May 03, 2021 as **as Relaxation due to CoVID**, in Companies Act, 2013 in respect of :-

- ✓ Form Filings
- ✓ Holding of Board Meetings

1 Circular - 1: Maximum Gap Between Two Board Meetings

MCA extended gap between two board meetings by 60 days for first two quarters of financial year 2021-22. According to this, the gap between two consecutive Board Meetings may extend to 180 days during the quarters, April to June and July to August.

Eg: if 120 gap of board meeting falling in between 1st April, 2021 to 30th September 2021 then maximum gap of Board Meeting shall be considered as 180 days.

Eg: if 120 completing on 30th April then 180 days shall be considered till 30th June.













¹ https://www.mca.gov.in/Ministry/pdf/GeneralCircularNo8 03052021.pdf

<u>2Circular - 2</u>: Relaxation in additional fees for filing of form after due date

As per this circular, if due date of any form (except CHG-1, CHG-4 and CHG-9) falling between 1st April, 2021 to 30th May, 2020 then those forms can be file without additional fees till 31st July, 2021.

Eg: Due date for MSME-1 was 30th April, 2021. This date is falling under above dates. Therefore, this can be file till 31st July, 2021.

<u>Circular - 3 : Relaxation in time for filing of Charge related form after</u> <u>due date</u>

I. APPLICABILITY:

As per provisions of Section 77 of Companies Act, 2013 form CHG-1 and CHG-9 relating to Creation and Modification of Charge need to be file in **maximum 120** days from date of creation or modification.

Circualr shall be applicable in following Manner:

PART I: If date of creation or modification of charge is before April 01, 2021.













² https://www.mca.gov.in/Ministry/pdf/GeneralCircularNo6 03052021.pdf

If date of creation or modification of charge is before April 01, 2021, but the timeline for filing of such form had not expired under Section 77 (i.e. 120 days) as on April 01, 2021

FG.

a) Charge created/ modified before April 01, 2021 but as on April 01, 2021 One hundred Twenty Days (120 days) has not expired.

**In other word we can say that, charge is created or modified on or after December 02, 2020 is eligible for this scheme.

PART II: If date of creation or modification of charge is between April 01, 2021 to May 31, 2021.

If date of creation or modification of charge is between April 01, 2021 and May 31, 2021 then all such form shall fall under this scheme.

EG.

a) If Charge Created or modified after April 01, 2021 then this scheme is also applicable on all such forms.













II. RELAXATION OF TIME/ FEE UNDER SCHEME:

PART I: If date of creation or modification of charge is before April 01, 2021.

TIME LINE

- The period beginning from April 01, 2021 and ending on May 31, 2021 shall not
 be reckoned for the purpose of filing of form u/s 77 & 78.
- In case form not filed till May 31, 2021 the first day after March 31, 2021 shall be June 01, 2021.

EG.

a) If Charge created/ modified on February 14, 2021, then what shall be due date as per scheme.

Ans: Maximum time for filing of form is 120 days. Till March 31, 2021 | 45 days passed. Remaining days 75 days. As per above provision:

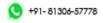
- If company file form between April 01 to May 31 then as form filed after 30 days but before 60 days i.e. 45 days on March 31, therefore, company is required to pay normal fees as well as additional fees.
- If Company file form till May 31, then June 01, shall be considered as 46th day for the purpose of fees payable on Charge Form

FEES:













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- If company file form between April 01 to May 31 then fees applicable on such form as on March 31, required to be pay till May 31.
- If Company file form till May 31, then June 01, shall be considered as next day of March 31, for the purpose of fees payable on Charge Form.

PART II: If date of creation or modification of charge is between April 01, 2021 to May 31,2021.

- The period beginning from April 01, 2021 and ending on May 31, 2021 **shall not** be reckoned for the purpose of filing of form u/s 77 & 78.
- In case form not filed till May 31, 2021 then June 01 shall be first day to count 120 days u/s 77

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