

**Section – 134  
&  
Section - 92**

**Anil Gupta@guptasachdeva.com**

**Assisted by : Shivam & Sanchit**

**99-11-44-66-88**



**anilguptafca@gmail.com**

**Director's Report**

**Annual Return**

**Statement**

**Directors Responsibility**

## **Rule – 8**

**Matters to be included**  
**in Board's Report**

# **Rule – 8 Matters to be included in Board's Report**

**All New**

**1. Separate section** in Board's Report to comment over:

- Performance or financial position of
- Subsidiary, associate or joint venture taken in CFS

**2. Form AOC.2**

**3. Report of Board on:**

- a. Conservation of energy
- b. Technology Absorption
- c. Forex Earning & Outgo

# **Rule – 8 Matters to be included in Board's Report**

**4. Formal annual evaluation** of its own performance & that of its committee :

- Listed company
- Public company (Paid up capital  $\geq$  25 cr.)

**5. Further Information** 😞 applicable to all)

- **Financial summary**
- Change in **nature of business** if any
- **Director or KMP** who were **appointed/ resigned**
- **Company ceased/ become its J.V/ Associate/ Subsidiary**
- **Details of Deposits as well**
- **Deposits not in compliance with Chapter-V section 73 and 74**
- Any order by authorities **impacting going concern** basis
- **Adequacy of IFC**

# Form MGT – 7

## 1. Other Disclosures :

Limits under following sections of the Act (Sec.180 & 186):

Section	Brief Description	Limit (Rs.)
186 (2) [Loan & Investment made by Co.]		
180(1)(c) [Restrictions on power boards]		

## 2. Matters Relating to certification of Compliances & Disclosures (cont...)

### B. Disclosures (Sec.188):

5. Particulars of intercorporate loans, investments etc.	Name of the Body Corporate	Aggregate Amt of Loans , Investment during the year (for each Body Corporate)	Relation with such Body Corporate (whether Holding/ Subsy/ Associate)	Remarks
6. Contracts or arrangements in which directors are interested/ RPT	Name of the Director/ related Party	Date of Disclosure of Interest	Date of contract/ arrangement	Brief particulars of the contract/ arrangement

# Form MGT – 7

## 3. Indebtedness

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year :</b>				
(i) Principal Amt.				
(ii) Int. Due but not paid				
(iii) Interest accrued but not due				
<b>Total (i + ii + iii)</b>				



### 3. Indebtedness (Cont..)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Change in Indebtedness during the financial year :</b>				
▪ Addition				
▪ Reduction				
<b>Net Change</b>				
<b>Indebtedness at the end of Financial year :</b>				
(i) Principal Amt				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				

# Relevant Section & Forms At a Glance

Sec. 134 (Old 215, 216 & 217) -> Parent Section -> [DR + DRS]

Sec. 92 (Old 159) -> AR

**Note : The Disclosure of informations as desired in DR & AR will be possible only when the compliance of the following sections is closely monitored.**

- A. Deposits Sec. 73 & 74**
- B. Borrowings Sec. 179 & 180**
- C. Lending Sec. 185 & 186**
- D. RPT Sec.188**

## **Relevant Section & Forms At a Glance (Cont..)**

- E.** Audit & Other Committees Sec. 177 & 178
- F.** Managerial Remuneration payable by Co. Sec. 197
- G.** Appointment of KMP Sec.204
- H.** Circulation of the Audited F.S Sec. 136
- I.** Relevant Forms –
  - MGT.7 (AR),
  - MGT.8 (C.S certificate),
  - MGT.9 (Extracts of AR to be filled with BOD Report)
- J.** AOC.1 (CFS Details),
  - AOC.2 (RPT),
  - AOC.3 (Abridged BS & PL for listed Co.)

## Relevant Section & Forms At a Glance (Cont..)

### **K. Filing of FS with ROC Sec.137**

(AOC.4... (old Form-23AC & 23ACA)

a very detailed form even asks for information on CARO,

various loans,

various advances, trade receivables,

bad debts out of RPT as per AS 18 )

# Sec 134 (old 215 and 216) FS

- 1. F.S must be approved by the BOD before they are signed:**
  - By the **chairperson** appointed by the Board, or
  - By **(M.D + Director) OR (Director + Director) OR (M.D + CEO) OR (M.D + CFO + C.S)**
  - In case of **OPC** – only by **1 Director**
- 2. Auditor's Report to be Attached to every F.S**

# Sec 134 (old 217) Board's Report

## 3. Report of BOD shall include:

- a. **MGT.9 –Sec.92(3) & Rule 12 - New**
- b. **No. of meetings of Board - New**
- c. **DRS (134(5)) - Partially New**
- d. **Declaration by Independent Director – Sec.149(6) – New**
- e. **BOD of Listed Co. & Public co. should constitute committees: sec 177 and rule) – New**  
[Public Co. with PUC 10 cr/more OR T.O. 100cr./more OR Borrowings 50cr./more]

## **Sec 134 Financial Statement, board's Report, etc.**

- Nomination & Remuneration committee (178)
- Stakeholders' relationship committee (178)
- Audit committee (177)

& Note on companies policy on making such committees. (178)

Matters dealing with directors appointment,  
Remuneration & Grievances of the security holder of  
the company (178)

Applicable to co. with 1,000 shareholders (Sec.178 but  
Audit committee u/s 177 is not part of 134 reporting)

## **Sec 134 Financial Statement, board's Report, etc.**

- f. Explanation on every adverse remark of C.A & C.S – **New**
- g. Sec.186 particulars – Loan, Guarantees or Investment by Co. – **New**
- h. AOC.2 – RPT As per Sec 188(1) – **New**
- i. State of companies affair – **Old**
- j. Amount proposed to be transferred to reserve – **Old**
- k. Amount to be proposed as dividend – **Old**
- l. Material changes effecting the financial statements – **Old**
- m. Conservation of energy, Forex earning, technology absorption etc. – **Old**



## **Sec 134 Financial Statement, board's Report, etc.**

- n. Risk management policy – **New**
- o. CSR policy initiatives taken – **New**
- p. Listed co. & other prescribed – Formal annual evaluation to be made by Board of its own performance & that of its committee & Individual director – **New**
- q. Other matters – **New**  
(Sec 172, 178, 197, & 204)

134(4) Report of BOD in case of **OPC shall contain only** – the explanations on adverse remark/ disclaimer/ qualification by auditor – **New**

## **Sec 134 Financial Statement, board's Report, etc.**

### **5. DRS:**

- a. Application of AS – **Old**
- b. Appropriate accounting policies are applied – **Old**
- c. Adequate provisions as per CA 2013 are applied – **Old**
- d. Going concern followed – **Old**
- e. In Case of Listed Co. – IFC applied & operating effectively – **New**
- f. Policy to comply with Laws & its operating effectiveness – **New**

## **Sec 134 Financial Statement, board's Report, etc.**

### **6. Board Report to be signed by –**

- a. Chairperson, or
- b. 2 Directors = M.D + other Director
- c. In case of OPC - Director

### **7. F.S/ C.F.S issued, circulated or published with:**

- a. Notes forming part of F.S
- b. Auditors Report
- c. Board Report

## **Sec 134 Financial Statement, board's Report, etc.**

8. If company **contravenes** the provision of Sec 134 than sentenced with:
  - a. 25,000 < 25,00,000 – Fined over company
  - b. 50,000 < 25,00,000 – Officer in default  
(or imprisonment upto 3yrs. OR Both)

# Form MGT – 7

## 1. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE CO.

S.No	Name & Address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section

## 2. Remuneration of Director's & KMP :

S.No	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amt.
		-----	-----	-----	-----	
<b>1.</b>	<b>Gross Salary</b>					
	(a) Salary as per the provisions contained in section 17(1) of the IT Act, 1961					

# Form MGT – 7

## 2. Remuneration of Director's & KMP : (cont...)

S.No	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amt.
		-----	-----	-----	-----	
<b>1.</b>	<b>Gross Salary</b>					
	(a) Salary as per the provisions contained in section 17(1) of the IT Act, 1961					
	(b) Value of perquisites u/s 17(2) IT Act, 1961					
	© Profits in Lieu of Salary u/s 17(3) IT Act, 1961					
<b>2.</b>	<b>Others</b>					

# Form MGT – 7

## 4. Remuneration to Other Director's

S.No	Particulars of Remuneration	Name of Directors				Total Amt.
		-----	-----	-----	-----	
	<b>1. Independent Directors</b>					
	• Fees For Attending Board					
	• Commission					
	• Others, please specify					
	<b>2. Others Non- Executive Directors</b>					
	• Fees for attending board committee meetings					
	• Commission					
	• Others Please specify					





# Form MGT – 7

## 6. Matters Relating to certification of Compliances & Disclosures

### A. Certification of Compliances :

Details of events/ matters in respect of which the company was able to file returns or comply with requisite provisions of the Companies Act and Rules made thereunder :

Description of the Event/ matter	Date of the Event	Section & Description	Due date for filing/ compliance	Date of filing SRN/ SRN compliance	Concerned Authority (ROC/NCL T/COURT)	Reason for delay if any

- Thanks but the CPE will continue
- [anilgupta@guptasachdeva.com](mailto:anilgupta@guptasachdeva.com)