



Ministry of Corporate Affairs further amended the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Ministry of Corporate Affairs introduced Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2020 and makes the following rules to further amend the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. They shall be applicable in respect of financial years commencing **on or after 1st April, 2020**.

Amendment in Rule 8A for the applicability of Appointment of Company secretary:

Amended: "Every private company which has a paid up share capital of **ten crore rupees or more** shall have a whole-time company secretary."

Old Rule 8A: "A company other than a company covered under rule 8 which has a paid up share capital of five crore rupees or more shall have a whole-time

company secretary."

Addition in Rule 9 for the applicability of Secretarial Audit Report in companies:

Rule 9 (Secretarial Audit Report):

(a) Every public company having a paid-up share capital of fifty crore rupees or more; or **(Old)**

(b) Every public company having a turnover of two hundred fifty crore rupees or more; **(Old)** or

(c) Every company having outstanding loans or borrowings from banks or public financial institutions of **one hundred crore rupees or more**" shall also be covered under Rule 9 (Secretarial Audit Report). **(Newly added)**

The following explanation in Rule 9 shall be inserted, namely:

"Explanation :- For the purposes of this sub-rule, it is hereby clarified that the paid up share capital, turnover, or outstanding loans or borrowings as the

case may be, existing on the **last date of latest audited financial statement** shall be taken into account."

[Detailed notification of MCA can be found at the following link.](#)

CONTACT DETAILS:

Head Office

75/7 Rajpur Road, Dehradun

T +91.135.2743283, 2747084, 2742026

F +91.135.2740186

E info@vkalra.com

W www.vkalra.com

Branch Office

80/28 Malviya Nagar, New Delhi

E info@vkalra.com

W www.vkalra.com

For any further assistance contact our team at kmt@vkalra.com

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