

Ministry of Corporate Affairs (MCA) has increased fees for delay in filing of certain forms upto 18 times normal fees:

MCA has issued a Notification dated 11th January 2021 for amendment in “Companies (Registration Offices and Fees) Amendment Rules, 2022”.

As per the notification there shall be levied **Higher** Additional fees in Certain Cases.

The additional fees and higher additional fees shall be applicable for delay in filing of certain forms.

Effective Date: The additional fees and higher additional fees shall be applicable with effect from **1st July 2022**.

Details of Additional Fees / Higher Additional Fees:

S. No.	Period of Delays	Additional fees as a multiple of normal fee	Higher Additional fees as a multiple of normal fee
1	Upto 15 days (Section 139&157)	One time of normal fees	
2	More than 15days and upto 30 days (Section 139 &157) and upto 30 days in remaining forms	2 time of normal filling fees	3 time of normal filling fees
3	More than 30 days and upto 60 days	4 time of normal filling fees	6 time of normal filling fees
4	More than 60 days and upto 90 days	6 time of normal filling fees	9 time of normal filling fees
5	More than 90 days and upto 180 days	10 time of normal filling fees	15 time of normal filling fees
6	Beyond 180 days	12 time of normal filling fees	18 time of normal filling fees

Application of these Higher Fees:

The circular lists the following forms on which additional fees and higher additional fees shall be applicable.

Form No	Purpose
PAS 3	Allotment of Shares
INC 22	Change in Registered Office

It should be noted that higher additional fees shall be charged on above mentioned two forms in the situation:

- Where there is a delay in filing of above forms.

- The delay is on two or more occasions.
- The delay is within a period of 365 days from the date of filing of last such belated e-form on which additional fees or higher additional fees is applicable

Also to note that where Higher additional fees is applicable, Additional fees shall not be charged.

Not Applicable forms:

The Higher additional fees shall not be applicable on the following forms:

Form	Purpose
SH 7	Increase in Nominal value of shares
AOC 4	Financial Statements

Interpretation:

From the language of the circular, the following can be interpreted:

- 1) In case of Form PAS 3 and INC 22, additional and higher additional fees has been prescribed for delay in filing these Forms after the due date based on the period of delay.
- 2) Incase of first time delay, Additional fees shall be levied. In case of subsequent delays (two or more occasions) within a period of 365 days, higher additional fees shall be levied.
- 3) Incase, Higher additional fees is applicable, additional fees shall not be charged.

Conclusion:

Non compliance of Companies Law Act is becoming more and more costly in terms of fees, additional fees and now higher additional fees. It is mind boggling that additional fees can go upto 18 times the normal fees. Therefore, it is advised to keep company law compliance in mind and ensure timely submission of relevant forms and avoid unnecessary fees.