



Complete guide on PAS-6

Ministry of Corporate Affairs (“MCA”) vide its notification dated **10th September, 2018**, inserted **Rule 9A** of Companies (Prospectus and Allotment of Securities), Rules, 2014, for Issue of securities in dematerialised form by unlisted public companies which is effective from 02nd October, 2018.

As we all are aware that the filing of PAS-6 form is nearby as the form is notified by MCA on **15th July 2020** Here, is a small step to guide you all before filing the form.

Now the following Question arises before filing or checking the applicability of PAS-6.

Here are some of the commonly used questions.

1. What is Rule 9A?

Issue of securities in dematerialised form by unlisted public companies. It state as

Every **unlisted public company** shall –

- issue the securities only in dematerialised form; and
- facilitate dematerialisation of all its existing securities

in accordance with provisions of the Depositories Act, 1996 and regulations made there under.

2. Meaning of dematerialised?

It is the process by which physical certificates of an investor are converted to an equivalent number of securities in electronic form. Dematerialisation is for enhancing transparency, investor protection and governance in the corporate sector.

3. Key Features of Rule 9A?

1. Every unlisted public company shall Issue the securities only in dematerialised form and facilitate dematerialisation of all its existing securities (obtain ISIN for each type of security).

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2. Before making any offer for issue of any securities by unlisted public company, the entire holding of securities of its promoters, directors, KMP is in Demat form.
3. Every securities holder of unlisted public company shall get his securities in Demat form before transferring to any person or subscribing to any issue of securities.
4. Submission of reconciliation of share capital audit report.
5. The Grievances of security holders of unlisted public company under this rule shall be filed before the IEPF Authority.

4. Whether Rule 9A of the said rules applicable on Deemed Public Companies (a Private Company which is subsidiary of Public Company)?

“Deemed Public Company” is defined under the proviso of Section 2 (71) of the **Companies Act, 2013**. It is stated that a private company which is a subsidiary of public company shall be deemed to be public company even where such subsidiary company continues to be a private company in its articles. Accordingly, the Rule 9A of the said rules is applicable on deemed public company as well.

5. To whom this rule not apply?

This rule shall not apply to an unlisted public company which is: –

- a Nidhi;
- a Government company or
- a wholly owned subsidiary

6. Who shall file PAS-6?

Every unlisted public company governed by this rule shall submit Form PAS-6 to the Registrar of companies with such fee as provided in Companies (Registration Offices and Fees) Rules, 2014 within 60 days from the conclusion of each half year.

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7. What are the periods of reporting after deployment of form PAS-6?

Companies have to file 2 PAS-6 for each category of securities

- One for the period 01/04/2019 to 30/09/2019
- Second for the period of 01/10/2019 to 31/03/2020

8. What is the due date for filing of PAS-6?

The last date for filing of PAS-6 after deployment of form PAS-6 is 12th September 2020 and thereafter 60 days from the date of conclusion of each half year.

9. Do we need to file different PAS-6 for different categories of Securities?

Yes, If a company has a different type of securities i.e. Equity, Preference, Debentures etc. in this case company has to obtain **different ISIN** and has to file different PAS-6 for each category of securities.

10. What is an ISIN?

ISIN (International Securities Identification Number) is a unique 12 digit alphanumeric identification number allotted for a security (e.g. INE08FZ08013). Equity fully paid up, equity partly paid up, equity with differential voting /dividend rights issued by the same issuer will have different ISINs.

11. If company has not yet obtained ISIN. Can they obtain it now?

Yes, a company can obtain ISIN now.

12. If company has not dematerialized it's shares by 31st March 2020. How to file PAS-6 in such case?

If company did not dematerialize it's shares by 31st March 2020 in such case company has to fill share details in shares "**held in physical form**" Column.

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13. Do we need to attach any documents/ supporting in PAS-6?

No, there is no need to attach anything in the form PAS-6.

14. Who is authorized to file PAS-6?

These are the authorized persons to file PAS-6. Anyone mentioned below can file PAS-6.

- Director
- Manger
- Company Secretary
- CEO
- CFO

15. Who can certify the form PAS-6?

Practicing Company Secretary or A Practising Chartered Accountant are authorized to certify the form PAS-6.

16. What is the penal provisions for not obtaining ISIN?

As there is no penalty prescribed under rule 9A for non-compliance, therefore **Section 450** of Companies Act, 2013 (punishment where no specific penalty or punishment is provided) will be applicable.

As per Section 450, the company and every officer of the company who is in default or such other person shall be punishable with fine which may extend to **ten thousand rupees**, and where the contravention is continuing one, with a further fine which may extend to **one thousand rupees for every day** after the first during which the contravention continues.

Please feel free to reach out in case you have any Queries/suggestions...!!

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