



**THE INSTITUTE OF
Company Secretaries of India**
भारतीय कम्पनी सचिव संस्थान
IN PURSUIT OF PROFESSIONAL EXCELLENCE
Statutory body under an Act of Parliament
(Under the jurisdiction of Ministry of Corporate Affairs)

October 18, 2024

Dear Professional Colleague,

Subject: Applicability of Ceiling on Signing of Annual Return in E-form MGT-7

The Council of the Institute has always been at the forefront in establishing and monitoring the standards of professionalism, service delivery & ethical conduct, thereby enhancing overall efficiency of the Company Secretary in Practice and the associated Corporates.

In line with this, the Council in its 312th meeting held on 8th-9th October, 2024 has introduced ceiling on signing of E-form MGT-7 by a Company Secretary in Practice.

The prescribed ceiling is placed as under:

- A Company Secretary in Practice is entitled to sign Annual Return pursuant to Section 92(1) of the Companies Act, 2013, for not more than 75 companies for each of the financial year under consideration;
- A Peer Reviewed Company Secretary in Practice is entitled to sign Annual Return pursuant to Section 92(1) of the Companies Act, 2013, for not more than 125 companies for each of the financial year under consideration.

The same shall be made applicable from the financial year commencing 1st April, 2025.

Further as it is mandatory to generate UDIN for signing e-form MGT-7 in accordance with ICSI Unique Document Identification Number (UDIN) Guidelines, 2019, the consequential changes shall be applicable in the UDIN Portal for effective implementation of the same.

It has been observed that in many cases UDIN is being generated with inaccurate details and under incorrect Document Type by selecting 'Others' and manually entering the nature of documents instead of using the correct Document Type from the pre-filled drop down available. Such incorrect generation of UDIN impedes the objective of the Guidelines issued by the Institute and attracts consequences of violation that are being considered seriously by the Institute.

Accordingly, it is hereby advised that the Company Secretaries in Practice observe strict compliance with the Guidelines as prescribed by the Council to avoid any violation under the Company Secretaries Act, 1980.

Regards,

CS B. Narasimhan
President, ICSI