



**THE INSTITUTE OF
Company Secretaries of India**

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

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(Under the jurisdiction of Ministry of Corporate Affairs)

FREQUENTLY ASKED QUESTIONS (FAQS)

SHARE CAPITAL & RELATED FORMS IN MCA21 V3 AND DO'S & DON'TS

Q.1 Which e-forms are required to be filed for updating paid-up capital in V3 portal?

Ans. Following forms are required to be filed for updating paid-up capital in MCA-21 V3 portal:

- SPICe+ PART B (Subscribed capital gets updated as paid-up capital at the time of incorporation).
- PAS-3
- SH-7 [redemption of preference share capital purpose]
- SH-11
- INC-28 [filed for reduction of share capital]

Paid-up capital will not be updated through annual filing forms, the same will be updated based on last event date in V3 portal and hence the aforesaid forms are required to be filed.

Q.2. What is Class Wise Master under MCA-21 V3 portal?

Ans. Authorised, Issued, Subscribed and Paid-up capital are maintained in the system at Company level and at their respective Class level.

Class level master data contains company's individual form of capital authorized/issued/subscribed for preference shares (redeemable/irredeemable), convertible preference shares, convertible debentures etc.

Below to be noted for pre-filled capital in form SH-7 & PAS-3

Existing Capital	Prefilled from Class wise capital master
Capital for New Companies	Created through SPICe+ form
Migrated company from V2 to V3	Created based on first SH-7 or PAS-3 filing in V3 subject to certain validations
Existing & revised authorised capital for amalgamation/merger purposes at Class level	Capital captured from e-Form INC-28

Q3. How can migrated company can create class wise master in V3 portal?

Ans. Class wise master creation for migrated companies can be done only through SH-7/PAS-3 and the same is restricted through INC-28 and SH-11 forms.

Q.4 If class wise master is already available, can we edit the capital in e-form SH-7?

Ans. No, if class wise master is already available, the system shall automatically prefill existing capital [field no. 13/field n.4] from system and same shall be non-editable in e-form SH-7. However, company can add new Class only through SH-7.

Q.5 What is to be done if any class of capital is to be deleted?

Ans. If any class to be deleted, all capital values in Field no 14 of e-form SH-7 to be entered with zero. Also note that only unissued shares can be cancelled through SH-7.

Q.6 In what cases the share capital in field 13 & 14 under e-form SH-7 shall be pre-filled or editable?

Ans. In the following scenarios the share capital in field 13 & 14 under e-form SH-7 shall be **pre-filled** and **non-editable** in **case class wise master is already available** in the system:

- i. Increase in share capital independently by company/Increase in share capital with Central Government order
- ii. Consolidation - where field 7a is selected as 'Consolidated'/'Subdivided'
- iii. Consolidation - where field 7a is selected as 'Cancellation of unissued shares'
- iv. Redemption of redeemable preference shares
- v. Cancellation of unissued shares of one class and increase in shares of another class

In case, in case class wise master is **not** available in the system, then in all above cases following to be noted:

- i. Field 13- to be manually entered by the user [Total of all class wise authorised and paid-up should be equal to existing company master]
- ii. Field 14- Type and class of share be prefilled from field 13 and will be non-editable.

In both the cases wherein class master is available or not, if any class has Zero (0) value in all the fields in field no. 14, complete class will be deleted from the Class wise master if there is no paid-up capital in the system.

Q.7 What is the concept of Paid-up capital event date in MCA system?

Ans. Paid-up capital in MCA system gets updated only when event date mentioned in the current form is greater than or equal to the event date available in the system. **Event dates for different forms are as follows:**

e-form	Event Date
PAS-3	Date of allotment
SH-7	Date of redemption [Redemption of preference shares]
SH-11	Date of completion of buy back
INC-28	Date of issue of CTC of order [for reduction of share capital]
Annual filing forms	FY end date

Examples for Paid-up capital event date.

Form Filed	Date of Filing	Purpose & Date of Event	Date of Annual Filing or SH-7 or SH-11 filing	Remarks
PAS-3	10 th May 2024	allotment of shares with allotment date 01 May 2024	30 Sept 2024, Company filed AOC-4/MGT-7	Paid-up capital shall not get updated based on annual filing forms as existing event date available in the system is higher than the event date mentioned in the form.
PAS-3	10 th May 2024	allotment of shares with allotment date 01 May 2024 without giving effect of buy back which happened on 01 April 2024	on 01 Jun 2024, Company has filed SH-11 with event date 01 April 2024.	paid-up capital shall not get updated based on SH-11 as existing event date available in the system is higher than the event date mentioned in the form.
PAS-3	10 th May 2024	allotment of shares with allotment date 01 May 2024 without giving effect of redemption of preference shares which happened on 30 April 2024	on 01 Jun 2024, Company has filed SH-7 for redemption of preference shares with event date 30 April 2024	In this case, paid-up capital shall not get updated based on SH-7 as existing event date available in the system is higher than the event date mentioned in the form.
<i>User should file the forms in sequential manner</i>				

Q.8 The user has created new class through PAS-3 but the authorised capital is not getting prefilled in subsequent SH-7/PAS-3. What is the probable solution?

Ans. System has restricted new class creation in PAS-3 through subsequent filing or class wise master creation through SH-11 and INC-28 now.

- To resolve existing issues, user can raise FO ticket with issue description and revised capital structure.
- In case update is not feasible through FO ticket, online Change Request Form (CRF) needs to be raised mentioning the clear description of issue with revised capital structure bifurcation.
- If the filing is erroneous/defective, Stakeholders are requested to approach JROC to mark the SRN as defective and reversal of master data updates.

Please note that master data reversal can be done for defective SRNs based on CRF if there are no subsequent filings in the system. In case of subsequent filings, all subsequent forms may also be required to be marked as defective.

Q.9 For the purpose of conversion of Debentures into Shares, which of the e-form is to be filed?

Ans. Following is to be noted in this context:

Particular	e-form
Authorised capital and classes are already available	PAS-3 for allotment
Authorised capital does not accommodate the proposed conversion	SH-7 with relevant purpose and PAS-3 for allotment

Q.10 Form SH-7 filed for cancellation of unissued shares. But same is still appearing in subsequent filings. What is the solution?

Ans. For prospective filings, please make sure to provide zero all in capitals of field no. 14 of SH-7.

To resolve existing issues, request you to raise FO ticket with issue description and revised capital structure.

In case update is not feasible through FO ticket, online CRF needs to be raised mentioning the clear description of issue with revised capital structure bifurcation.

Q.11 The authorised capital is not updated/incorrect value updated after approval of SH-7?

Ans. Authorised capital gets automatically updated based on Field no. 14 of SH-7 form. However, users may have issues in cases where:

1. Typo errors/case sensitive issues in Class names.
2. Incorrect/Duplicate class names were provided while filing the form.
3. Missing class names in revised capital structure.
4. User has uploaded incorrect version of PDF with lesser authorised capital values.
5. User has not paid the relevant MCA/Stamp duty fee.

To resolve existing issues, user can raise FO ticket with issue description and revised capital structure.

In case update is not feasible through FO ticket [will be communicated through FO ticket], online CRF needs to be raised mentioning the clear description of issue with revised capital structure bifurcation.

Q.12 Filed e-form PAS-3 for the allotment of debentures and changed paid-up capital structure in the form, but paid-up capital is not updated in the system?

Ans. Paid-up capital shall not get updated if PAS-3 is filed only for Debenture allotment. User needs to file other forms for updating paid-up capital.

Q.13 User has created different class names for fully paid-up and partly paid-up as system was not allowing to enter less paid-up values. What is the process to update?

Ans. PAS-3/SH-7 form is enabled to enter paid-up value for partly paid-up shares.

To resolve existing issues, user can raise FO ticket with issue description and revised capital structure.

In case update is not feasible through FO ticket, online CRF needs to be raised mentioning the clear description of issue with revised capital structure bifurcation.

Q.14 Is it possible to file e-form PAS-3 with multiple event dates i.e, different allotment dates?

Ans. Yes, Form PAS-3 can be filed for multiple allotments provided **Date of allotment** in all the blocks (except private placement) is within 30 days period and within 15 days for private placement.

Q.15 INC-28 filed for amalgamation/merger in V2 but authorised capital is not updated?

Ans. Following to be noted in this regard:

- ✓ Revised capital details were not getting captured in V2 INC-28 forms and the same used to get updated by ROC user while processing the form.
- ✓ Authorised capital might have not updated due to non-availability of ROC user inputs for revised authorised capital.
- ✓ For existing issues, please raise CRF with issue description, copy of NCLT order and revised capital structure in the form of attachment.

Q.16 INC-28 filed for Demerger, but authorised capital is not updated/Charge did not move to demerged entity?

Ans. In case of Demerger, existing and revised capital structures fields are not getting enabled in INC-28 forms. Hence, CRF is required to be raised for necessary updates of authorised Capital, Charges etc.

Q.17 Filed e-form AOC-4 XBRL IND-AS and under total paid-up capital only equity portion is showing. How to update Preference share capital portion?

Ans. Currently, IND-AS taxonomy does not have specific XML field to capture preference capital and hence only equity portion is getting updated through AOC-4 XBRL form. Following to be noted regarding updation of preference share capital:

MGT-7 is filed post AOC-4 XBRL approval	Paid-up capital gets updated through MGT-7 form
MGT-7 is filed before AOC-4 XBRL approval or AOC-4 XBRL form got approved after MGT-7 approval	FO ticket with issue description and preference capital details to be raised
In case update is not feasible through FO ticket [will be communicated through FO ticket], online CRF needs to be raised mentioning the clear description of issue with revised capital structure bifurcation.	

Q.18 Filed e-form AOC-4/AOC-4 XBRL with rounded off values and the same got updated. While filing subsequent forms in V3, system is showing error for capital mismatch. How to correct it?

Ans. Users are required to provide absolute values while filing AOC-4/AOC-XBRL XML to avoid these mismatch issues. Kindly note below for the resolution:

- ✓ If MGT-7 is filed post AOC-4 approval, Paid-up capital gets updated through MGT-7 form [*if absolute value is provided*].
- ✓ To resolve existing issues, user to raise FO ticket with issue description and revised capital structure.

In case update is not feasible through FO ticket [will be communicated through FO ticket], online CRF needs to be raised mentioning the clear description of issue with revised capital structure bifurcation.

Q.19 Filed e-form AOC-4/AOC-4 XBRL/MGT-7/MGT-7A in V2 system which only updated Paid-up capital at Company master. How to update Class wise master in this scenario?

Ans.

Issue	Event	Resolution
Paid-up capital got updated through annual filing forms	due to partly paid-up shares have become fully paid-up	user to raise FO ticket with issue description and absolute values. online CRF needs to be raised mentioning the clear description of issue with revised capital structure bifurcation, in case no resolution is possible through FO ticket
	due to fresh allotment of shares	user to file PAS-3 to update the class wise master
	due to redemption of preference shares	please file SH-7 to update the class wise master

Q.20 What is the solution is CRF gets rejected by ROC?

Ans. CRF may get rejected if:

1. Issue description is not mentioned clearly.
2. SRN details are not provided
3. Required attachments are not attached to the form.
4. Revised capital structure is not provided in the form.
5. Required MCA fee and stamp duty fee not paid to update authorised capital.

Please raise new CRF after considering the aforesaid issues.

Filing of Form SH-7 & PAS-3 on MCA-21 V3 Portal

Some Do's & Don'ts

Do's	Don'ts
<ul style="list-style-type: none">➤ Make sure that class names provided in the forms are same (like if class name is 'Equity Shares' don't mention 'equity shares' or Equity shares' or 'EQUITY SHARE')➤ Nominal value should be same for all 4 types of capitals [system allows value up to 2 decimals]➤ Make sure to provide all the classes in the form (field 14 of SH-7, field 20 of PAS-3).➤ Make sure to provide all classes while filing SH-11 even if buy-back is happening for one of the class.➤ Make sure to provide all classes while filing INC-28 even if Authorised capital is getting merged only for specific classes in case of 'Amalgamation/Merger' or Paid-up capital is getting reduced as per section 66(5) only for few classes.➤ Make sure to file MGT-14 with relevant purpose of allotment of shares to avoid validation issues while filing PAS-3/SH-7.➤ Make sure to file PAS-3/SH-11/INC-28 in sequential manner based on the paid-up capital event dates.➤ Make sure to file SH-7/PAS-3 before updating paid-up capital through annual filing forms.	<ul style="list-style-type: none">➤ Do not change the capital structure in PAS-3 when filing the form for debenture allotment.➤ Do not change the authorized capital while filing PAS-3.➤ Do not attempt to file PAS-3 without creating the class from SH-7 if class wise master is already available.➤ Do not give different values in filed. No. 4 when compared with field no. 14 of SH-7.➤ Do not create separate class for partly paid-up shares
