



SURUHANJAYA SYARIKAT MALAYSIA
COMPANIES COMMISSION OF MALAYSIA

**COMPANIES COMMISSION OF MALAYSIA ACT 2001
CIRCULAR NO. 1/2020**

**GUIDANCE NOTES ON THE REGISTRATION OF FIRMS OF
LIQUIDATORS AND NOTIFICATION ON THE APPROVAL AS AN
APPROVED LIQUIDATOR**

This Circular is issued pursuant to section 20C of the Companies Commission of Malaysia Act 2001.

OBJECTIVE

This circular serves to guide an approved liquidator to:

- a) register a firm for the purpose of practising as liquidator;
and
- b) notify the Registrar on his approval as an approved liquidator.

BACKGROUND

2. Subsection 433(3) of the Companies Act 2016 (CA 2016) allows an eligible person who is a member of a recognized professional body to apply to the Minister of Finance to be approved as a liquidator.

3. The Minister of Finance may approve a person as a liquidator pursuant to subsection 433(4) of the CA 2016 if he is satisfied with the experience and capacity of the person and upon payment of the prescribed fee by such person.

4. For approval purposes, the Accountant General's Department of Malaysia (AG) is given the responsibility to process and approve the application of a person to be an approved liquidator through the delegation of powers by the Minister of Finance under subsection 433(4C) of the CA 2016.

5. In this regard, the AG had issued a "Guidelines for Approval of Liquidator" to set the application procedures as well as the requirements to be fulfilled by an approved liquidator.

A. REQUIREMENTS TO PRACTISE UNDER A FIRM OF LIQUIDATOR

6. Para 5.4¹ of the "Guidelines for Approval of Liquidator" describes the requirement to be complied with after receiving the approval in principal as approved liquidator.

7. An approved liquidator must commence his practice:

- (a) if the liquidator wishes to set up a public practise in his own capacity or jointly with another approved liquidator, within 6 months from the date of approval; or

¹ The words were amended on 1 April 2024.

- (b) if the liquidator wishes to join as partner to an existing firm of liquidator, within 3 months from the date of approval.

8. The following entities are allowed to be registered as a firm of liquidators:

- (a) A non-audit firm under the Malaysian Institute of Accountants (MIA) (For MIA / MICPA members);
- (b) A firm registered under the Registration of Businesses Act 1956 (ROBA 1956) as a sole-proprietorship or a partnership (For the purpose of registering a firm of liquidators, only trade name is allowed to be registered under ROBA 1956); or
- (c) A limited liability partnership registered under the Limited Liability Partnership Act 2012 (LLPA 2012)².

General Guidelines to Register and Renew a Firm of Liquidators Under ROBA 1956 and LLPA 2012

9. If a person wishes to practice as a liquidator, he has the option to register a new firm or join an existing firm. In the case of –

- (a) a new firm:
 - (i) the person must have been granted the approval in principal by the AG; and

² The paragraph was amended on 1 April 2024

(ii) for partnership, all partners or proposed partner, as the case maybe, must be an approved liquidator under subsection 433(4) of the CA 2016 or have been granted the approval in principal by the AG;
or

(b) joining an existing firm:

(i) all partners of the firm must be an approved liquidator under subsection 433(4) of the CA 2016;
and

(ii) all partners of the firm are not disqualified under subsection 433(1) of the CA 2016 to act as a liquidator.

10. The registration process should be in accordance with the guidelines and procedures under ROBA 1956 and LLPA 2012 respectively.

11. The nature of business to be registered shall be "Providing corporate recovery, restructuring and insolvency services"³.

12. All application for registration of a new firm of liquidator or application to be registered as a partner of a firm of liquidator should be accompanied with a copy of letter of approval in principal issued by AG.

³ The word "providing corporate recovery, restructuring and insolvency services" were amended by the Circular (A) 1/2020. Previously, they read "providing liquidation and insolvency services".

13. For the purpose of renewing the registration of firm of liquidator under the ROBA 1956 –

- (a) all partners must have a valid approval at the time of the application; and
- (b) all partners are not disqualified under subsection 433(1) of the CA 2016 to act as a liquidator.

Updating Information

14. Any changes in particulars relating to the firm or its partners shall be notified to the Registrar in accordance with the requirements and procedures under the ROBA 1956 and LLPA 2012 respectively.

15. All partners of the firm are responsible to ensure that the firm of liquidators comply with the all the provisions and regulations under ROBA 1956 and LLPA 2012.

B. REQUIREMENTS TO NOTIFY REGISTRAR ON THE APPROVAL AS AN APPROVED LIQUIDATOR

16. Subsection 433(4D) and 433(4E) of the CA 2016⁴ and para 5.6 of the “Guidelines for Approval of Liquidator” require a person who have received the Certificate of Approval as An Approved Liquidator to –

⁴ The words were amended on 1 April 2024

- (a) notify the Registrar (Companies Commission of Malaysia) within 30 days from the date of issuance of the certificate; and
- (b) update any information with regards to the notification within 30 days from the date of changes.

17. Please refer to PN 6/2024 for the requirement relating to notification to the Registrar⁵.

THE REGISTRAR

Date: 24 January 2020

Revised on 1 April 2024

⁵ The paragraph was inserted on 1 April 2024