



COMPANIES ACT 2016: PRACTICE NOTE NO. 5/2019

**QUERIES ISSUED ON DOCUMENTS AND APPLICATIONS
LODGED WITH THE REGISTRAR**

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

OBJECTIVES

2. This Practice Note serves to address matters relating to:
 - (a) queries issued on documents and applications lodged or registered with the Registrar under the Companies Act 1965 (CA 1965) and Companies Act 2016 (CA 2016); and
 - (b) transitional issues relating to queries issued on striking off applications under section 308 of the CA 1965.
3. Additionally, the Practice Note will address the procedures to be complied with where companies failed to respond to such queries for lodgement and registration of documents and applications.

BACKGROUND

4. All documents and applications lodged with the Registrar must comply with the requirements set out under section 610 of the CA

2016, regulation 9 of the Companies Regulations 2017 and Practice Directive 1/2017 (collectively called "CA 2016 requirements") to ensure the corporate information stated in the documents or applications lodged or registered with the Registrar are in compliance with the CA 1965 and CA 2016.

5. In so far as the content of the documents or applications is concerned, section 11(8) of the CA 1965 and section 610 of the CA 2016 state—

"610. (1) In addition to the requirements under this Act, if a document is required to be lodged under this Act, the Registrar shall have the power to determine the particulars, form and manner of information contained in such document.

(2) In determining whether a document is to be accepted for lodgement under this Act, the Registrar may require a person who submits the document to—

(a) comply with the particulars, form and manner of lodgement; or

(b) produce other document or information as the Registrar thinks necessary."

6. Thus, if a company lodged a document or application which is not in compliance with requirements of the CA 2016, the Registrar will issue a query on the document or application. The company is required

to reply the query within thirty (30) days or the prescribed time specified in the notice.

7. It is noted that majority of the compliance notices were responded within the timeframe given. However, on many occasions the notices were responded late and in some other cases, were not responded at all.

8. As a result, the number of incomplete lodgement of documents and applications have increased over the time which may eventually affect the veracity of the corporate register and information supplied to the public.

NEW PROCEDURES ON QUERIES ISSUED BY THE REGISTRAR ON A DOCUMENT AND AN APPLICATION

9. The procedures for query on all newly lodged documents and applications are as follows:

- (a) Documents and applications which do not comply with the requirements set out under regulation 9 of the Companies Regulations 2017 and Practice Directive 1/2017 will not be accepted;
- (b) Documents and applications which do not comply with section 610 of the CA 2016 will be queried. If the query is not answered within thirty (30) days, or the prescribed time specified in the notice, the relevant document or application will be rejected. A fresh document or

application with a new submission date will have to be lodged together with the relevant fee, where applicable. The late lodgement fee provision will also apply accordingly.

10. For the purpose of ascertaining whether any query has been issued to a company, please visit www.ssm.com.my (e-Query).

11. Paragraphs 9 shall not apply to applications or lodgements of documents relating to charges under Division 7 Subdivision 1, receivership under Division 7 Subdivision 3, winding-up and management of assets of dissolved companies under Part IV, and corporate rescue mechanism under Division 8 Part III, of the CA 2016.

TRANSITIONAL ISSUES RELATING TO STRIKING OFF

12. Based on SSM's records, there are many unanswered queries which have been issued on application to strike off a company under section 308 of the CA 1965. In order to harmonize the transitional arrangements under section 619(7) of the CA 2016, the following procedures are applicable for queried applications lodged **on or before 30 January 2017**:

- (a) Companies are advised to check from SSM's website at www.ssm.com.my as to whether they have any outstanding query.
- (b) Companies are allowed a timeframe until **17 August 2019** to answer the query.

- (c) If no reply is received at the end of the period, the applications are considered as incompliance with the requirements set out under section 11(8)(a)-(e) of the CA 1965 and/or the relevant regulations 3, 4, 6, 6A and 18 of the Companies Regulations 1966 and as such, the applications shall be rejected.
13. After the deadline of **17 August 2019**, companies are to lodge a fresh application under section 550 of the CA 2016 with a new submission date together with the relevant fee, where applicable.
14. This Practice Note serves to reiterate the importance of the submission of true, accurate and updated information in compliance with the provisions of the CA 2016, the Companies Regulations 2017 and other relevant subsidiary legislations to ensure quality and reliable corporate information.
- EFFECT OF THIS PRACTICE NOTE**
15. This Practice Note superseded Practice Note No. 17/2015 issued on 21 December 2015 and the Addendum to the Practice Note No. 17/2015 issued on 29 April 2016.

REGISTRAR OF COMPANIES
COMPANIES COMMISSION OF MALAYSIA
17 July 2019