

India – new KYC norms for directors

The [Companies \(Appointment and Qualification of Directors\) fourth Amendment Rules, 2018](#), which came into force on 10 July 2018, introduced more stringent KYC norms for directors and designated partners of LLPs in India.

In accordance with the said Rules, every person having a Director Identification Number (DIN), irrespective of whether such person currently holds any directorship or not (including the disqualified directors) or is a resident or a non resident, shall file the new e-form DIR-3-KYC annually.

First e-form [DIR-3-KYC](#) shall be filed before 31 August 2018 for any directors who had a DIN prior to 31 March 2018. For those having obtained form 1 April 2018, e-form shall be filed before 30 April 2019.

In case a director fails to file his e-form DIR-3-KYC within the stipulated time, the director's DIN will be deactivated. The deactivated DIN shall be reactivated only after filing of e-form DIR-3-KYC along with prescribed fees as prescribed under Companies (Registration Offices and Fees) Rules, 2014. The late filing penalty is Rs. 5,000 from 1 September, 2018.

As long as a DIN remains inactive, the director/partner will be unable to sign any compliance documents on behalf of any company/LLP.

For any additional information, contact [Lisbeth Lanvers-Shah](#) or [Olivier Monange](#).

To unsubscribe click [here](#)