

Detailed Discussion on DPT 3

(23RD April 2025)

SHORT SUMMARY:

To enhance transparency and protect the interests of creditors and depositors, the Ministry of Corporate Affairs (MCA), in consultation with the Reserve Bank of India (RBI), introduced the Companies (Acceptance of Deposits) Amendment Rules, 2019. This amendment mandates that all companies, excluding government entities, must file Form DPT-3 to report outstanding loans or money received, which are not classified as deposits under the Companies Act, 2013.

In this editorial, the author shall discuss the provision, applicability, Due Date, purpose, non-applicability, FAQ's etc. of DPT-3.

Form DPT-3 is a return to be filed pursuant to Rule 16 and Rule 16A of the Companies (Acceptance of Deposits) Rules, 2014, which mandates reporting of money received by a company that is not considered as a deposit under the Act.

Purpose of DPT 3 Form:

- ✓ Disclosure of Financial Liabilities: To capture all outstanding amounts of money or loans received by a company as on 31st March (whether considered deposits or not), including:
 - ✓ Inter-corporate borrowers
 - ✓ Loans from directors or shareholders
 - ✓ Advances pending beyond prescribed timelines
- ✓ Preventing Misclassification: To ensure companies do not circumvent deposit rules by misclassifying deposits as other forms of borrowings or receipts.

- ✓ Regulatory Supervision: To provide the Ministry of Corporate Affairs (MCA) with comprehensive data to monitor funding patterns, potential misuse of unsecured borrowings, and compliance with deposit acceptance norms.
- ✓ Investor and Creditor Protection: To safeguard the interests of depositors and creditors by bringing transparency in the company's borrowings and fund utilization practices.
- ✓ Statistical & Policy Inputs: Aggregate data from DPT-3 helps the government in policymaking, risk analysis, and identifying trends in private sector debt and inter-corporate financing.

❖ **Legal Provisions:**

- ✓ Introduced vide the Companies (Acceptance of Deposits) Amendment Rules, 2019 [Notification G.S.R. 42(E) dated 22nd January 2019]
- ✓ Rule 16A(3): "Every company other than a government company shall file a return in Form DPT-3 on or before the 30th day of June of every year and furnish the information as on the 31st day of March of that year duly audited by the auditor of the company."

A. WHO IS REQUIRED TO FILE DPT 3?

The modification appears to affect nearly all companies, regardless of their public or private status, as it is very impossible to avoid receiving any funds that would not be categorized under Rule 2(1)(c). Form DPT-3 is applicable to all companies (Small, OPC, Non-Small, Public, Listed, etc.) except for the following:

- ✓ Banking Company
- ✓ Non-Banking Financial Company (NBFCs) registered with RBI.
- ✓ Housing Finance Company (HFCs) registered with the National Housing Bank.

✓ Government Company

Note: Even if a company has not accepted any deposits but has other outstanding non-deposit loans or receipts, filing DPT-3 is mandatory.

I. Whether insurance companies are required to file the returns in e-Form DPT-3?

1. Regulatory Exemption Based on Primary Regulation:

Insurance companies are regulated by the Insurance Regulatory and Development Authority of India (IRDAI) under the Insurance Act, 1938 and IRDAI Act, 1999 — not under Chapter V (Deposits) of the Companies Act, 2013.

2. MCA's Intent Behind Form DPT-3:

Form DPT-3 was introduced to monitor the flow of funds not covered under sectoral regulators (like RBI, NHB, IRDAI). Just as NBFCs and banks are excluded due to RBI supervision, insurance companies enjoy similar exclusion due to oversight by IRDAI.

3. Precedent in Similar Cases:

MCA has explicitly exempted:

- Banking companies
- NBFCs
- Housing finance companies

By logical extension and in professional practice, insurance companies fall within the same category of sectorally regulated entities, and hence, are not required to file Form DPT-3.

Professional Tip:

While there's no explicit exemption in Rule 16A(3) for insurance companies, it is generally accepted and supported by MCA helpdesk responses and professional circulars that insurance companies are not covered in exemptions.

However, MCA officials in the webinar of ICSI dated June 17, 2019 stated that since the insurance companies are not required to be registered with the RBI but with Insurance Regulatory and Development Authority of India (IRDAI), the deposit provisions will be applicable to it. Accordingly, the insurance companies are required to report the particulars of Exempted Deposits, if any, by filing one-time and annual return in e-Form DPT-3.

B. TIME PERIOD:

Every company on which this form is applicable shall file DPT-3 with ROC every financial year till 30th June.

C. REMOTE BUTTON DPT-3:

Form DPT-3 has four remote buttons in column "Purpose of the Form". Every remote button has its own purpose and requires information accordingly.

- a) Return of Deposit:
- b) Particulars of transactions by a company not considered as deposit as per rule 2(1)(c) of the Companies (Acceptance of Deposit) Rules, 2014:
- c) Return of Deposit and particulars of transactions by a company not considered as deposit
- d) Onetime Return

II. What is one-time return and which companies are required to file one-time return?

As per the MCA Notifications dated January 22, 2019 and April 30, 2019, the applicable companies are required to file a return of Exempted Deposits during the period from April 01, 2014 to March 31, 2019, in e-Form DPT-3 within 90 days from March 31, 2019 i.e. June 29, 2019.

III. What is meaning of “Deposit or Particulars Not Considered as Deposit” as mentioned in explanation.

Under the Companies Act, 2013 (read with the Companies (Acceptance of Deposits) Rules, 2014), the term "Deposit" has a very specific legal connotation. The explanation that includes “Deposit or Particulars Not Considered as Deposit” refers to amounts received by a company which are not treated as deposits for the purposes of regulatory compliance under section 73 to 76 of the Act.

Deposit: As per section 2(31) of the Companies Act, 2013 (“Act”) read with rule 2(1)(c) of the Companies (Acceptance of Deposits) Rules, 2014 (“Deposit Rules”) deposit includes any receipt of money by way of deposit or loan or in any other form, by a company, but does not include the receipt of money as provided under the exclusion list in the rule 2(1)(c) of the Deposit Rules.

Particulars Not Considered as Deposit/ exempted Deposit: The amounts received by a company but excluded from being deposits as per the list provided in Rule **2(1)(c) are exempted deposits.**

- Loan from Director/ Relative of Director
- Loan from any Company
- Loan from Bank/ NBFC/ Govt etc.

IV. HOW TO CHOOSE THE REMOTE BUTTONS:

Which remote button should be applicable on the Company totally depend upon the transactions in the Company.

i. Return of Deposit:

This remote button shall be selected in case the company is having deposits (loan which are not exempted in deposit definition).

- Acceptance of loan from public,
- Acceptance of loan from shareholders by public Limited Company
- Advance from customer against goods or services for more than 365 days. Etc

ii. Particulars of transactions by a company not considered as deposit as per rule 2(1)(c) of the Companies (Acceptance of Deposit) Rules, 2014:

Practically, Maximum Private Companies shall select this remote button. Because private limited companies can't accept only exempted deposit. Which fall under this category.

- Loan from Director/ Relative of Director
- Loan from any Company
- Loan from Bank/ NBFC/ Govt etc.

Note: Only situation, when private company will click on button other then this, is when Private limited Companies has accepted loan from Shareholders.

iii. Return of Deposit and particulars of transactions by a company not considered as deposit

This remote button should be select in case company is having deposits as well as non-deposit transactions.

Eg:

- Loan from Directors and Friends of Directors.
 - Loan from Bank, Director, HUF, LLP etc.
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V. Transactions Not Required to be Reported

- Share application money pending for allotment (if within 60 days)
- Advance against goods/services settled within 365 days
- Any funds which do not result in a liability on the company's books

III. What should the base year be for reporting net worth details?

Regarding the determination of the financial year for calculating the company's net worth, the Form specifies the "latest audited balance sheet prior to the return date." The return date, being the final day of the financial year, March 31, necessitates that facts from the most recent audited balance sheet prior to this date will be referenced as March 31 of the preceding year. Consequently, for the fiscal year 2024-2025, the net worth reflected in the balance sheet of March 31, 2024, shall be utilized.

IV. Whether auditors' certificate is required to be attached for filing of each return in the e-Form DPT-3? As per the help kit of the e-Form, auditor's certificate is mandatory only if the Form is filed either as "return of Deposits"

or as “return of Deposits as well as Exempted Deposits”. Therefore, if the e-Form is filed as the “return of Exempted Deposits” (whether as one-time return or annual return), auditors’ certificate is not required to be attached.

V. Compliance Checklist

Compliance Area	Particulars
Board Resolution	Required authorizing the filing
Auditor's Certificate	If return includes any “Deposits”
Validation of Non-Deposits Classification	Ensure accurate bifurcation of deposit vs. non-deposit
Timely Filing	Within 30th June every year
Digital Signature (DSC)	To be affixed by a Director/CS

VI. LIST OF PERSONS TO WHOM COMPANY CAN ACCEPT OR CAN'T:

	Loans from	Conditions, if any:
1.)	Shareholder:	Member: Yes, can accept, but subject to the condition specified in deposit Rules as mentioned above.
2.)	Director/Relatives of Director	Yes, can accept, but the director/relative will give a Declaration in writing that money is not given out of borrowed funds and company will disclose it in the Board's report.
3.)	Employee	Yes, can accept up to the employee’s annual salary. (There should be a contract of employment with the company) in the nature of non- interest-bearing security deposit.
4.)	Any other Individual	Can't accept because it is prohibited by the definition of Private Company.
5.)	Proprietorship Firm ;	Proprietors are not different from individual Director. Therefore, it shall be considered as Loan from director.

6.)	HUF	Private Limited Company can't accept loans from HUF. However, if HUF is shareholder of the Company, then only Pvt Company can accept loan from HUF.
7.)	Partnership Firm	Can't accept because it can't be director, Member or relative of Director.
8.)	Any Company	Yes, can accept.
9.)	Banks	Yes, can accept
10.)	Trust	Yes, can accept, but loan received should be non- interest bearing.
11.)	Outside India	Yes, can accept, but subject to the provisions of the Foreign Exchange Management Act, 1999 and rules and regulations made there under.
12.)	Govt. organization (eg. SIDBI)	Yes, can accept
13.)	Any other Financial Institution which are not incorporated as Banks (eg. Religare, Fullerton, Barclays, Bajaj Finance). Yes, can accept	

VII. PUNISHMENT FOR NON-FILING OF DPT-3: RULE 21

If Company fails to file e-form DPT-3 within due Date than following are the Consequences:

A. Additional Fees on late filing:

S. No	Period of delays	Forms including charge documents
01	Upto 30 Days	2 times of normal filing fees
02	More than 30 days and Upto 60 days	4 times of normal filing fees
03	More than 60 days and Upto 90 days	6 times of normal filing fees
04	More than 90 days and Upto 180 Dava	10 times of normal filing fees

05	Beyond 180 days	12 times of normal filing fees
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B. Non-Compliance of Rule 16 & 16A:

Punishment for non-filing of DPT-3: Rule 21

The Company and every officer of the company who is in default shall be punishable with fine which may extend to five thousand rupees and where the contravention is a continuing one, with a further fine which may extend to five hundred rupees for every day after the first day during which the contravention continues.

Quick Bites

1. If a Company has only exempted deposits, whether such company required to file DPT-3?

As per provisions of Rule 16, even in the case of only exempted deposit companies are required to file DPT-3. Like: Only Loan from Director, Only Loan from Bank, Only Advance from customers etc.

Note: As private limited Companies are not allowed to accept deposit. Therefore, practically all the DPT-3 forms of private company shall be filed for exempt deposit.

2. If a Company has only a Loan from Director as on 31.03.2021, whether such company required to file e-form DPT-3?

As per Rule 16, doesn't matter from whom loan is outstanding in the book. If there is any loan outstanding in the books, then such company needs to file e-form DPT-3 for the same.

3. If a Company has outstanding creditors in the books at the end of year, whether their amount is required to mention in DPT-3?

As per Rule 16, Companies are required to mention the amount of outstanding Loan or advance from the customers. The company has not taken loans or not taken advance money from creditors. Therefore, it is not required to mention in DPT-3.

4. If a Company has outstanding debtors in the books as on 31.03.2021 whether their amount is required to mention in DPT-3?

As per Rule 16, Companies are required to mention the amount of outstanding Loan or advance from the customers. The company has not taken loan or not taken advance money from Debtors. Therefore, it is not required to mention in DPT-3.

5. Credit Card outstanding required to mention in DPT-3?

As per Rule 16 all outstanding loans required to mention in DPT-3. If there is any outstanding Credit card it shall be considered as loan and need to mention in DPT-3.

6. Director's remuneration payable for more than one year. Whether to show this amount in DPT 3 or not?

As per Rule 16 all outstanding loans and advances required to mention in DPT-3. Remuneration payable to director is neither loan nor advance. Therefore, one can opine that it is not required to mention in DPT-3.

7. There is no change in unsecured loans and any other loans/ advances etc. in the Balance Sheet as on 31.03.2023 as compared to Balance Sheet as on 31.03.2022. Whether still Company needs to file DPT-3?

As per Rule 16, doesn't matter loan is related to which period. If it is outstanding as on 31.03.2023 then it is required to be mentioned in DPT-3 form.

8. Whether the figures of DPT-3 differ from the audited financial statement?

As per Rule 16, figures mentioned in DPT-3 should be audited figures. Further, one can opine the figures of DPT-3 should be the same as mentioned in the Financial Statement of the Company. Otherwise, it shall be considered as noncompliance of the Law.

9. Loan from HUF of Directors be considered as deposit or particular not considered as deposit?

There are two situations:

- i. If HUF is the shareholder, then it is allowed loan, but required to mention in Deposit only. (Remote button 2 or 4) and certificate from auditor is also mandatory.
- ii. If HUF is not a shareholder, then this loan is not allowed to take under the Companies Act. Therefore, it is required to mention in Deposit only. (Remote button 2 or 4) and certificate from auditor is also mandatory. The company shall be liable to pay penalties also for the same as it is not allowed to take this loan.

10. Whether private limited Company can accept loan from relative of shareholders?

As per definition of deposit, Loan from relative of shareholders is not allowed under Companies Act, 2013 and shall be considered as deposit and company is liable to pay penalties for the same.

11. Is the interest along with the principal amount of the loan to be reported?

If the interest amount is outstanding as on 31st March, then yes it also has to be reported as a consolidated figure with the principal amount under the respective head.

12. Whether Nil return required to be file with ROC in DPT-3?

As per the initial webinar of MCA, there is no need to file e-form DPT-3 for NIL Return.

13. In which column loan received from NBFC shall be required to mention

The same required to mention in column No. 15(c)(i).

14. If Company taken OD facility from Bank then in which category same required to mention.

The same required to mention in column No. 15(c)(i).

15. Whether LLP can give Loan to Company

No, LLP can't give loan to Private Limited Company until unless LLP is shareholder of the Company.

16. If a person ceases or resign from the post of director after giving loan, then such loan will be considered as deposits or not.

Requirements of director will be checked at the time of receipt of amount.
Thus, later he may cease to be a director.

17.If deposit in the joint name of director and other person, then how it will be treated.

A deposit in joint names of director and another person, who may or may not be director, should be permissible, if name of director is first depositor, though there is no specific provision.

Conclusion

In summation, Form DPT-3 stands as a critical compliance requirement under Rule 16A of the Companies (Acceptance of Deposits) Rules, 2014, read with Section 73 of the Companies Act, 2013. It mandates the annual disclosure of outstanding monies received by a company that are not in the nature of deposits. The objective is to enhance corporate transparency and ensure that the Ministry of Corporate Affairs maintains oversight over non-deposit financial transactions which may otherwise fall outside conventional deposit regulations.

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