



ARRIS MANAGEMENT SERVICES SDN. BHD.

(Company No. 607434 – P)

No. 39, Second Floor, Jalan Kenari 17C, Bandar Puchong Jaya,
47100 Puchong, Selangor Darul Ehsan

Tel: 603 – 8076 3063 Fax : 603 – 8073 1232

COMPANIES ACT 1965

Arris Notes 4

Section 143(1). Annual General Meeting

Description	Comments
<p>A general meeting of every company to be called the "annual general meeting" shall in addition to any other meeting be held once in every calendar year and not more than fifteen months after the holding of the last preceding annual general meeting, but so long as a company holds its first annual general meeting within eighteen months of its incorporation, it need not hold it in the year of its incorporation or in the following year.</p>	<p>Section 143 provides that every company must hold an Annual General Meeting (“AGM”) once in every calendar year. As for the first AGM, a company is allowed to hold it not later than 18 months from the date of its incorporation. Subsequent AGM must be held within 15 months from the date of the preceding AGM.</p> <p>The board of directors is responsible in convening an AGM, and if the board of directors fail to do so, the court may on the application of any member order the AGM to be called.</p>



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Section 165(4). Annual Return by Company having a share capital

Description	Comments
<p>The annual return signed by a director or by the manager or secretary of the company shall be lodged with the Registrar within one month or in the case of a company of a company keeping pursuant to its articles a branch register in any place outside Malaysia within two months after the annual general meeting.</p>	<p>Under this section, governs the filing of annual return by a company having a share capital. The annual return shall be made up to the date of the AGM of the company in the year or a date not later than 14 days after the date of the AGM.</p> <p>The annual return signed by a director or by the manager or secretary of the company shall be lodged with CCM together with the audited accounts within one month after the AGM.</p> <p>Failure to comply with the above, the company and every officer of the company who is in default shall be guilty of an offence against this Act.</p>



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Section 169(1). Profit and loss account, balance sheet and directors' report

Description	Comments
<p>The directors of every company shall, at some date not later than eighteen months after the incorporation of the company and subsequently once at least in every calendar year at intervals of not more than fifteen months, lay before the company at its annual general meeting a profit and loss account for the period since the preceding account (or in the case of the first account, since the incorporation of the company) made up to a date not more than six months before the date of the meeting.</p>	<p>Section 169 of the Act states that the directors of every company shall at some date not later than 18 months after the incorporation of the company and subsequently once at least in every calendar year at intervals of not more than 15 months lay before the company at its AGM, a profit and loss account and a balance sheet for the period since the preceding accounts made up to a date not later than 6 months before the date of the meeting.</p> <p>The profit and loss accounts and the balance sheet of a company shall be duly audited before they are laid before the company at its AGM. The directors of a company shall cause to be attached to every balance sheet, a report made in accordance with a resolution of the directors and signed by not less than two of the directors with respect to the profit or loss of the company for the financial year and the state of the company's affairs as at the end of the financial year.</p>



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TYPES OF COMPOUND IMPOSED BY COMPANIES COMMISSION OF MALAYSIA

A) LATE TABLING OF AUDITED ACCOUNT AND NON-SUBMISSION OF ANNUAL RETURN TO CCM

NO.	REGULATION	TYPE OF OFFENCES	Compound Amount Per Year of Default (EACH DIRECTOR)	Compound Amount Per Year of Default (THE COMPANY)
1	Section 143(1)	Failure to convene an Annual General Meeting (“AGM”) within 15 months from the last AGM or within 18 months from date of incorporation.	RM1,000.00	RM1,000.00
2	Section 165(4)	Failure to lodge an Annual Return* to the CCM within 30 days after the AGM date.	RM400.00	RM400.00
3	Section 169(1)	Failure to table/adopt the Audited Account at the corresponding AGM within 6 months from the financial year end.	RM3,000.00	N/A

B) LATE SUBMISSION OF DOCUMENTS TO CCM

NO.	REGULATION	TYPE OF OFFENCES	Compound Amount Per Documents (THE COMPANY)
1	Section 369	Late lodgment of any documents after the prescribed lodgment period of 14 days or 30 days, whichever is applicable.	<ul style="list-style-type: none"> • RM50.00 within 3 months of late lodgment • RM100.00 within 6 months of late lodgment • RM150.00 within 12 months of late lodgment • RM200.00 after 12 months of late lodgment

*Every lodgment of Annual Return to CCM must be accompanied by the corresponding year Audited Account and preceding years Audited Account, if any.

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Disclaimer: This secretarial notes is prepared as a service to our valuable clients. The information contained in this notes regarding the interpretation of law and the legal implications are solely for reference purposes only. No one should act upon the provisions without getting appropriate legal advice on specific situation in consideration. Please refer to the Companies Act 1965 for any new updates or amendments.



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The screenshot shows the official portal of the Suruhanjaya Syarikat Malaysia (SSM). The header includes the SSM logo and the text 'SURUHANJAYA SYARIKAT MALAYSIA COMPANIES COMMISSION OF MALAYSIA'. A navigation menu contains 'Home', 'About SSM', 'Services', 'Legal Framework', 'Publication', 'Gallery', and 'Career'. The main content area features a news article titled 'AEROLINE AUTOTECH (M) SDN BHD (833814-P) AND ITS DIRECTORS CONVICTED UNDER THE COMPANIES ACT 1965'. The article text is as follows:

AEROLINE AUTOTECH (M) SDN BHD (833814-P) AND ITS DIRECTORS CONVICTED UNDER THE COMPANIES ACT 1965

Aeroline Autotech (M) Sdn Bhd and its directors Mohd Karim bin Haji A. Rahman and Nor Khairulizar binti Abd Rahman were convicted by the Kuala Lumpur Sessions Court today, 26 January 2012 for offences under the Companies Act 1965.

Both Mohd Karim bin Haji A. Rahman and Nor Khairulizar binti Abd Rahman pleaded guilty to 3 charges each under section 143(1) of the Companies Act 1965 for failing to hold the company's AGM and charges under section 165(4) of the Companies Act 1965 for failing to submit annual return. Both directors were also convicted under section 169(1) of the Companies Act 1965 for failing to table the audited account in the company Annual General Meeting.

Mohd Karim bin Haji A. Rahman being the officer of the company also pleaded guilty on behalf of Aeroline Autotech (M) Sdn Bhd to 2 charges each under section 143(1) of the Companies Act 1965 and section 165(4) of the Companies Act 1965.

The company and the directors were sentenced to a total fine of RM7,900.00. The company and its director paid the fine at the Court Registry.

In his mitigation plea, Mohd Karim bin Haji A. Rahman and Nor Khairulizar binti Abd Rahman appealed to the court to impose a minimum fine. Cik Fadilah binti Abdul Wahab prosecuted on behalf of Suruhanjaya Syarikat Malaysia (SSM).

SSM views the breaches committed in the above case seriously. The practice of failing to lodge statutory documents deprives the public from having access to information relating to the companies and it also creates doubt in the public mind as to its existence. SSM wishes to remind company directors and their officers on the need to strictly adhere to the requirements of the Companies Act 1965.

ISSUED BY: SURUHANJAYA SYARIKAT MALAYSIA (SSM)

DATED : 26 JANUARY 2012

SUBJECT		RULING	EFFECTIVE FROM										
TAX PENALTY	1	<p>The IRB has issued a new directive to improve compliance for submitting income tax return on time. IRB has reminded taxpayers to submit and not to be late in submitting their annual income tax return (Form C and R, Form B or BE) within the stipulated deadlines.</p> <p>The IRB will impose penalties ranging from 20% to 35% of tax payable, depending on the duration of delay in submission.</p> <p>The penalty charges will be as follows:</p> <table border="1" data-bbox="443 779 1209 965"> <thead> <tr> <th>Duration</th> <th>Penalty rate</th> </tr> </thead> <tbody> <tr> <td>Submit within 12 months, after the deadline</td> <td>20%</td> </tr> <tr> <td>Submit within 24 months, after the deadline</td> <td>25%</td> </tr> <tr> <td>Submit within 36 months, after the deadline</td> <td>30%</td> </tr> <tr> <td>Submit after 36 months, after the deadline</td> <td>35%</td> </tr> </tbody> </table> <p>The penalty charge is under Sub-section 112(3) of the Income Tax Act 1967 and is effective from 1 June 2011.</p>	Duration	Penalty rate	Submit within 12 months, after the deadline	20%	Submit within 24 months, after the deadline	25%	Submit within 36 months, after the deadline	30%	Submit after 36 months, after the deadline	35%	1 June 2011
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EXAMPLE - TAX & PENALTY COMPUTATION

- I **TAX COMPUTATION** - Chargeable income (Example) RM 100,000
- II **TAX PAYABLE** - RM100,000 @ 20% RM 20,000 or [A]

III PENALTY FOR LATE SUBMISSION

Previous penalty imposed

New penalty imposed

Time duration	Penalty charge	Penalty rate %	Penalty charge RM
Submit within 12 months, after the deadline	RM200 to RM2,000	20% x [A]	4,000
Submit within 24 months, after the deadline	RM200 to RM2,000	25% x [A]	5,000
Submit within 36 months, after the deadline	RM200 to RM2,000	30% x [A]	6,000
Submit after 36 months, after the deadline	RM200 to RM2,000	35% x [A]	7,000