

2017-18

Annual Report



Digital India
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INSOLVENCY RESOLUTION

Companies Act



सत्यमेव जयते

Ministry of Corporate Affairs
Government of India

ANNUAL REPORT

2017-18



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Government of India
Ministry of Corporate Affairs

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IMPORTANT ABBREVIATIONS

S.No.	Term	Full Form
1.	AAIFR	Appellate Authority for Industrial and Financial Reconstruction
2.	BIFR	Board for Industrial & Financial Reconstruction
3.	BOOT	Build, Own, Operate and Transfer
4.	CDM	Corporate Data Management
5.	CIN	Corporate Identification Number
6.	CCI	Competition Commission of India
7.	COI	Certificate of Incorporation
8.	COMPAT	Competition Appellate Tribunal
9.	CPGRAMS	Centralized Public Grievance Redress And Monitoring System
10.	CLB	Company Law Board
11.	CP&S	Community Personal and Social Services
12.	CRC	Central Registration Center
13.	CSC	Civil Service Commission
14.	CSR	Corporate Social Responsibility
15.	CSCS	Central Secretariat Clerical Service
16.	CSOL	Central Secretariat Official Language
17.	CSSS	Central Secretariat Stenographer Service
18.	CVC	Central Vigilance Commission
19.	DGCoA	Director General of Corporate Affairs
20.	DoPT	Department of Personnel and Training
21.	FC	Foreign Companies
22.	GPR	Government Process Re-engineering
23.	IAPs	Investor Awareness Programmes
24.	IBC	Insolvency and Bankruptcy Code
25.	IBBI	Insolvency and Bankruptcy Board of India
26.	ICAI	Institute of Chartered Accountants of India
27.	ICAI	Institute of Cost Accountants of India
28.	ICLS	Indian Corporate Law Service
29.	ICN	International Competition Network
30.	ICSI	Institute of Company Secretaries of India
31.	IEPF	Investor Education and Protection Fund

32.	IEPFA	Investors Education and Protection Fund Authority
33.	IGMC	Investor Grievance Management Cell
34.	LLP	Limited Liability Partnerships
35.	M&Q	Mining and Quarrying
36.	MCA	Ministry of Corporate Affairs
37.	MoA	Memorandum of Association
38.	MSME	Micro, Small & Medium Enterprises
39.	NCLAT	National Company Law Appellate Tribunal
40.	NCLT	National Company Law Tribunal
41.	NeGP	National e-Governance Plan
42.	NFRA	National Financial Reporting Authority
43.	NFRAA	National Financial Reporting Appellate Authority
44.	OLs	Official Liquidators
45.	OLIC	Official Language Implementation Committee
46.	OPC	One Person Company
47.	PIs	Provisional Institutions
48.	RBI	Reserve Bank of India
49.	RCC	Registration and Closure of Companies
50.	RE&R	Real Estate and Renting
51.	RoCs	Registrar of Companies
52.	RD	Regional Director
53.	SEBI	Security and Exchange Board of India
54.	SFIO	Serious Fraud Investigation Office
55.	SPICe	Simplified Proforma for Incorporating Company Electronically
56.	TS&C	Transport Storage and Communication

CHAPTER - I

OVERVIEW

1.1.1. The mandate of the Ministry of Corporate Affairs (MCA), inter alia, includes the administration of a wide range of statutes for the regulation of the corporate sector, as given below:

- (i) The Companies Act, 2013/The Companies Act, 1956,
- (ii) The Limited Liability Partnership Act, 2008,
- (iii) The Competition Act, 2002,
- (iv) The Insolvency & Bankruptcy Code, 2016,
- (v) The Chartered Accountants Act, 1949,
- (vi) The Cost and Works Accountants Act, 1959,
- (vii) The Company Secretaries Act, 1980,
- (viii) The Societies Registration Act, 1860 and Indian Partnership Act, 1932 (in centrally administered areas),
- (ix) The Companies (Donations to National Funds) Act, 1951,

Functions

1.2.1. The main responsibilities of the Ministry are as follows:

- (i) Administration of the notified provisions of Companies Act, 2013

and those provisions of Companies Act, 1956 that are still in force.

- (ii) Notification of remaining sections of Companies Act, 2013.
- (iii) Formulation of Rules and regulations under various Statutes administered by the Ministry.
- (iv) Convergence of Indian Accounting Standards with International Financial Reporting Standards (IFRS).
- (v) Implementation of Competition Act through the Competition Commission of India (CCI).
- (vi) Implementation of e-Governance for operationalising provisions of various Statutes administered by MCA.
- (vii) Building systems for early detection of irregularities in corporate functioning.
- (viii) Conducting investor education and awareness programmes.
- (ix) Investigation of serious frauds through the Serious Fraud Investigation Office (SFIO).
- (x) Management of cadre of the Indian Corporate Law Service (ICLS).
- (xi) Administrative support to attached organisations, namely, IICA, SFIO, CCI, NCLT, NCLAT and IBBI.

Important Policy Developments

The Companies Act, 2013

1.3.1. The Companies Act, 2013, notified on 30th August 2013, provides the corporate sector an opportunity for self-regulation, while mandating transparency for improved compliance. The Companies Act, 2013 had 470 sections. Of these, 39 sections relating to revival and rehabilitation of companies and winding up were omitted by the Insolvency & Bankruptcy Code, 2016. Of the remaining 431 sections, 429 sections have been notified alongwith relevant rules. The remaining 2 sections which are yet to be notified relate to (i) Constitution of National Financial Reporting Authority (NFRA) (section 132), and (ii) Repeal & Transition (section 465). These are at various levels of examination and would be notified in due course.

The Companies (Amendment) Bill, 2016

1.3.2. Subsequent to the amendments carried out in May, 2015, further amendments have been proposed to the Companies Act, 2013. On the basis of the recommendations made by the Companies Law Committee 2015 (CLC-2015), which submitted its report on 1st February 2016, and comments received from public on the CLC report, the Companies (Amendment) Bill, was introduced in Lok Sabha on 16th March, 2016. The Companies (Amendment) Bill, 2016 was referred to the Parliamentary Standing Committee on Finance, which after examination, presented its report to both

Houses of the Parliament on 7th December, 2016. Based on the said report, official amendments to the Bill were moved in the Lok Sabha. The said Bill alongwith official amendments was passed on 27th July, 2017 in Lok Sabha and on 19th December, 2017 in Rajya Sabha. The assent of the Hon'ble President is awaited.

Insolvency and Bankruptcy Code, 2016

1.3.3. The Insolvency and Bankruptcy Code, 2016 (IBC, or the Code) was published in the Official Gazette on 28th May, 2016. Government of India (Allocation of Business) Rules, 1961 were amended and notified on 1st August, 2016 wherein MCA was entrusted with the responsibility to administer the Code. The Code has been framed with the object to consolidate and amend the laws relating to reorganization and insolvency resolution of corporate persons, partnership firms and individuals in a time bound manner.

IBC Amendment Ordinance and the replacement Bill

1.3.4. Insolvency and Bankruptcy Code (Amendment) Ordinance, 2017 was promulgated vide notification dated 23rd November, 2017 to amend the Code in order to further strengthen the insolvency resolution process by prohibiting certain persons from submitting a resolution plan who, on account of their antecedents, may adversely impact the credibility of the processes under the Code. The Ordinance

also makes provisions to specify certain additional requirements for submission and consideration of the resolution plan before its approval by Committee of Creditors.

1.3.5. The Replacement Bill for the Ordinance, namely the Insolvency and Bankruptcy Code (Amendment) Bill, 2018 which further amended the provisions relating to prohibition of certain persons to provide more clarity, has been passed by both Houses of the Parliament. The assent of the President is awaited.

Insolvency Law Committee

1.3.6. Ministry has constituted Insolvency Law Committee (ILC) vide order dated 16th November, 2017 to: (i) take stock of functioning and implementation of the Code; (ii) identify the issues that may impact the efficiency of the corporate insolvency resolution and liquidation framework prescribed under the Code, and, make suitable recommendations to: (i) address such issues, and, (ii) enhance efficiency of the processes prescribed for effective implementation of the Code.

1.3.7. The First Meeting of the ILC was held on 8th December, 2017 at New Delhi, wherein the members were requested to hold deliberations/discussions with stakeholders before the next meeting. Public comments have also been invited in relation to working of the IBC, 2016 pursuant to the said meeting.

Insolvency and Bankruptcy Board of India

1.4.1. The Insolvency and Bankruptcy

Board of India (IBBI) was established vide Gazette Notification dated 1st October, 2016 under the IBC. The Chairperson of the Board was appointed vide Gazette Notification dated 1st October, 2016. Four ex-officio members of the Board have also been appointed vide Gazette Notification dated 1st October, 2016. IBBI has the mandate for regulation of insolvency professionals, insolvency professional agencies and information utilities besides exercising other powers and functions as envisaged under the Code.

1.4.2. IBBI has issued notifications regarding (i) IBBI (Voluntary Liquidation Process) Regulations, 2016; (ii) IBBI (Information Utilities) Regulations, 2017; (iii) IBBI (Fast Track Insolvency Resolution Process for Corporate Persons) Regulations, 2017; and (iv) IBBI Companies (Registered Valuers and Valuation) Rules, 2017, to improve the regulatory environment.

Special Courts

1.4.3. Sections 435 to 440 of the Companies Act, 2013 which prescribe provisions related to “Special Court”, came into effect from 18th May, 2016. Section 435 provides that the Central Government may for the purpose of providing speedy trial of serious offences, i.e., those offences carrying punishment of imprisonment of two years or more under the Act, establish or designate as many Special Courts as may be necessary. A Special Court shall consist of a single judge who shall be appointed by the Central Government with the concurrence of the Chief Justice of

the High Court within whose jurisdiction the judge to be appointed is working. A person shall not be qualified for appointment as a judge of a Special Court unless he is, immediately before such appointment, holding office of a Sessions Judge or an Additional Sessions Judge. List of notified designated Special Courts for various States/UTs as on 30th November, 2017 is at **Annexure-I**.

National Company Law Tribunal

1.4.4. The National Company Law Tribunal (NCLT) was constituted under Section 408 of the Companies Act, 2013 vide notification No. S.O.1932 (E) dated 1st June, 2016. The Ministry has set up eleven Benches, one Principal Bench at New Delhi and one Regional Bench each at New Delhi, Ahmedabad, Allahabad, Bengaluru, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata and Mumbai. The NCLT is a quasi-judicial body to adjudicate the disputes pertaining to the companies registered in India and is a successor to the Company Law Board.

1.4.5. NCLT has disposed off 13,307 cases and has a pendency of 8,080 cases as on 30th November, 2017.

National Company Law Appellate Tribunal

1.4.6. The National Company Law Appellate Tribunal (NCLAT) has been set up under Section 410 of the Companies Act, 2013 vide notification No. 1933(E) dated 1st June,

2016 to deal with the appeals arising out of the orders of the NCLT. NCLAT is the Appellate Tribunal for hearing appeals against the orders passed by NCLT under Sections 61, 202 and 211 of the IBC, 2016. NCLAT is also the Appellate Tribunal to hear and dispose off appeals against any direction issued or decision made by the CCI as per amendment brought to Section 410 of the Companies Act, 2013 with effect from 26th May, 2017.

1.4.7. NCLAT has disposed off 1,052 cases and has a pendency of 264 cases as on 30th November, 2017.

Investor Education and Protection Fund Authority

1.4.8. The Investor Education and Protection Fund Authority (IEPFA) has been set up under Section 125 (5) of the Companies Act, 2013 vide notification No.854 (E) dated 5th September, 2016 with the objective of making refund of unpaid amounts to eligible stakeholders and promote investor education, awareness and protection.

Official Liquidators

1.5.1. Official Liquidators (OLs) are officers appointed by the Central Government under Section 359 of the Companies Act, 2013 (corresponding to Section 448 of Companies Act, 1956) and are attached to jurisdictional High Courts. The provisions of the section and other provisions of winding up under Companies Act, 2013 came into force w.e.f. 15th December, 2016. The respective RDs exercise administrative control of OL offices

on behalf of the Central Government. OLs function under the directions and supervision of the High Courts in the conduct of winding up of affairs of the companies.

1.5.2. With the enactment and commencement of provisions of corporate insolvency under the IBC, 2016 & consequent amendment of certain provisions relating to winding up in the Companies Act, 2013 and notifications of rules for transfer of pending proceedings relating to winding up from the High Courts to the NCLT, w.e.f. 1st December, 2016, the OLs would no longer be entrusted

with fresh matters or pending proceedings transferred from High Courts to NCLT for winding up of a company on the ground of 'inability to pay debts'. Such cases have to be dealt with Insolvency Resolution under Section 7, 8 or 9 of the IBC, 2016 and in case of failure of insolvency resolution process, liquidation will be undertaken by insolvency professionals approved by NCLT.

1.5.3. Performance of OLs is reviewed by MCA periodically. Latest review was taken on 10-11 November, 2017 at New Delhi. Targets for the next two quarters were also delineated for all offices of OLs.

CHAPTER - II

ORGANISATIONAL STRUCTURE AND FUNCTIONS

Administrative Structure

2.1.1. The Ministry has a three-tier organisational structure with the Headquarters at New Delhi, seven offices of Regional Directors at Ahmedabad, Chennai, Hyderabad, Kolkata, Mumbai, New Delhi and Shillong; fifteen Registrars of Companies (RoCs), one Central Registration Centre (CRC) at Manesar, nine Registrars of Companies-cum-Official Liquidators and fourteen Official Liquidators (OLs). CRC at Manesar (Gurugram) has been set up on 26th January, 2016. A brief description of the above offices/establishments is given in the following paragraphs.

Headquarters

2.2.1. The administrative structure at the Headquarters includes a Secretary, one Special Secretary/Additional Secretary, one Director General of Corporate Affairs (DGCoA), four Joint Secretaries, one Joint Secretary & Financial Adviser, one Economic Adviser, one Cost Adviser, two Directors of Inspection and Investigation, Deputy Director General and other officials having expertise in administrative, legal, accounting, economic and statistical matters. The senior functionaries of the Ministry are listed in **Annexure-II**.

Regional Directors

2.2.2. The Regional Directors (RDs) supervise the working of the offices of the RoCs and OLs located in their respective jurisdictions. The main function of RDs is to advise and guide RoCs and OLs on technical and administrative matters, to report to the Government particularly on the activities and operations of the companies, and to function as a link between the Central Government and the State Governments in their respective regions on matters relating to administration of Companies Act. The RDs have been delegated powers to directly take up work and dispose off certain business under the provisions of the Companies Act.

Central Registration Centre

2.2.3. MCA has taken initiative in Government Process Re-engineering (GPR) and setup the CRC for processing of “Name Availability” (INC-01) and “Incorporation” (INC-02/07/29) e-Forms. The GPR exercise is in pursuance of the Ministry's objective of providing greater “Ease of Doing Business” to corporates and is expected to result in speedier processing of incorporation related applications, uniformity in application of rules, and eradicating discretion. This process is being supplemented by intensive monitoring aimed at processing of said e-Forms within 1 to 2 working days.

Registrars of Companies

2.2.4. Registrars of Companies (RoCs) are appointed under Section 396 of the Act. RoCs, other than Registrar CRC, continue to have jurisdiction over all the companies including companies incorporated by the Registrar, CRC, for all other provisions of the Act and the rules made thereunder, which may be relevant after incorporation. MCA exercises administrative control over these offices through respective RDs.

Official Liquidators

2.2.5. Official Liquidators (OLs) are officers appointed by the Central Government under Section 359 of the Companies Act, 2013 (corresponding to Section 448 of Companies Act, 1956) and are attached to jurisdictional High Courts. The provisions of the section and other provisions of winding up under the Companies Act, 2013 came into force w.e.f. 15th December, 2016. The respective RDs exercise administrative control of OL offices on behalf of the Central Government. OLs function under the directions and supervision of the High Courts in the conduct of winding up of affairs of the companies.

2.2.6. The Companies Act, 2013 provides for 'Summary Procedure' for liquidation of a company in certain circumstances. In such cases, the Central Government shall appoint the OL as the Liquidator of the company and the winding up may be proceeded under Part

1 of Chapter XX of the winding up under the Companies Act, 2013.

2.2.7. The duties and powers of OLs mainly relates to the sale of movable and immovable assets of the company taken possession of, by the OL; invitation of claims from creditors/workers; adjudication of claims and settlement of list of creditors; payment to creditors/workers by way of dividend and settlement of list of contributories (i.e. a person liable to contribute towards the assets of the company in the event of its being wound-up) wherever necessary; filing of claims against debtors for realization of debts due to the company; instituting criminal complaints and misfeasance proceedings against former Directors of the company for acts and omissions and breach of trust, payment of returns of capital where the company's assets exceeds its liability and finally, dissolve the company under Section 302 of the Companies Act, 2013 (or corresponding Section 481 of the Companies Act, 1956).

2.2.8. With the enactment and commencement of provisions of corporate insolvency under the IBC, 2016 and consequent amendment of certain provisions relating to winding up in the Companies Act, 2013 and notifications of rules for transfer of pending proceedings relating to winding up from the High Courts to the NCLT with effect from 1st December, 2016, the OLs are no longer being entrusted with fresh matters or pending proceedings transferred from High

Courts to NCLT for winding up of a company on the ground of 'inability to pay debts'. Such cases have to be dealt with for Insolvency Resolution under Section 7, 8 or 9 of the IBC, 2016 and in case of failure of insolvency resolution process, liquidation will be undertaken by insolvency professionals approved by NCLT. However, OLs would continue to deal with the following:

- (i) all matters where winding up orders have already been passed by the High Courts
- (ii) where pending proceedings are retained with High Courts.
- (iii) where such proceedings of winding up on the grounds 'other than inability to pay debts' (filed under clause (a) and (f) of Section 433 of Companies Act, 1956) have been transferred to NCLT in case the same are entrusted to the OLs by the NCLT.
- (iv) fresh proceedings under section 271 of the Companies Act, 2013, in case NCLT entrust these, after winding up orders are passed, with OLs.

Organisational setup at Headquarters

2.3.1. The Headquarters of MCA is organized into various Divisions/ Sections/ Cells for administering and regulating various provisions of the Companies Act and other Acts administered by the Ministry.

Details of the administrative structure on matters relating to the Companies Act are described below. Matters relating to working and administration of Companies Act are discussed in Chapter-III, while the matters relating to the Limited Liability Partnership (LLP) Act and the Competition Act are dealt with in Chapters IV and V respectively.

2.3.2. The provisions of the Companies Act are dealt with by various Divisions/ Sections/Cell under the supervision of DGCoA, concerned Joint Secretaries, Economic Adviser and Adviser (Cost). A brief description of main activities of these Sections is given below:

2.3.3. Company Law - I Section deals with legislative processes relating to the legal framework governing companies, Limited Liability Partnerships and notification of rules, regulations and circulars there under.

2.3.4. Company Law-II Section deals with examination of inspection reports, investigation reports and technical scrutiny reports received from field offices. After examination of these reports, prosecutions are ordered. In addition, this section deals with the examination of the complaints relating to misuse and diversion of funds, and mismanagement of companies etc. under the provisions of the Companies Act.

2.3.5. Company Law-III Section deals with (a) Reduction of Share Capital, (b) Form and contents of balance sheets and profit and loss accounts, (c) Amalgamation/Scheme of arrangement etc. of Government

Companies, (d) References received from RDs/ RoCs regarding approval of names of companies and matters incidental thereto (Section 8 of the Companies Act, 2013), and (e) References received from RDs/ RoCs for grant of license, revoking of such licenses, alteration of Memorandum and Articles of Association, grant of exemption and matters relating to such companies (Section 8 of the Companies Act, 2013)

2.3.6. Company Law - IV (Legal) Section the major functions of the legal sections are:-

- (a) Vetting of para-wise comments in which Union of India is Party.
- (b) Engagement of Government Counsel on the request received from various sections of the Ministry.
- (c) Monitoring of all the court cases in which Ministry is party.
- (d) Examination of applications/ petitions made to the Central Government under section 399(4) of the Companies Act, 1956; and
- (e) Providing Legal advice to various Divisions of the Ministry as well as to other Ministries as and when sought.

2.3.7. Company Law-V (Policy) Section deals with policy matters for consideration of Cabinet, Cabinet Committees, and Committee of Secretaries. It also deals with declaration of institutions as Public Financial Institutions, issues relating to Capital Market, SEBI, Foreign Direct Investments, Money Laundering. Accounting standards/ Convergence with International Financial Reporting Standards (IFRS). It issues

clarification/simplification of various rules and procedures prescribed under the provisions of the Companies Act 2013, Companies Act 1956 and LLP Act 2008. The Division is also responsible for launching various schemes to aid in the implementation of corporate laws, e-Governance forms, coordinating the framing of guidelines for ensuing uniformity of practices by all field offices, and change in the venue for holding the Annual General Body Meetings of Government Companies.

2.3.8. Company Law-VI Section deals with statutory applications relating to appointment of a managerial person in a company when such appointment is not in consonance with Part- I of Schedule V of the Companies Act, 2013. It also deals with payment of remuneration exceeding the limits prescribed under the Companies Act, 2013 to managerial personnel of listed companies and subsidiaries of a listed company under section 196, 197 read with Schedule V of the Companies Act, 2013 including waiver of recovery of remuneration paid in excess of the limits.

2.3.9. Cost Audit Branch performs the following functions under Section 148 of the Companies Act, 2013;

- (i) Framing policy for cost accounting records and cost audit,
- (ii) Formulates and notifies rules in relation to (a) maintenance of Cost Accounting Records by certain class of companies as may be prescribed; and (b) the audit of

cost records of certain class of companies,

- (iii) Undertakes rationalization of Cost Records and Audit Rules, wherever necessary,
- (iv) Monitors compliance under sections 148 and other related sections of the companies Act, 2013 and Companies (Cost Records and Audit) Rules, 2014,
- (v) Initiates penal/prosecution proceedings through RoCs against the defaulting companies and Cost Auditors,
- (vi) Reviews, examines and studies Cost Audit Reports and seeks further information or explanation from the companies as required,
- (vii) Informs the relevant departments/organisations/regulatory bodies about the observations from such study,
- (viii) Reviews the Cost Auditing Standards, as submitted by the Institute of Cost Accountants of India and recommending the same for approval by the Central Government.

2.3.10. Investor Grievance Management Cell (IGMC) earlier known as the Investor Protection Cell (IPC), is mandated to deal with investors' grievances. Its function is to take up the grievances of the investors with the concerned companies through the RoCs for their expeditious redressal. It also coordinates with various other

organisations/departments like Reserve Bank of India, Department of Economic Affairs and Securities and Exchange Board of India (SEBI) etc. for redressal of investors' complaints of these agencies. Broadly, the complaints received in IGMC relate to the following issues:

- a. Non-receipt of annual report
- b. Non-receipt of dividend amount
- c. Non-refund of application money
- d. Non-payment of matured deposits and interest thereon
- e. Non-receipt of duplicate share certificates
- f. Non-registration of transfer of shares
- g. Non-issue of share certificates
- h. Non-receipt of debenture certificates
- i. Non-issue of rights/bonus shares
- j. Non-issue of interest on late payment
- k. Non-redemption of debentures and interest thereon
- l. Non-receipt of share certificates on conversion.

2.3.11. The investors/depositors can lodge their complaints with concerned RoCs on-line, through MCA21 portal, using the website of the Ministry (www.mca.gov.in). The system acknowledges the receipt of complaint online by generating a complaint number which can be used for follow up of the complaint in future. In order to actively

associate with the field offices for redressal of investors' grievances, a nodal team headed by a designated officer has been setup in all the offices of the RDs and RoCs as well as at the Headquarter of the Ministry. The investors can directly take up their grievances with the concerned Nodal Officers at the RoC/RD level. If any investor has any grievance which has not been redressed even after a lapse of reasonable time, the same can be brought to the notice of Nodal Officers appointed by the Ministry. The list of Nodal Officers is available on the Ministry's website under "Investor Services" head. A Standard Operating Procedure has been formulated by IGM Cell for adopting uniform procedure for handling and disposing off Investor's grievances.

2.3.12. Corporate Social Responsibility (CSR) Cell was constituted on 9th May, 2014 and is entrusted with the responsibility of;

- (i) Proposing amendments to CSR Rules and schedule VII of the Companies Act, 2013,
- (ii) Issuing clarifications to references from stakeholders regarding CSR provisions under section 135 of the Companies Act, 2013 Schedule VII of the Companies Act, 2013 and Companies (CSR Policy) Rules, 2014.
- (iii) Coordinating with Department of Public Enterprises (DPE) and other Administrative Ministries for implementation of CSR by CPSUs,
- (iv) Data analysis relating to CSR expenditure of Companies,

- (v) Regulation of CSR compliance,
- (vi) Participating in sensitization workshops organized by DPE, Apex chambers, IICA and RDs of the Ministry.

2.3.13. Research & Analysis Division (R&A) is responsible for;

- (i) Preparation of Annual Report on the Working and Administration of the Companies Act, 2013 as prescribed under Section 461 of the Companies Act, 2013 and laying it before each house of parliament within one year of the close of the year to which the report relates,
- (ii) Preparation of Annual Report of the Ministry and submitting it to the Standing Committee on finance to enable it to consider the demand for grants of the Ministry,
- (iii) Providing economic inputs on issues relating to, inter alia, Corporate Performance, Capital Market Reforms, Disinvestment and Foreign Direct Investment at the macro level,
- (iv) Representing the Ministry in Inter Ministerial Group (IMG) for disinvestment of CPSUs formed by Department of Investment and Public Asset Management (DIPAM),
- (v) Managing research component of the plan scheme of Corporate Data Management (CDM),
- (vi) Formulation of strategic plan and annual action plan of the Ministry, and

- (vii) Serving as the interface between the Ministry and NITI Aayog.

2.3.14. Statistics Division is responsible for:

- (i) Sharing statistical information on the corporate sector with Central Ministries and Organisations such as Central Statistics Office (CSO), Reserve Bank of India (RBI), and others, as and when necessary;
- (ii) Generating reports for different Divisions of the Ministry;
- (iii) Examining and resolving issues relating to improvements of corporate statistics generated from the MCA-21 portal; and
- (iv) Implementing the Central Sector Scheme Corporate Data Management (CDM).

2.3.15. International Cooperation Section plays a key role in coordinating and organizing interactions with counterpart organizations of other countries, International Organizations such as Corporate Registers Forum (CRF), Global Reporting Initiative (GRI), International Association of Insolvency Regulators (IAIR), Organization for Economic Co-operation and Development (OECD), approval of International MoUs etc.

2.3.16. RTI Monitoring Cell functions as a conduit between the applicant/appellant and the CPIO/ Appellate Authority apart from being a repository of all RTI related information. The Cell is also responsible for implementing various Sections of the RTI

Act, where an obligation has been cast on the Public Authority. The Cell also monitors the progress of all RTI applications and appeals to ensure its disposal within the prescribed time limits.

2.3.17. Gender Budget Cell (GBC) has been facilitating the integration of gender analysis into the Government budgeting. GBC of MCA has initiated steps to build up information/ database system on the gender representation in MCA, including field offices, attached offices and professional institutes. GBC in MCA aims to help accelerate the growing awareness of the gender sensitivities of budgetary allocation while appreciating how corporate sector oriented policies impact issues of equity and empowerment of women.

2.3.18. Official Language Section undertakes the implementation of the Official Language Act and Rules made thereunder; translation of documents issued under section 3(3) of Official Language Act from English to Hindi and vice versa, and also work relating to the Parliamentary Committee on the Official Language. It is responsible for the conduct of the meetings of Official Language Implementation Committee, and for implementation of decisions taken by Hindi Advisory Committee. It administers the Hindi Teaching Scheme, as well as the conduct of Hindi Workshops. It also offers suggestions for the progressive use of Hindi in the Ministry.

2.3.19. Vigilance Wing obtains factual information with regards to complaints received against the employees, conduct

preliminary enquiry against the employees alleged for involvement in corruption. It also makes efforts to streamline the existing procedures so as to minimize the scope of corruption and to ensure probity among government servants. Towards this end, in accordance with the Central Vigilance Commission's guidelines to rotate the incumbents of the 45 posts of the Ministry which were identified to be sensitive ones, every 2/3 years.

2.3.20. Administration-I deals with Establishment matters relating to - all Group A officers at the Headquarters filled under Central Staffing Scheme; all Group A officers of the en-cadred posts of Indian Economic Service (IES), Indian Statistical Service (ISS), Indian Cost Accounts Service (ICAS) and Central Secretariat Official Language (CSOL); Officers of the Central Secretariat Service (CSS); Officers of the Central Secretariat Stenographer Service (CSSS); Officers of the Central Secretariat Clerical Service (CSCS); General Central Service Group 'B' and 'C' posts at Headquarters; Hindi en-cadred posts in Central Secretariat Official Language Service. It also deals with Creation of posts and establishment matters relating to the Office of the Minister of Corporate Affairs, Office of the Minister of State for Corporate Affairs and creation/continuation of posts in Headquarters other than Indian Corporate Law Service (ICLS) posts along with other administrative work.

2.3.21. Administration-II deals with all establishment matters relating to officers of Indian Corporate Law Service (ICLS) (Gr 'A')

and other subordinate grades of ICLS, training and capacity building of ICLS officers & its feeder cadre, framing/ amendment of Recruitment/ Service Rules of ICLS and its feeder cadre, recruitment of Gr 'A' & 'B' officers in ICLS and its subordinate grades, undertakes review of officers of ICLS & its subordinate grades for ensuring probity measures among government employees under FR 56(j) & identification of sensitive posts.

2.3.22. Administration-III deals with all policy issues related to SFIO and; establishment, personnel and financial matters relating to SFIO which require approval of Central Government.

2.3.23. Administration-IV deals with establishment, personnel and financial matters relating to Company Law Board (CLB), National Company Law Tribunal (NCLT) and National Company Law Appellate Tribunal (NCLAT) which requires approval of Central Government.

2.3.24. Competition Section deals with matters relating to the enforcement of Competition Act; the formation of Competition Policy; all establishment, personnel and financial matters of Competition Commission of India and Competition Appellate Tribunal requiring approval of Central Government; appointment of Chairperson and Members in Competition Commission of India as well as in Competition Appellate Tribunal and the condition of service thereof.

2.3.25. Infrastructure Section is looking after the (a) purchase of land and buildings for the

Ministry and its field offices (b) capital works for construction/ renovation/ maintenance of all buildings (old and new) for the Ministry and its field offices; and (c) finalization of agreements for hiring of buildings on rent at the Headquarters and field locations.

Attached/Subordinate Office/ Organisations

National Company Law Tribunal

2.4.1. MCA has constituted National Company Law Tribunal (NCLT) under section 408 of the Companies Act, 2013 (18 of 2013) w.e.f. 1st June, 2016 and by virtue of section 466(1) of the Companies Act, 2013 the erstwhile Company Law Board constituted under the provisions of the Companies Act, 1956 stood dissolved, with effect from that date.

National Company Law Appellate Tribunal

2.4.2. MCA has constituted the National Company Law Appellate Tribunal (NCLAT) under Section 410 of the Companies Act, 2013 vide notification No. 1933 (E) dated 1st June, 2016 for hearing the appeals against the orders of the National Company Law Tribunal. Earlier, the Competition Appellate Tribunal (COMPAT) was established on 14th October, 2003 under the Competition Act, 2002, with powers to entertain appeals against directions or decisions of CCI, and to adjudicate on claims for compensation that may arise from the findings of the Commission.

COMPAT has ceased to exist effective 26th May 2017. The appellate function under the Competition Act, 2002 would now confer to the NCLAT.

Competition Commission of India

2.5.1. The Competition Commission of India (CCI) was established in March, 2009 under the Competition Act, 2002 for the administration, implementation and enforcement of the Act. The objectives of the CCI are:

- (a) To prevent practices having adverse effect on competition;
- (b) To promote and sustain competition in markets;
- (c) To protect the interests of consumers; and
- (d) To ensure freedom of trade.

2.5.2. CCI has power to regulate mergers or combinations, and to reverse mergers or combinations, if it is of the opinion that such mergers or combinations have, or is likely, to have an 'appreciable adverse effect' on competition in India.

Serious Fraud Investigation Office

2.6.1. Serious Fraud Investigation Office (SFIO) was set up through a Government resolution dated 2nd July, 2003 and has now been given statutory status. It is a multi-disciplinary Investigating Agency, wherein experts from diverse fields like banking, capital markets, corporate law, forensic audit, taxation, information technology work

together to unravel corporate frauds. It is headed by a Director, in the rank of Joint Secretary to the Government of India. The Director is assisted by Additional Directors, Joint Directors, Deputy Directors, Senior Assistant Directors, Assistant Directors, Prosecutors and other secretarial staff. The Headquarter of SFIO is at New Delhi, with five Regional Offices at Mumbai, New Delhi, Chennai, Hyderabad and Kolkata. The new Recruitment Rules for SFIO are being notified, paving the way for creation of a permanent cadre over a period of time.

Indian Institute of Corporate Affairs

2.7.1. The Indian Institute of Corporate Affairs (IICA) has been established as a 'think tank', action research, service delivery and capacity-building institute to serve as a one-stop-shop providing a platform for partnerships between government, corporate entities and other stakeholders. The IICA is headed by a Director General and Chief Executive Officer. Since its establishment as a Society in September, 2008, the Institute has taken a number of steps to fulfil its mandate. All its five Schools and five Centers have become operational. The Institute has emerged as an important Institute for conducting various courses, seminars, workshops etc. on issues of relevance to the corporate sector such as Corporate Governance, Corporate Social Responsibility, company directors, independent-directors, competition issues etc.

2.7.2. The Cabinet had also approved the continuation of the IICA Scheme for the financial Year 2017-18 to 2019-20 with Government support of Rs.18.00 crore.

Investor Education and Protection Fund

2.8.1. Investor Education and Protection Fund (IEPF) was established under Section 125 of the Companies Act, 2013 with the objective of promoting investor education, awareness and protection. The fund is maintained under consolidated fund of India. The details of the amounts that are required to be credited to the IEPF and its utilization are provided in the Companies Act, 2013. Further, as per Section 124(6) of the Companies Act, 2013, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the provides for setting up of the IEPF.

2.8.2 For administration of the fund, Government of India has established the Investor Education and Protection Fund Authority (IEPFA) under Section 125, sub-section(5) of the Companies Act, 2013. The IEPFA consists of a Chairperson, seven members and a Chief Executive Officer. Secretary, MCA is the ex-officio Chairperson of the Authority. The Central Government has notified the IEPFA (Appointment of Chairperson and Members, holding of meetings and provisions for Offices and Officers) Rules, 2016.

2.8.3. The IEPFA has been entrusted with the responsibility to make refunds of unclaimed dividends, matured deposits, matured debentures etc. and to conduct Investor Awareness Programs through print and electronic media.

Professional Institutes

2.9.1. The Ministry administers laws regulating the Professions of Accountancy

(The Chartered Accountants Act, 1949); Costs Accountancy (The Cost and Works Accountants Act, 1959); and Company Secretaries (The Company Secretaries Act, 1980), through three Professional Institutes, namely, Institute of Chartered Accountants of India, Institute of Cost Accountants of India and Institute of Company Secretaries of India set up under these Acts of Parliament.

CHAPTER - III

COMPANIES ACT AND ITS ADMINISTRATION

3.1.1. Companies Act regulates a wide range of activities, including incorporation, operationalization, governance, liquidation and winding up of companies. Regulation of corporate governance, and obligations of companies towards their stakeholders, conditions governing issue of preferential shares, private placements and distribution of dividends, statutory disclosure obligations, powers of inspection, investigation and enforcement and company processes such as mergers/amalgamations/arrangements/reconstructions etc., constitute the main focus of the Act.

Simplification of Rules & Procedures.

3.2.1. During the period 1st January, 2017 to 31st December, 2017, the Ministry issued 42 Notifications and 10 General Circulars. (Annexure III & IV respectively)

Registration of Companies

3.3.1. As on 31st December, 2017, a total of

17,20,682 companies were registered in the country. Of them 11,43,772 companies were active (comprising of 10,70,383 private companies and 73,389 public companies). A majority of the active companies (about 72.5%) were operating in activities covered under four broad heads, namely, 'Business Services' (29.9%), 'Manufacturing' (20.2%), 'Trading' (13.2%) and 'Construction' (9.1%). Business Services, inter alia, include hardware & software consulting, data processing, research & development, legal, accounting & auditing services, business & management consultancy, advertising, etc. Manufacturing, inter alia, includes manufacturing of food products, textiles, paper, metallic/non-metallic mineral products, chemical & petrochemicals, radio, television, transport equipment, etc.

3.3.2. The economic sector-wise distribution of active companies as on 31st December, 2017 along with their authorized capital is given in Table 3.1.

Table 3.1
Economic Activity-wise Active Companies as on 31st December, 2017

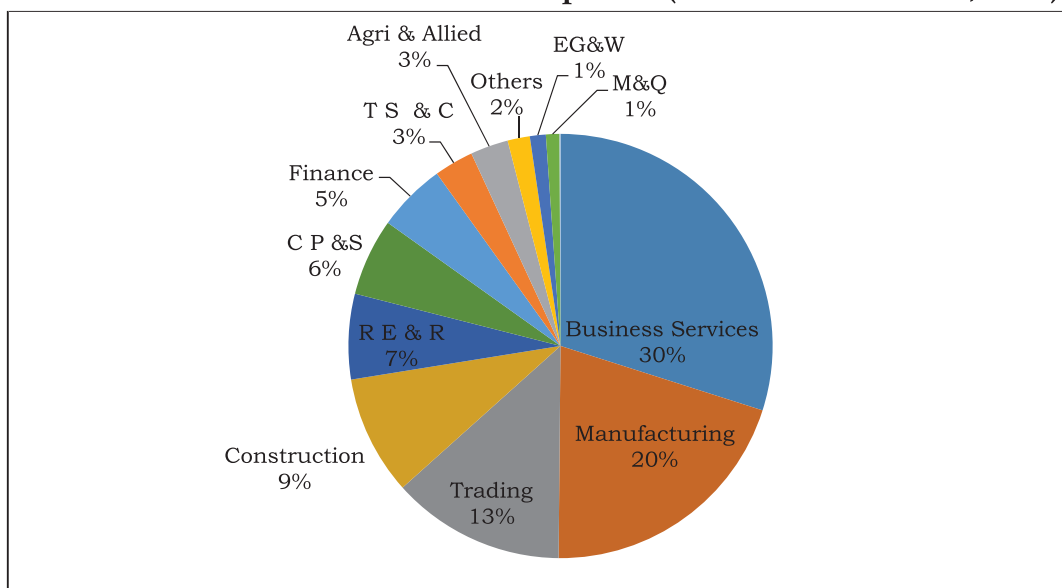
(Authorized capital in Crore)

Sl. No.	Economic Activity	Private		Public		Total	
		Number	Authorized Capital	Number	Authorized Capital	Number	Authorized Capital
I	Agriculture and Allied Activities	29,941	22,134.14	3,036	33,668.19	32,977	55,802.33
II	Industry	3,33,381	9,48,277.20	27,619	22,50,264.93	3,61,000	31,98,542.13
1	Manufacturing	2,11,441	5,39,321.02	19,915	8,43,610.15	2,31,356	13,82,931.17

2	Construction	98,960	214,125.48	5,078	250,840.06	1,04,038	4,64,965.53
3	Electricity, Gas & Water companies	11,972	1,56,382.59	1,824	10,95,984.69	13,796	12,52,367.27
4	Mining & Quarrying	11,008	38,448.12	802	59,830.04	11,810	98,278.15
III	Services	6,90,848	9,71,418.26	39,483	15,34,762.49	7,30,331	25,06,180.74
1	Business Services	3,31,052	3,61,288.95	11,092	5,60,040.57	3,42,144	9,21,329.52
2	Trading	1,44,527	2,05,214.27	6,770	1,11,818.89	1,51,297	3,17,033.16
3	Real Estate and Renting	70,728	88,835.59	3,713	38,237.38	74,441	1,27,072.97
4	Community, personal & Social Services	63,246	77,637.05	4,105	1,36,777.99	67,351	2,14,415.03
5	Finance	47,861	1,70,946.84	12,051	3,43,145.09	59,912	5,14,091.93
6	Transport, storage and Communications	32,738	64,922.23	1,582	2,96,138.21	34,320	3,61,060.44
7	Insurance	696	2,573.33	170	48,604.36	866	51,177.69
IV	Others	16,213	41,865.06	3,251	1,37,759.79	19,464	1,79,624.86
Grand Total (I+II+III+IV)		10,70,383	19,83,694.66	73,389	39,56,455.40	11,43,772	59,40,150.06

Chart 3.1 provides sector-wise distribution of active companies as on 31st December, 2017

Chart 3.1
Sector-wise distribution of active companies (As on 31st December, 2017)



'EG&W' is Electricity, Gas & Water, 'TS&C' is Transport, Storage & Communications, 'CP&S' is Community, Personal & Social Services, 'RE&R' is Real Estate & Renting.

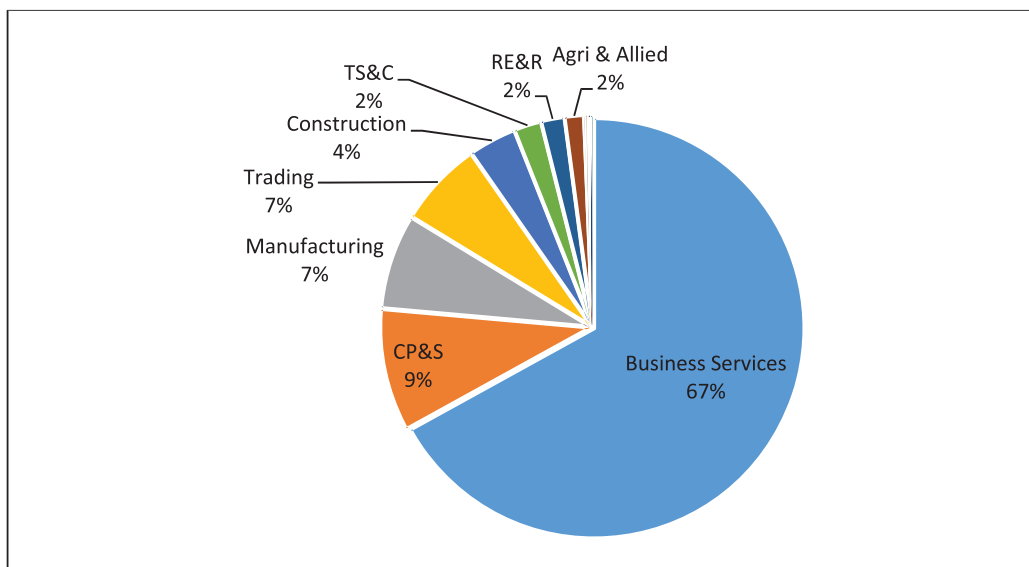
3.3.3. During the period from 1st January, 2017 to 31st December, 2017, a total of 107,487 companies were registered with collective authorized capital of Rs. 26,220.17 crore. Of these, 124 were Government companies with authorized capital of Rs.6,168.48 crore and 1,07,363 were Non-Government companies with authorized capital of Rs.20,051.69 crore.

the concept of One Person Company (OPC) in India. During the period from 1st January, 2017 to 31st December, 2017 a total of 5,788 OPCs were registered with collective authorized capital of Rs. 130.81 crore. Chart 3.2 provides sector-wise distribution of OPCs registered during the period from 1st January, 2017 to 31st December, 2017.

One Person Company

3.3.4. The Companies Act, 2013 introduced

Chart 3.2
Sector-wise distribution of OPCs



'EG&W' is Electricity, Gas & Water, TS&C' is Transport, Storage & Communications, 'CP&S' is Community, Personal & Social Services, 'RE&R' is Real Estate & Renting.

Foreign Companies

3.3.5. As on 31st December, 2017, the total number of foreign companies registered in the country was 4,625 and of them 3,380 foreign companies were active. During the period from 1st January, 2017 to 31st December, 2017 a total of 151 foreign companies were registered under the Companies Act, 2013.

Appointment of managerial personnel and their remuneration

3.4.1. MCA deals with statutory applications relating to appointment and remuneration of a managerial person in a company when such appointment is not in consonance with Part- I of Schedule V of the Companies Act, 2013, under section 196 & 197, including waiver of recovery of remuneration paid in excess of the limits

prescribed under the Companies Act, 2013 to such managerial personnel.

3.4.2. Under Section 196 and Section 197 read with Schedule (V) of the Companies Act, 2013, a total of 296 applications were received during 1st December, 2016 to 30th November, 2017 and 323 applications were pending as on 30th November, 2016. Out of a total of 619 applications, 392 were disposed off during 1st December, 2016 to 30th November, 2017 and 227 applications were pending as on 30th November, 2017.

Merger of Government Companies

3.4.3. Under Section 396 of the Companies Act, 1956 regarding Merger of Government Companies only one application was received during the period 1st December, 2016 to 30th November, 2017. No application was disposed off during the period.

Amalgamation of Government Companies

3.4.4. Under Sections 230-232 of the Companies Act, 2013, regarding amalgamation of Government Companies, only 8 applications were received during 1st December, 2016 to 30th November, 2017 and no applications were pending as on 30th November, 2016. As on 30th November, 2017, all the 8 applications were pending.

Liquidation of Companies

3.4.5. As on 1st December, 2016, 5,212 companies were under liquidation; out of which 614 companies were under members' voluntary winding-up, 3 companies were under creditors' voluntary winding up and

4,595 companies under winding up by the court. 392 companies went into liquidation during 1st December, 2016 to 30th November, 2017. Out of a total of 5,604 companies, 419 companies were finally dissolved during the period 1st December, 2016 to 30th November, 2017. 5,185 companies are still in liquidation process as on 30th November, 2017 out of which 562 companies were under members' voluntary winding-up, 2 companies were under creditors' voluntary winding up and 4,621 companies were under winding up by the court.

Change of Venue of Annual General Meeting

3.4.6. Under Section 96 of the Companies Act, 2013 which replaced Section 166 (2) of the Companies Act, 1956, the Central Government has powers to grant approval for change of venue of Annual General Meeting to a place other than where registered office is situated.

Condonation of Delay

3.4.7. Under Section 460(b) of the Companies Act, 2013, which replaced Section 637B of the Companies Act, 1956, if any document, required to be filed with the Registrar under any provision of the Companies Act, 2013 is not filed within the time specified therein, the Central Government may, for reasons to be recorded in writing, condone the delay. A total of 2,139 applications were received during the period from 1st December, 2016 to 30th November, 2017 and 409 applications were pending as on 1st December, 2016. Out of a total of 2,548 applications, 2,109 applications were

disposed off, and 439 applications were pending as on 30th November, 2017.

Scrutiny

3.4.8 Power to call for information, explanation or documents relating to a company is vested with the Registrar of Companies (RoCs) under Sub-Sections (1), (2) and (3) of the Section 206 of the Companies Act, 2013. During the period 1st December, 2016 to 30th November, 2017, 271 scrutiny reports were received in the Ministry.

Inspection

3.4.9. Section 206(5) of the Companies Act, 2013 empowers the RoCs or the Officers duly authorized by the Central Government, to undertake inspection of the books of accounts and other records of the companies in order to direct special audit, to order investigation into the affairs of a company and to launch prosecution for violations of the provisions of the Companies Act, 1956 or Companies Act, 2013. The Ministry received 103 inspection reports during the period 1st December, 2016 to 30th November, 2017.

Investigation

3.4.10 Investigations into the affairs of the companies are ordered under Section 210 and 212 of the Companies Act, 2013. Cases can be assigned to SFIO by the Central Government under Section 212 on the basis of request from the departments of Central/State Government or suo moto in the public interest.

3.4.11 The Ministry has ordered investigation into the affairs of 139 companies during the period 1st December, 2016 to 30th November, 2017 through SFIO as well as RDs Office. Out of the investigations ordered by the Central Government in the past years, investigations have been completed in the cases of 162 companies, during the year. The investigations in the case of 262 companies were under progress as on 30th November 2017.

Prosecution

3.5.1. Prosecutions are filed by RoCs against the companies for violations of provisions of Companies Act. As on 1st January, 2017, 46,886 prosecutions filed by various RoCs were pending with the courts. During the year 2016-17 (up to 30th November, 2017), 4,775 fresh prosecutions were filed. Out of 51661 cases, 4703 prosecutions were disposed off and 46,958 prosecutions were pending as on 30th November. 2017.

National Company Law Tribunal

3.6.1. The constitution of National Company Law Tribunal (NCLT) and National Company Law Appellate Tribunal (NCLAT) have been notified on 1st June, 2016. These bodies have been constituted for faster resolution of corporate disputes and reducing the multiplicity of agencies thereby promoting 'ease of doing business' in the country. With the constitution of NCLT the Company Law Board (CLB) stands dissolved and cases pending with CLB were transferred to NCLT.

3.6.2 MCA has notified Insolvency and Bankruptcy Code, 2016 (IBC) and SICA (Sick Industrial Companies Act) Repeal Act, 2003. With this, Board of Industrial and Financial Reconstruction (BIFR) and Appellate Authority for Industrial and Financial Reconstruction (AAIFR) have been dissolved and Benches of NCLT have been designated to exercise the jurisdiction, powers and authority of Adjudicating Authority conferred by or under part II of the IBC, 2016. Vide notification No.G.S.R.119 (E) dated 7th December, 2016, MCA has notified provision for transfer of proceedings relating to arbitration, compromise, arrangements and reconstruction to the benches of NCLT.

During the year, two Judicial Members have been appointed in NCLT and two Judicial Members were appointed in NCLAT. At present, there are 16 Members (Judicial) and 6 Members (Technical) in NCLT and 1 Member (Technical) and 2 Members (Judicial) in NCLAT. Notification has been issued revising the jurisdiction of benches of NCLT in February, 2017 thereby allocating the jurisdiction of State of Haryana with the Chandigarh bench of NCLT. The list of the Benches is at **Annexure-V**.

3.6.3 MCA has approved a proposal from NIC for implementing e-courts and other e-governance solutions in NCLT/NCLAT, which is in advanced state of implementation. The Beta version of the software as a pilot project has been launched in September, 2017 at Principal Bench, NCLT. This will be extended to other benches also.

3.6.4 Orders have been issued for creation of regular posts in these bodies in June, 2017. To meet the immediate requirements,

manpower has also been provided to both NCLT and NCLAT on outsource/contractual basis. However, COMPACT has ceased to exist w.e.f. 26th May, 2017 and appeals against decision of CCI are now filed with NCLAT.

3.6.5. NCLT has its own website www.nclt.gov.in where particulars of the organisation, functions, jurisdiction of the benches, cause list, orders passed by the benches of the Tribunal, the Companies Act, 2013, the Companies Act, 1956, the National Company Law Tribunal Rules, 2016, etc. are available. Copies of all interim and final orders and judgments are uploaded on the said website from where the same can be viewed/downloaded by the stakeholders/professionals. The website is regularly updated for the convenience of stakeholders.

3.6.6. Anybody who approaches the NCLT in person or over the telephone is provided all necessary guidance and information. Facilitation Centres and filing counters are also in operation at NCLT benches. A well equipped library is available for use of the advocates and professionals at each bench.

3.6.7. On the date of its constitution, i.e., 1st June, 2016, NCLT had a pendency of 5,345 cases. Since then it has received 16,042 more cases, thereby bringing the total to 21,387 cases. As on 30th November, 2017, NCLT had a pendency of 8,080 cases after having disposed off 13,307 cases.

National Company Law Appellate Tribunal

3.7.1. National Company Law Appellate Tribunal (NCLAT) is the Appellate Tribunal for hearing appeals against the orders passed

by NCLT under Section 61, 202 and 211 of the Insolvency and Bankruptcy Code, 2016.

3.7.2. NCLAT is also the Appellate Tribunal to hear and dispose off appeals against any direction issued or decision made or order passed by the CCI as per the amendment brought to Section 410 of the Companies Act, 2013 by Section 172 of the Finance Act, 2017 with effect from 26th May, 2017.

3.7.3. Hon'ble Mr. Justice S.J. Mukhopadhaya, former Judge of the Hon,ble Supreme Court, is the present Chairperson of NCLAT. Hon'ble Mr. Justice (Retd.) A.I.S. Cheema, former Judge, High Court of Bombay and Hon'ble Mr. Justice (Retd.) Bani Lal Bhat, former Judge, High Court of Jammu & Kashmir are the Judicial Members. Hon'ble Mr. Balvinder Singh, Former Deputy CAG is the Technical Member.

3.7.4. There is also one post of Registrar in this Tribunal, in the rank of Joint Secretary to the Government of India. Presently, the post is held by Smt. C.S. Sudha, a District Judge on deputation from the Kerala Higher Judicial Services. NCLAT is functional at Pt. Deen Dayal Antyodaya Bhawan, 3rd Floor, CGO Complex, Lodi Road, New Delhi-110003.

3.7.5. NCLAT has received total 1,316 cases under different categories (like Appeals under 53 B of the Competition Act, 2002, Compensation cases under section 53 N of the Competition Act, 2002, MRTP Cases, Cases filed under Section 421 of the Companies Act, 2013, cases filed under Section 61 of the IBC, 2016) till 30th November, 2017. Out of these cases, 1,052 cases have been disposed off and 264 are pending as on 30th November, 2017.

Investigations and Prosecution by Serious Fraud Investigation Office

(A) Investigations

3.7.6. During the period from 1st December, 2016 to 30th November, 2017 SFIO has submitted 160 investigation reports to the Ministry.

(B) Prosecutions

3.7.7. During the period from 1st December, 2016 to 30th November, 2017 number of prosecutions filed in various designated courts are as under **(Table 3.2)**.

Table 3.2
Number of Prosecutions filed in Different Designated Courts

Period	No of Prosecutions Filed			Total No of Prosecutions filed
	Company Law/IPC	ICAI/ICSI	CLB	
From 1 st January, 2016 to 30 th November, 2016	23	6	0	29
From 1 st December, 2016 to 30 th November, 2017	21	19	0	40

Cost Audit

3.8.1. During the period, Companies (Cost Records and Audit) Rules, 2014 were reviewed to harmonize cost records/cost statements (maintained as per Section 148 (1) of Companies Act, 2013) with financial records/financial statements after issue of notification by MCA related to IndAS mandating certain class of companies to follow IndAS in phased manner. Necessary Amendments were notified vide notification G.S.R. No. 1498 (E) dated 7th December, 2017.

3.8.2 The Companies (Cost Records and Audit) Second Amendment Rules, 2017 were notified vide notification G.S.R. No.1526 (E) dated 20th December, 2017 replacing “Central Excise Tariff Act Heading” with “Customs Tariff Act Heading” in Companies (Cost Records and Audit) Rules, 2014 due to repeal of “Central Excise Tariff Act”, 1985 on account of implementation of Goods and Services Tax(GST) with effect from 1st July, 2017.

3.8.3. The Ministry received 8822 eForms relating to appointment of Cost Auditors (50, Form 23C and 8772, Form CRA-2) during the year 2016-17. The number of such filings during the year 2017-18 till 30th November, 2017 was 7415 e-forms (24-Form 23C; and 7391-Form CRA-2). All such filing were disposed off in the corresponding year itself.

3.8.4. Also, the number of cost audit reports received during 2016-17 and 2017-18 till 30th November, 2017 stood at 7,080 (132-I-XBRL; and 6948-CRA-4) and 5,227 (97-I-XBRL; and 5,130-CRA-4) respectively.

3.8.5. During the year 2016-17, the Ministry shared 155 Cost Audit Reports, as filled by the companies, with various user departments such as Tariff Commission, Central Excise and Customs, Director General of Anti-Dumping etc. 71 Cost Audit Reports were shared during the year 2017-18 till 30th November, 2017.

CHAPTER - IV

THE LIMITED LIABILITY PARTNERSHIP (LLP) ACT, 2008

4.1.1. In India, about 95% of industrial units are small and medium enterprises (SMEs). As per the survey conducted by the Ministry of Micro, Small and Medium enterprises (MSME), over 90% of these SMEs are registered as Proprietorships, about 2% to 3% as Partnerships and less than 2% as Companies. The corporate form does not appear to be widely prevalent amongst SMEs. Analysis of the data collected by the Ministry of MSME suggests that high compliance cost under the Companies Act, 1956 deterred the SMEs from adopting the corporate form. But, the functioning of a proprietorship or a partnership firm is too opaque, making assessment of credit-worthiness by bankers difficult, and therefore, the SME sector is at a comparative disadvantage vis-à-vis corporate bodies in accessing loan/credit facilities from banks and other financial institutions.

4.1.2. In this background, a need was felt for a new corporate form that would provide an alternative to the traditional partnership with unlimited personal liability. The statute-based governance structure of a limited liability company is an alternative that enables professional expertise and entrepreneurial initiative to combine, organize and operate in a flexible, innovative and efficient manner. Internationally, Limited Liability Partnerships (LLPs) are the preferred vehicle of business, particularly for the service industry or for activities

involving professionals, especially in countries like the United Kingdom, United States of America, Australia, Singapore etc.

4.1.3. The Government has, therefore, permitted the LLP form of business organization in India with a view to creating a facilitating environment for entrepreneurs, service providers and professionals to meet the challenges of global competition. Parliament enacted the Limited Liability Partnership Act, 2008, which was notified on 9th January, 2009. It came into effect from 31st March, 2009. The enabling Rules were notified on 1st April, 2009 and the first LLP was registered on 2nd April, 2009.

4.1.4. LLP is a form of business entity, which allows individual partners to be protected from the joint and several liabilities of partners in a partnership firm. The liability of partners incurred in the normal course of business does not extend to the personal assets of the partners. It is capable of entering into contracts and holding property in its own name. An LLP would be able to fulfil the compliance norms with much greater ease, coupled with limitation of liability. The corporate structure of LLP and the statutory disclosure requirements would enable higher access to credit in the market. The introduction of LLP form of business is expected to promote entrepreneurship, particularly in relation to the knowledge based industries, such as the information

technology and biotechnology sectors, and other service providers and professionals.

4.1.5. The functions of Registrar of LLPs are being exercised by the Registrar of Companies (ROCs), with effect from 11th June, 2012. Natural persons and body corporates, Indian or foreign, can be partners in an LLP. At least two of them have to be “Designated Partners”, of which at least one should be a resident in India. A body corporate can also be a designated partner, and in such a case, an individual authorized by the body corporate will function as the designated partner. An LLP enjoys the status of a body corporate and shall have a separate legal entity, distinct from that of its members, and have a perpetual succession. The LLP can continue to have its existence irrespective of changes in partners.

4.1.6. LLPs are required to maintain Book of Accounts, Annual Financial Statement and Statement of Solvency to be filed with the Registrar every year. An LLP can be wound up, either voluntarily, or by an order of National Company Law Tribunal (NCLT).

4.1.7. In order to infuse a culture of transparency, the documents/ information such as Incorporation document, Names of partners and changes, if any, made therein, Statement of Account and Solvency and Annual Return are open for inspection by any person on payment of prescribed fee. The Central Government has powers to investigate the affairs of an LLP, if required, by appointing an Inspector.

4.1.8. A firm, private company or an unlisted public company is allowed to be converted into an LLP in accordance with the provisions of the Act. Provisions have also been made for corporate actions like mergers, amalgamations etc.

4.1.9. In order to enhance and extend operational convenience to stakeholders and grouping of all registry related functions on a single platform, e-governance initiative for Limited Liability Partnership (LLP) was integrated with MCA 21 from 11th June, 2012. With this integration, the filing and approval of LLP forms is being done through MCA 21 portal, stakeholders are presently availing of all existing facilities of MCA 21 for LLP form filings, including online payment, or use of internet banking of designated banks, in addition to credit card payment.

4.1.10. The following notification/ circular were issued during the period:

(i) Notification No. G.S.R. 470 (E) dated 16th May, 2016 was issued and vide this notification Rule 37 of LLP Rules, 2009 has been amended & LLP Form-24 has been amended for application to the Registrar for striking off name.

4.1.11. As on 31st December, 2017, the number of LLPs registered in the country was 1,13,726 and out of these 1,10,420 LLPs were active. During the period from 1st January, 2017 to 31st December, 2017 34,150 new LLPs were incorporated.

CHAPTER - V

THE COMPETITION ACT, 2002 AND OTHER LEGISLATIONS

I. The Competition Act, 2002 & Establishment of the Commission

5.1.1. The Parliament enacted the Competition Act, 2002 with objectives - (a) to prevent practices having adverse effect on competition; (b) to promote and sustain competition in markets; (c) to protect the interests of consumers; and (d) to ensure freedom of trade carried on by other participants in markets, in India, and for matters connected therewith or incidental thereto. The Competition Act has four pillars, which reinforce one another:

- (i) Prohibits anti-competitive agreements like cartels, which restrict freedom of trade and cause consumer harm by way of limiting production and distribution of goods and services and fixing prices higher than normal;
- (ii) Prohibits abusive behaviour of a dominant firm, which through its position of dominance may restrict markets and sets unfair and discriminatory conditions;
- (iii) Regulates combination(s) of large corporations in order to safeguard competitive markets; and
- (iv) Mandates competition advocacy.

5.1.2 The Commission was established in the year 2003 and got its enforcement and

regulatory powers after the substantive provisions of the Act relating to anti-trust enforcement and regulation of combinations, came into force on 20th May 2009 and 1st June, 2011 respectively.

5.1.3. The Competition Act, 2002 provides for setting up of the Competition Commission of India (CCI) comprising Chairperson, and a minimum of two and maximum of six Members. CCI was constituted in March 2009 for the administration, implementation and enforcement of the Act. The Act also provides for establishment of an Appellate Tribunal to hear and dispose off appeals against the orders of CCI and adjudicate upon the claims of compensation that may arise from the findings of the Commission. The work of Competition Appellate Tribunal (COMPAT), in pursuance of the amendment of the Competition Act, 2002 by the Finance Act, 2017, has been merged with National Company Law Appellate Tribunal (NCLAT). As such, the former tribunal has ceased to exist and now all first appeals against the orders of the Commission lie before the NCLAT.

5.1.4. The Composition of CCI (as on 31st December, 2017) is as under:

1. Shri Devender Kumar Sikri - Chairperson
2. Shri S.L. Bunker - Member

3. Shri Sudhir Mital - Member
4. Shri Augustine Peter - Member
5. Shri U.C.Nahta - Member
6. Shri G.P. Mittal - Member

Cases disposed off by the Commission

5.2.1. Various activities undertaken by the Competition Commission of India during the period 1st January, 2017 to 31st December, 2017 are elaborated as under:

Enforcement:

5.2.2. The Commission has received 76 cases u/s 19 (1) (a) of the Competition Act, 2002 from various informants during the period 1st January, 2017 to 31st December, 2017 in addition to one reference case u/s 19 (1) (b) and six suo-moto cases u/s 19 (1) of the Act. The Commission ordered investigation by DG, CCI in 28 cases u/s 26 (1) of the Act. During the period, the Commission also decided 55 cases at prima facie stage u/s 26 (2) of the Act, after considering all facts and evidences.

5.2.3. Cumulatively, between 20th May 2009 to 31st December 2017, 935 cases were received u/s 19 (1) of the Competition Act. The Commission has finally disposed off 707 cases. A cumulative total of 395 cases were referred to DG, CCI for investigation. DG, CCI submitted investigation reports in respect of 272 cases. The investigation is under way in the remaining cases.

5.2.4. During 2017, the Commission imposed penalty in 16 cases under Section 27, 48 and 43 A of Competition Act. Gross

penalty of imposed totals to Rs. 314.63 Crore.

5.2.5. Penalty imposed during the year includes penalty imposed in the cement case (Ref 5 of 2013) and Hyundai Motor India Ltd. (36 and 82 of 2014) wherein a penalty amounting to Rs.205.73 Crore and Rs.87.00 Crore respectively has been imposed.

5.2.6. Case No.36 of 2014, Fx Enterprise Solutions India (P) Ltd. v. Hyundai Motor India Ltd. decided in June, 2017 is the first case where conditions of Resale Price Maintenance (RPM) in sale of passenger cars and tie-in arrangement were held to be anti-competitive. This decision has impacted the markets in sending out a message to corporates to correct the practices in relation to vertical agreements which are in the nature of RPM or any other vertical restraints.

Combination:

5.2.7. The provisions relating to regulations of combinations (Mergers and Acquisitions) in the Competition Act, 2002 were notified by the Government of India on 4th March, 2011 and became effective from 1st June, 2011. For executing the mandate given under the Competition Act, CCI notified "The Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011" (hereinafter known as 'Combination Regulations') on 11th May, 2011. These regulations have been amended since then vide notification(s) dated 23rd February, 2012, 4th April, 2013, 28th March, 2014, 1st July 2015 and 7th January, 2016.

5.2.8. During the period 1st January, 2017 to 31st December, 2017, the Commission received 72 notices under sub-section (2) of Section 6 [including notices received under sub-section (1) of Section 20] [Form-I&II filings] of the Act. The Commission passed final orders in 91 cases during this period.

5.2.9. In addition to above, during the period 1st January, 2017 to 31st December, 2017, the Commission has received 2 filings under sub-section (5) of Section 6 of the Act [Form-III Filings]. The Commission has noted these cases in accordance with the provisions of the Act.

5.2.10 Cumulatively, between 1st June, 2011 and 31st December, 2017, 552 Combination Notices [including 10 notices under Section 6 (5)] have been filed u/s 5 & 6 of the Competition Act in the Commission. Out of these 546 [including 10 notices under Section 6 (5)] notices have been finally disposed off by the Commission.

5.2.11 During the year, the Commission reviewed combinations which impacted the consumers as well as the economy in traditional as well as new economic sectors such as Agriculture, Telecommunications, Chemicals, Shipping and Retail. Important combinations reviewed by the Commission during the year where the divestitures were required by the Commission/ proposed globally as well as in India by the parties are: (i) Agrium/Potash Corp. (ii) Dow/DuPont and (iii) ChemChina/Syngenta.

Other activities and events:

5.3.1 The Commission celebrated its 8th Annual Day function on 20th May 2017 wherein the Commission had invited the then Hon'ble Chief Justice of India Shri Jagdish Singh Khehar to give the Annual Day address. He spoke on "Emerging Jurisprudence of Competition Law: How will it serve the business Community in India and India's Trade Policy". Justice Khehar emphasised that economic policy and management must enable achievement of constitutional social order and every government is bound to ensure the twin fundamental principles of competition i.e. ownership and control of resources and economic system that does not work towards detriment of common good. He also cited an earlier judgment of Supreme Court, wherein it was held that the Commission is vested with "inquisitorial, investigative, regulatory, adjudicatory, and advisory jurisdiction".

5.3.2 The Commission organized a three day training program in the form of a Refresher Course for the CCI officers in July 2017. This was the first Refresher Course since inception. The Commission invited three foreign experts from Competition Bureau, Canada; DG, Competition, European Union; and FTC, USA to be resource persons for the course. The program was very useful for CCI officers and gave them an exposure to the facets of enforcement relating to Cartel and abuse of dominant position. On the merger review side they got exposed to the latest trend in merger review and framing of remedies. It was a very good platform for discussions

where these experts from three mature jurisdictions gave inputs in perspective of case work from their agencies and the CCI officials also discussed problems faced while deciding the competition issues. In the first instance, 30 professional staff underwent this course.

5.3.3 The Competition Commission of India organised second edition of National Conference on “Economics of Competition Law” on March 2-3, 2017 at New Delhi. The conference was inaugurated by Smt. Nirmala Sitharaman, the then Hon'ble Minister of State (Independent Charge) for Commerce & Industry, Government of India on 2nd march, 2017. In addition, Dr. Arvind Subramanian, Chief Economic Adviser delivered the keynote address. More than 300 participants including economists, legal experts, government functionaries, and experts from institutions of national and international repute were actively involved through the entire process of deliberation and made valuable contribution.

5.3.4 The Commission will host “2018 ICN Annual Conference” on March 21-23, 2018 at New Delhi, the preparations for which are in the full swing. As host of the conference, the CCI is working on a special project titled “Cartel Enforcement and Competition”.

5.3.5 Important international events where CCI was represented include:

- (i) The Chairperson, CCI was a panel discussant on “Competition Development in BRICS” at 5th BRICS International Conference at Brasilia, Brazil held in November 2017. Shri Augustine Peter, Member moderated

the session on “Integrated Cooperation and Competition Policy” and “Competition and Public Procurement” in the conference. Also, Secretary, CCI spoke in the session on “Public Interest Issues in Competition” and “Inter Agency Cooperation on the Analysis of international Mergers”.

- (ii) The Chairperson, CCI was a panellist in the plenary session of the Unilateral Conduct Working Group on “The Analytical Framework for Evaluating Unilateral Conduct” and Secretary, CCI was moderator on the breakout sessions of Agency Effectiveness Working Group in ICN 2017 held at Porto, Portugal in May, 2017.
- (iii) CCI in collaboration with OECD Korea Policy Centre organised a workshop on Best Practices in Cartel Procedure during October 24-26, 2017 at New Delhi which had delegates from 11 countries besides India.
- (iv) Officers of the Commission also participated in several training programmes conducted by the Capacity Building Initiative for Trade and Development (CITD) conducted by Ministry of Commerce where CCI was the beneficiary.

5.3.6 Advocacy activities: In pursuance of the mandate under sub-section (3) Section 49 of the Competition Act, 2002, the Competition Commission of India (CCI) organizes seminars and also interacts with experts, and participates in various Capacity Building Programmes organized by

stakeholders on various economic related conceptual issues from time to time.

II. Other Legislations

The Chartered Accountants Act, 1949

5.4.1. The Chartered Accountants Act was enacted in 1949 to regulate the profession of Chartered Accountants and, for that purpose, to establish an institute. The Institute of Chartered Accountants of India (ICAI) was accordingly established in July, 1949, in terms of provisions of the Act.

5.4.2. The main objectives of the Institute of Chartered Accountants of India are;

- (i) to prescribe qualifications for membership, holding examination and arranging practical training of candidates for enrolment;
- (ii) to maintain and publish Register of Members qualified to practice the profession;
- (iii) to carry on activities for development of the profession; and
- (iv) to regulate & maintain the status and standards of professional qualification of members. The Institute conducts examinations all over the country, provides coaching and arranges practical training, enabling students to qualify for the profession.

5.4.3. The affairs of the Institute are managed by its Council, which also discharges the functions assigned to it under the Chartered Accountants Act. The Council is composed of not more than 32 persons

elected by the members of the Institute, and eight persons nominated by the Central Government.

The Cost and Works Accountants Act, 1959

5.5.1. The Cost and Works Accountants Act was enacted in 1959 to regulate the profession of the Cost and Works Accountants and for that purpose to establish the Institute of Cost and Works Accountants of India which was accordingly established in May, 1959, in terms of the provisions of the Act. The name of the Institute has subsequently been changed as the Institute of Cost Accountants of India.

5.5.2. The duties of carrying out the provisions of the Act are vested with the Council of the Institute of Cost Accountants of India, which is constituted under Section 9 of the Act. The Council is composed of not more than 15 persons elected by the members of the Institute, and not more than 5 persons nominated by the Central Government.

The Company Secretaries Act, 1980

5.6.1. The Company Secretaries Act was enacted in 1980 to regulate and develop the profession of Company Secretaries, and for that purpose, to establish the Institute of Company Secretaries of India. The Institute of Company Secretaries of India was established in January, 1981.

5.6.2. Under the Company Secretaries Act, 1980, the duties of carrying out the provisions of the Act are vested with the Council of the Institute of Company Secretaries of India, which is constituted

under section 9 of the Act. The Council is composed of not less than 15 persons elected by the members of the Institute, and not more than 5 persons nominated by the Central Government.

Societies Registration Act, 1860

5.7.1. The Societies Registration Act, enacted in 1860, provides for the registration of Literary, Scientific and Charitable Societies, so as to improve the legal status of such Societies. The Act required that Societies established for promotion of literature, science or fine arts for diffusion of useful knowledge or for charitable purposes, register themselves by filing their Memorandum of Association (MoA) with Officers specified in the Act. The Societies Registration Act, 1860 remains in force throughout India until it is specifically amended or repealed by the concerned State Legislature. Many States have amended the same taking into consideration their specific needs, and the Act is applicable in the respective territorial jurisdiction of the States as amended. Those amendments also include registration of societies, in the respective States by the Registrar of Societies,

or by any officer authorised by the State Government for the said purpose.

Indian Partnership Act, 1932

5.8.1. This was enacted in 1932, with a view to define and amend the law relating to partnerships, apart from providing the nature of partnership relating to partners with one another, and with third parties. The Act also provides for registration of firms with the Registrars appointed by the State Governments for the purpose. The Act makes separate provisions for registration of firms with the income tax officers concerned for the purpose of the Income Tax Act.

The Companies (Donations to National Funds) Act, 1951

5.9.1. The Companies (Donations to National Funds) Act was enacted in 1951. The Act enables any company, notwithstanding anything contained in the Companies Act or any other law, and also notwithstanding the contents of the Memorandum and Articles of Association of any company, to make donations to any fund established for a charitable purpose as approved by the Central Government.

CHAPTER - VI

TOWARDS INTERACTIVE AND RESPONSIVE ADMINISTRATION

MCA21 E-Governance Project

6.1.1. MCA has been operating an end-to-end e-Governance project MCA21 for registry and company incorporation related services. The project is implemented in the offices of Registrar of Companies (RoCs), Regional Directorates (RDs), MCA Headquarter and Official Liquidators (OL). The MCA21 system provides the stakeholders a convenient, easy to use and secure access & delivery point for all MCA services with improved speed and reliability & repeatability in service delivery. It has brought about transparency, speed and efficiency in the functioning of the Ministry.

6.1.2 There is a need for providing efficient and effective services to stakeholders and Ministry has consistently made efforts to introduce best practices in the delivery of online services. Sustained efforts have resulted in recognition of MCA21 as a successful Mission Mode Project under the National e- Governance Plan (NeGP). The portal is regarded as an ideal model for transformation of traditional paper based systems into a paperless system through the use of cutting-edge Information Technology. Consequently, hardware and application up-gradation with updated technology has already been completed at all offices of RoC, RD and at HQrs., consequent to the enactment of the Companies Act, 2013.

Significant Project Updates

6.2.1. The second generation version of MCA21 with coverage of additional offices, business processes, application enhancements, and additional infrastructure in its scope was designed to provide enhanced experience and value to the end-users through a revamp of the interfaces. MCA21 v2 has been implemented and is now operational and maintained as per the requirements and service level agreements. As a continuous process of further enhancements and system improvements to the MCA 21 system, significant updates carried out during the period include simplification of company incorporation forms, system integration with CBDT, optimized PAN/ TAN application processing and issue through a single service request window, implementation of enforcement module of the MCA21 system, implementation of e-governance application at offices of Official Liquidators and GIGW certification of MCA21 portal.

Integration of MCA21 with CBDT for Issuance of PAN and First TAN

6.3.1. The Ministry has electronically integrated the MCA21 System with the CBDT for issue of PAN and first TAN to a company incorporated using the Simplified Proforma for Incorporating Company Electronically (SPiCe). Stakeholders submit

applications for PAN and TAN at the time of submitting applications for incorporation. The PAN allotted by Income Tax Department is being affixed on the Certificate of Incorporation of the company w.e.f. 1st February, 2017. This has resulted in reduction in the number of processes and time taken for starting a business in the country.

Deployment of Enforcement Module

6.4.1. The Ministry has undertaken the initiative to leverage Information Technology (IT) to deploy an Enforcement Module for end to end processing of cases from receipt of complaints to inspection and investigation of the companies. The enforcement module is being used for recording investor complaints, carrying out technical scrutiny, inspection, investigation, enforcement and generation of show cause notices online and undertaking prosecution of companies. The module was deployed on 6th February, 2017. The measure is expected to result in efficient and effective enforcement of law, leading to seamless end-to-end concrete action, and provides a platform for real time monitoring of cases.

Development of MCA21 Module for Official Liquidators

6.5.1 There are a total of 23 OL offices, 7 of which are co-located with respective RDs/RoCs of the region. MCA-OL project aims to bring the current offline/manual processes related to liquidation of companies on to an online system. The Project covers all 23 OL locations across the country. There are

three modules on the MCA-OLs system which are as follows:-

- (i) Case Management (E-Repository) System
- (ii) Financial Accounting (PeopleSoft) System
- (iii) E-Auction System

6.5.2. These 3 sub -modules have been deployed in phases in different OL Offices so as to digitally facilitate the functioning of OL offices.

GIGW certification

6.6.1 As the world adopts the internet media for delivery of information and services, it becomes necessary to establish standards that serve as a frame of reference to guide construction efforts in the virtual world. The Government of India's National Informatics Center (NIC) has devised such standards in the form of Guidelines for Indian Government Websites (GIGW). Compliance with GIGW ensures that a website is user-centric, usable, & universally accessible at all stages: starting from launch, continuing during its operations & maintenance.

6.6.2 GIGW certification of MCA21 portal was received on 30th May, 2017.

6.7.1 The following operational statistics of the MCA21 highlight the performance and the stability of the system, increased volume of filing leading to greater service delivery and improved compliance:

Table 6.1
Filing Status for the period 1st December 2016 to 30th November 2017

Sl. No.	Point Description	Count
1	Total filings through system	43,50,382
2	Number of companies registered online	1,07,184
3	Total DIN issued	3,37,580
4	Company records viewed online	21,02,386
5	Number of balance sheets filed	8,70,509
6	Number of annual returns filed	8,74,795
7	Maximum number of documents filed on a day (29 th November, 2017)	1,08,489
8	Amount of E-stamp fee collected (in ₹ Crore)	306,59,51,502.00
9	Number of Nodal officers registered with DSC	93
10	Number of authorized bankers and professional registered with DSC	Auth. Banker- 96 Professional-26082
11	Number of registered users on the portal	11,66,740

6.7.2 There has been a significant improvement in the turnaround time for delivery of services under the MCA21 project, which is as under at **Table 6.2**:

Table 6.2
Efficiency in Service Delivery under MCA21 Service Metrics

Type of Service	Prior to MCA 21	After introduction of MCA21	After introduction of CRC (as on 30 th November, 2017)
Name Approval	7 days	1-2 days	0.6 days
Company Incorporation	15 days	1-3 days	0.49 days
Change of Name	15 days	3 days	Not Applicable
Charge creation/ modification	10-15 days	Instantaneous	Not Applicable
Certified Copy	10 days	2 days	Not Applicable

Registration of Other Documents other documents is at **Table 6.3** below:

6.7.3 The data pertaining to registration of

Table 6.3
Registration of Other Documents

Type of Service	Prior to MCA21	After MCA21
Annual Return	60 days	Instantaneous
Balance -sheet	60 days	Instantaneous

Change in Directors	60 days	Instantaneous
Change in Regd. Office Address	60 days	1-3 days
Increase in Authorized Capital	60 days	1-3 days
Inspection of Public Documents	Physical appearance	On-line

Investor Education and Protection Fund

6.8.1 Investor Education and Protection Fund (IEPF) has been established under Section 125 of the Companies Act, 2013 with the objective of promoting investor education, awareness, protection and to make refund of claim to the investors. The fund is maintained under consolidated fund of India. As per section 124(6) of the Companies Act, 2013, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the company in the name of IEPF.

6.8.2 For administration of the fund, in accordance with the provisions of sub-section (5) of section 125 of Companies Act, 2013, the Central Government has on 7th September, 2016, established Investor Education and Protection Fund Authority (IEPFA) consisting of a chairperson, seven members and a chief executive officer. Secretary, Ministry of Corporate Affairs is the ex-officio Chairperson of the Authority.

A. Activities of Investor Education and Protection Fund Authority

6.8.3 The Authority has been entrusted with the responsibility to make refunds of unclaimed dividends, matured deposits, matured debentures etc. and to conduct Investor Awareness Programs through print and electronic media.

- (i) **Refund Activities:** For the purpose of facilitating refund of claims in respect of shares, unclaimed dividends, debentures etc. the Central Govt. has on 5th September, 2016 notified Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. For effecting transfer of shares to the Authority, two DEMAT Accounts, one for each of the depositories, have been opened.
- (ii) **Credit into the Fund:** As per the figures furnished by the Principal Accounts Office, an amount of Rs.1,92,925 lakh is credited to the Fund at the end of the financial year 2017-18. Till 11th December, 2017, 977 companies have transferred 30,34,96,169 number of shares to these DEMAT Accounts.
- (iii) **Refund of claims:** For filing refund with the Authority the investors make an online application on the website of the Authority (www.iepf.gov.in). These refunds are settled after verification of the claims by the companies. Since inception, IEPF Authority has sanctioned refund of approx. Rs. 77 lakhs to the investors with respect to their unpaid/unclaimed amount on account of unpaid dividend, deposits, debentures etc., transferred to IEPF by the companies.

Investor Awareness Activities

6.8.4 From 2013-14 to 2016-17 Investor Awareness Programmes (IAPs) are been conducted through Professional Institutes and CSC e-governance across various states of the country in rural, semi-rural and urban areas. The Authority is conducting various awareness programmes details of which are briefly mentioned as under:

- (i) **Investor Awareness Programs (IAPs) through Professional Institutes:** The IAPs are organized by the Professional Institutes (PIs) in the urban areas and small town through their chapters or through the resource persons engaged for the purpose. During the current year 48 no. of IAPs have been conducted by PIs till 30th November, 2017.
- (ii) **IAPs in rural areas through CSC e-Governance:** Since 2012-13, CSC e-Governance Services India Ltd., Ministry of Communications & IT (DeitY), is organizing IAPs in rural areas through the Common Service Centers on behalf of the Ministry. During the current year till 30th November, 2017, 4847 IAPs have been conducted. To increase the outreach of these programmes 20,000 IAPs are proposed to be conducted in the states of Andhra Pradesh, Telangana, Maharashtra, Gujarat, Tamil Nadu, Karnataka and Kerala.
- (iii) **Joint campaign of Investor awareness:** A joint campaign has been planned in association with RBI, SEBI,

Dept. of Consumer Affairs. In this joint campaign co-branding of jingles, comic strips, slot for crawlers, newspapers advertisements and development of posters is proposed to be undertaken. At present cobranded jingles are being aired on various FM and Vividh Bharti channels.

- (iv) **Conducting investor awareness programs through Indian Institute of Corporate Affairs (IICA):** It is proposed to develop fresh communication material through IICA for organizing IAP's and to conduct some of these programs through resource persons engaged by IICA. The proposal includes development of modules in various languages, production elements like TV commercials, radio jingles/ads, white board animations, blogs, Vlogs, You Tube videos, brochures, pamphlets etc.
- (v) **Airing of jingles on AIR:** Four jingles have been developed for investor awareness. These jingles are being aired on AIR FM and Vividh Bharti. At present the Authority is sponsoring the program "Chandi ke pardese".
- (vi) **Crawlers on Doordarshan News Channel and Regional Kendra's:** Awareness messages through crawlers are being released over a period of six months.
- (vii) **Publication of advertisement in newspapers:** Two advertisements for informing investors about the

procedure for claim of shares, unclaimed dividend & matured debentures etc. have been published in the newspapers.

Corporate Social Responsibility (CSR)

6.9.1. Corporate Social Responsibility (CSR) for companies has been mandated through legislation in India. Section 135 of the Companies Act, 2013 contains CSR provisions of the Act, and Schedule VII of the Act enumerates the activities that can be undertaken under CSR. Section 135, amended Schedule VII and the Companies (Corporate Social Responsibility Policy)

Rules, 2014 were notified on 27th February, 2014, and came into force from 1st April, 2014.

6.9.2. The Companies (Corporate Social Responsibility Policy) Rules 2014, and the Schedule VII of the Act have been amended from time to time to facilitate companies to implement the provisions of CSR under the legislation.

6.9.3. An assessment of CSR expenditure of 7,983 companies, for which information has been compiled for the year 2015-16, indicates that 237 Public Sector Undertakings (PSUs) and 7,746 private sector companies together have spent Rs.13,625 crore during 2015-16 as given in **Table 6.4**.

Table 6.4
CSR Expenditure during 2014-15 and 2015-16

(Rs. in Crore)

Sl. No	Company Type	Financial Year 2014-15		Financial Year 2015-16	
		No. of Companies which have reported any CSR expenditure	Actual CSR expenditure	No. of Companies which have reported any CSR expenditure	Actual CSR expenditure
(1)	(2)	(3)	(4)	(5)	(6)
1.	PSUs	203	2,671.92	237	4,159.57
2.	Private Sector Companies	5,667	6,881.80	7,746	9,465.67
Total		5,870	9,553.72	7,983	13,625.24

6.9.4. **Table 6.5** provides information on CSR expenditure on various development

Sector during 2014-15 and 2015-16:

Table 6.5
Development Sector-wise CSR Expenditure during
Financial Year 2015-16

(Rs. in Crore)

Sl. No.	Subject in Schedule VII	CSR Expenditure 2014-15	CSR Expenditure 2015-16
(1)	(2)	(3)	(4)
1	Health/ Eradicating Hunger/ Poverty and malnutrition/Safe drinking water/ Sanitation	2,379.72	4,294.68
2	Education/ Differently Abled/Livelihood	3,015.26	4,647.67
3	Rural Development Projects	1,031.00	1,327.27
4	Environment/ Animal Welfare/ Conservation of resources	811.85	894.88
5	Swachh Bharat Kosh	94.57	321.03
6	Any other fund	272.31	319.50
7	Gender equality/Women empowerment/ Old age homes/Reducing inequalities	171.93	322.88
8	Prime Minister's National Relief Fund	210.69	203.29
9	Encouraging Sports	53.34	133.39
10	Heritage, Art and Culture	113.12	114.11
11	Slum Area Development	101.05	10.54
12	Clean Ganga Fund	4.64	18.03
13	Other Sectors (Technology Incubator and benefits to armed forces, admin overheads and others*)	1,294.24	1,017.98
Total		9,553.72	13,625.25
Number of Companies**		5,870	7,983

*not specified

** No. of companies which have reported any CSR expenditure.

6.9.5. State/UT-wise CSR expenditure are given below at Table 6.6:
during Financial Year 2014-15 and 2015-16

Table 6.6
State/UT-wise CSR expenditure during 2014-15 and 2015-16 (Rs. in Crore)

SI. No.	State/ UT	2014-15	2015-16
1	Andaman and Nicobar Islands	0.29	0.54
2	Andhra Pradesh	403.91	1,195.80
3	Arunachal Pradesh	11.03	1.22
4	Assam	133.07	160.39
5	Bihar	36.20	107.51
6	Chandigarh	1.73	5.08
7	Chhattisgarh	158.31	233.57
8	Dadra Nagar Haveli	2.54	11.84
9	Daman Diu	20.05	2.09
10	Delhi	210.77	443.74
11	Goa	26.60	27.07
12	Gujarat	295.35	535.03
13	Haryana	175.99	357.40
14	Himachal Pradesh	9.30	51.47
15	Jammu And Kashmir	35.61	102.84
16	Jharkhand	75.64	115.22
17	Karnataka	382.61	701.14
18	Kerala	62.45	125.43
19	Lakshadweep	0.00	0.30
20	Madhya Pradesh	136.73	169.38
21	Maharashtra	1,369.22	1,787.35
22	Manipur	1.57	5.80
23	Meghalaya	3.52	3.81
24	Mizoram	1.03	1.08
25	Nagaland	1.11	0.95
26	Odisha	249.50	597.97
27	Pondicherry	1.81	6.11
28	Punjab	53.71	67.43
29	Rajasthan	271.36	459.81
30	Sikkim	1.03	1.87
31	Tamil Nadu	498.73	589.23
32	Telangana	94.87	238.35
33	Tripura	1.16	1.47
34	Uttar Pradesh	138.45	406.04
35	Uttarakhand	69.99	64.29
36	West Bengal	178.54	396.88
37	Not Elsewhere Classified/Not Mentioned*	164.61	276.43
38	Pan India*	4,275.33	4,373.31
	Grand Total	9,553.72	13,625.25

* Companies either did not specify the names of States or indicated more than one State where projects were undertaken.

Corporate Data Management (CDM)

6.10.1. Corporate Data Management (CDM) is a new Central Sector Plan Scheme initiated by the Ministry in the Financial Year 2015-16. It envisages to create an in-house data mining and analytics facility with the objective of disseminating corporate sector data in a structured manner. It provides a forward linkage to MCA-21 data repository by transforming transactional system into a data warehouse system. The objectives of CDM include: (a) disseminating shareable information, in unit-level format and tabular forms; (b) sharing of customized information for policy making & regulatory purposes of MCA as well as other government departments; and (c) enhancing and institutionalizing Ministry's in-house capabilities for corporate Data Mining and Information Management to support decision making.

6.10.2. Under the CDM system, annual statutory filings (e-forms) of companies since the year 2006-07 up to 30th September, 2017 have been uploaded. By January, 2018 filings done till the end of the month would be uploaded on regular basis. This project is contemplated to generate various statistical reports such as time series data, cross section data, panel data etc. on Indian corporate sector performance. In addition, this project is envisaged to facilitate monitoring of compliance and regulation by the Ministry.

National Foundation for Corporate Governance

6.11.1. The National Foundation for

Corporate Governance (NFCG) has been established as a trust jointly by the MCA, Confederation of Indian Industry (CII), Institute of Chartered Accountants of India (ICAI) and Institute of Company Secretaries of India (ICSI). The Institute of Cost and Works Accountants of India (now Institute of Cost Accountants of India), National Stock Exchange of India Limited (NSE) and India Institute of Corporate Affairs (IICA) have also been inducted as members of the NFCG.

6.11.2. The basic objective of the Foundation is to promote good corporate governance practices amongst the Indian corporate sector as the key to sustainable wealth creation. The Governing Council of NFCG works at the apex level for policy making which is chaired by the Minister of Corporate Affairs.

6.11.3. The activities conducted under the aegis of NFCG include seminars and conferences on subjects related to corporate governance, research activities on corporate governance practices in Indian companies etc. NFCG also functions as a platform to harmonize various initiatives on corporate governance at the national level and remains in contact with similar organizations across the world.

6.11.4. During the period from 1st December, 2016 to 30th November, 2017, 6 seminars/ orientation programs and 2 research works on Corporate Governance (and related subjects) have been organized/ completed by NFCG or partner and accredited institutions under the aegis of NFCG.

Vigilance

6.12.1. Vigilance Wing of the Ministry, headed by a Chief Vigilance Officer (CVO) is concerned with the scrutiny of complaints received through various sources and initiation of appropriate investigation, initiation and processing of disciplinary proceedings, identification of sensitive posts as a part of preventive vigilance, maintenance of property returns and issue of necessary sanctions under CCS (Conduct) Rules, matters related to Annual Performance Appraisal Reports (APAR) and issue of vigilance clearance and Major/Minor Penalty and Integrity Certificates. It also makes efforts to streamline the existing procedures so as to minimize the scope of corruption and to ensure probity among government servants. Vigilance Wing also coordinates with the Central Vigilance Commission on vigilance related issues. Vigilance Awareness Week 2017 with the theme "My Vision - Corruption Free India" was observed from 30th October, 2017 to 4th November, 2017 in the Ministry and its field offices to create awareness amongst officers and staff. A hyperlink to the integrity pledge on the website of this Ministry (and of its offices) was provided to outreach public/citizens.

Rashtra-Bhasha

6.13.1 The Ministry has an Official Language Implementation Committee (OLIC), chaired by the Joint Secretary (General Administration), to monitor the implementation of the Official Language Policy of the Union and the progressive use of Hindi in the official work of the Ministry.

During the year under report, quarterly meetings of the OLIC were held regularly. In accordance with the guidelines issued by the Department of Official Language, a Hindi Salahkar Samiti of the Ministry of Corporate Affairs has been constituted under the Chairmanship of the Hon'ble Minister of Corporate Affairs.

6.13.2 The Official Language Section continues to review the position of the progressive use of Hindi in the Ministry and subordinate offices regularly through quarterly progress reports, inspections and translation of documents issued under section 3 (3) of Official Language Act. Besides, officers of the Official Language Section also participated in the meetings of the OLIC of the Attached and Subordinate offices, etc., and extended necessary guidance to them in the implementation of the Official Language Act and Rules.

6.13.3. With a view to create awareness regarding the use of Hindi in the official work of the Ministry, a Hindi Fortnight was held during 1st-15th September, 2017. On this occasion, the Hon'ble Minister of Corporate Affairs issued an appeal to all officers and staff of the Ministry to perform their work more in Official Language. During the Hindi Fortnight, various Hindi competitions, such as essay writing, noting and drafting, translation and vocabulary, poetry recitation, debate and dictation were organized, and a large number of officers and employees participated in these competitions, cash awards and certificates of appreciation were given to the winners of these competitions.

Infrastructure Section

6.14.1. During the period from 1st December, 2016 30th November, 2017, Infrastructure Section has carried out the following work:-

- (a) Renovation of the premises of IBBI at 7th Floor of Mayur Bhawan, New Delhi through M/s NBCC Limited;
- (b) Renovation of the Regional Office of SFIO, Mumbai at FTB-I, Fort, Mumbai through M/S UTIITSL;
- (c) Renovation of the premises of B-1, B-3 and B-4 Wings of Pt. Deen Dayal Antyodaya Bhawan, CGO Complex, Lodi Road, New Delhi for NCLAT through M/S UTIITSL;
- (d) Renovation of the premises of R&A Division at 8th Floor of Lok Nayak Bhawan, Khan Market, New Delhi through M/S UTIITSL;
- (e) Renovation of the premises of IEPF Authority and CDM Project at Jeevan Vihar, Parliament Street, New Delhi;
- (f) Renovation of the space for setting up of NCLT Bench, Kolkata;
- (g) Renovation of the premises of NCLT Bench, Jaipur;
- (h) Repair/renovation of Corporate Bhawan, Jaipur through M/S UTIITSL;

- (i) Started construction of Corporate Bhawan at Thaltej, Ahmedabad through M/s NBCC Limited;
- (j) Renovation of the premises of office of the Regional Office of SFIO, Kolkata at FTB-1, 5, Esplanade (East), 2nd Floor, Kolkata through CPWD.
- (k) Finalized Layout Plan of Corporate Bhawan, Kolkata, NCLT Benches at Kochi, Cuttak and Jaipur.

Citizen's/Client's Charter

6.15.1. The MCA, being a regulatory Ministry, has regular public interactions for performing its regulatory functions, which most often take form of rendering its services to various stakeholders. The Ministry has posted a detailed Citizen's/Client's Charter, accessible on its website. In this Charter, the Ministry has given a detailed list of services/transactions, processes involved, requisite documents and fees applicable in its Citizen's Charter. It has also set the standards of performance/time limits against each of the services/transactions. The same is enclosed at **Annexure-VI** of this Report.

6.15.2. In case anyone has a complaint regarding provision of services, he/she can (a) inform the Ministry's Public Grievance Officers as given in **Table 6.7**

- (b) Register the grievance on the portal: <http://pgportal.gov.in/>

Table 6.7
Public Grievance Officers

SL No.	Nature of Grievances/ Complaints	Name and address of Public Grievance officer	Landline	E-mail	Mobile No.
1	Investor Grievance	Shri K.V.R. Murty, Joint Secretary Room No. 504 A Wing, Shastri Bhawan, New Delhi	Tel.011-23074056, 23384380(Fax)	kvr.murty @gov.in	9560022844
2	Other Grievances /Complaints	Shri A. Asholi Chalai, Joint Secretary Room No. 513 B Wing, Shastri Bhawan, New Delhi	Tel 23389785 Fax 23074212	asholi.chalai@ nic.in	9868140630
3	Grievances/ Complaints related to MCA21	Shri Ashish Kushwaha, Director Room No. 514, A Wing, Shastri Bhawan, New Delhi	Tel. 23070954	ashish.kushw aha@mca.gov. in	9869062255

Representation of Scheduled Castes(SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs)

Castes (SCs), Scheduled Tribes (STs) and Other Backward Classes (OBCs) in the Ministry, including field offices staff is shown in **Table 6.8**.

6.16.1. The representation of Scheduled

Table 6.8
Representation of SCs, STs and OBCs in the Headquarter and Field Offices
(As on 31st December 2017)

Group	In position				
	Total	UR	SC	ST	OBC
A	259	152	36	25	46
B	467	284	80	34	69
C	456	248	98	45	65
TOTAL	1182	684	214	104	180

Investor Grievance Management Cell

6.17.1. The Ministry received 7,376 grievance petitions from the investors/depositors on

the CPGRAMS Portal during the period 1st January, 2017 to 31st December, 2017 and 1,193 grievances were brought forward from the previous year. Out of a total of 8,569 grievances, 7,909 grievances were resolved

and 660 grievances were pending for redressal as on 31st December, 2017 for resolution.

6.17.2. Further, IGM Section received 1,039 off-line grievance pertaining to other Sections/Divisions of MCA/agencies such as SEBI, RBI, Department of Financial Services, Ministry of Labour & Employment, DARPG, DOPT etc. The same were forwarded to the respective authorities for necessary action.

Right To Information

6.18.1. MCA is a Public Authority under the provisions of the Right to Information Act, 2005. In order to comply with the provisions of the Right to Information Act, 2005, the Ministry has made arrangements under this landmark Act.

6.18.2 In order to fulfil the obligations and provisions under section 4(1)(b) of the Right to Information Act, 2005, updated information has been uploaded on the website (www.mca.gov.in) of the Ministry along with brief description of subject matters dealt by various Sections/Divisions/Cells of the Ministry. This information is being kept in the public domain and is updated regularly. Designated officers of the Ministry have been nominated and have been declared as the

Central Public Information Officers (CPIOs) and the Appellate Authorities (AAs) in addition to their allotted work. Field offices under this Ministry have also been declared as Public Authorities under the Right to Information Act. Applications/appeals under right to information are also being received through Central Assistant Public Information Officers (CAPIOs) nominated at Sub-Divisional level or Sub-District level by the Department of Posts. Further, most of the Public Authorities of MCA have been aligned with the RTI-MIS Portal which facilitate the citizens to make applications and appeals online.

6.18.3. Similarly, arrangements to implement proactive disclosure have been made by other Public Authorities under the ambit of MCA, viz. National Company Law Tribunal, Competition Commission of India, Serious Fraud Investigation Office, Indian Institute of Corporate Affairs, Competition Appellate Tribunal, Institute of Chartered Accountants of India, Institute of Cost Accountants of India and Institute of Companies Secretaries of India.

6.18.4. The statistics in respect of applications and appeals received under the Right To Information in MCA (Hqrs.) from 1st December, 2016 to 30th November, 2017 are given below at **Table 6.9:**

Table 6.9
Details of RTI Requests and Appeals from
(1st December, 2016 to 30th November, 2017)

1.	Total no. of applications received	1,819
2.	Transferred to other Public Authorities	743
3.	Decisions where requests for information were rejected	7
4.	Total no. of appeals received	140
5.	No. of cases where disciplinary action was taken against any officer in respect of administration of the Act	Nil
6.	No. of cases where CIC imposed penalty	Nil

Budget of the Ministry 2016-17 (up to 30th November, 2017)

and Expenditure (Plan and Non Plan) of the Ministry are given below (Table 6.10 and Table 6.11).

6.19.1. The details of the Revenue Receipts

Table 6.10
Revenue Receipts
(₹in crore)

2013-14	2014-15	2015-16	2016-17	2017-18 (As on 30.11.2017)
1,602.50	2,268.18	1,871.33	1,985.83	1,539.66

Table 6.11
Expenditure (Plan & Non-Plan)
(₹in crore)

	Actual Expenditure 2016-17	Budget Estimate 2017-18	Revised Estimate 2017-18	Actual Expenditure 2017-18 (Upto 30.11.2017)
Revenue	373.02	458.55*	491.84	260.75
Capital	24.32	29.50	29.00	16.45
Total	397.34	488.05**	520.84**	277.20**

* Includes 40.01 crore supplementary obtained through First batch of Supplementary Demands.

** Rs.60.00 crore has not been included as the amount pertains to Inter-Account Transfer.

ANNEXURES

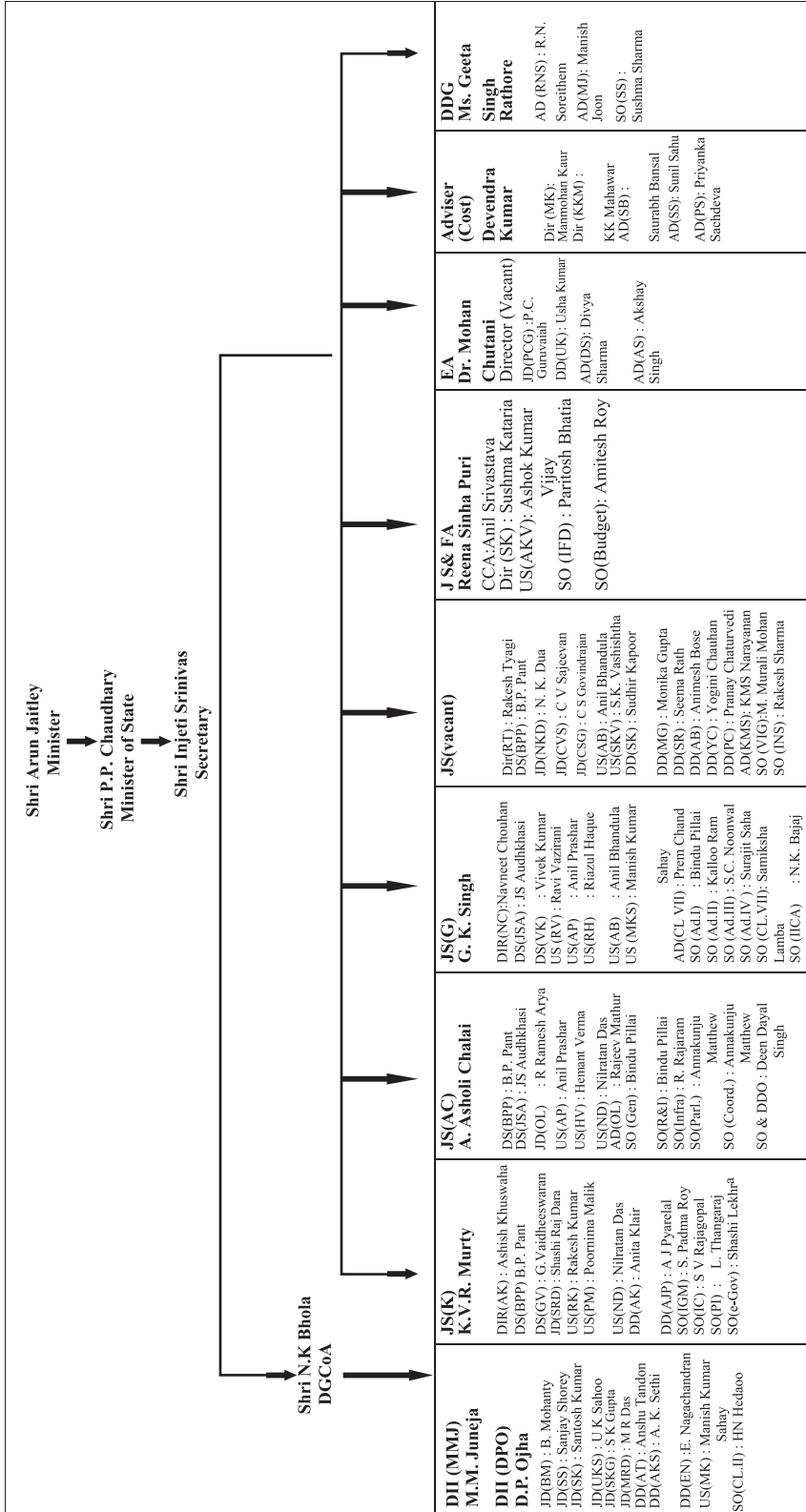
(I TO VI)

**List of notified designated Special Courts for
various States/UTs as on 30th November, 2017**

Sl. No.	Existing Court	Jurisdiction as Special Court
(1)	(2)	(3)
1	Courts of Additional Special Judge, Anti-Corruption at Jammu and Srinagar	State of Jammu and Kashmir
2	Presiding Officers of Court No's. 37 and 58 of the City Civil and Sessions Court, Greater Mumbai	State of Maharashtra
3	Court of Principal District and Sessions Judge, Union territory of Dadra and Nagar Haveli at Silvassa.	Union Territories of Dadra and Nagar Haveli and Daman and Diu.
4	Court of District Judge -1 and Additional Sessions Judge, Panaji.	State of Goa
5	Court of Principal District and Sessions Judge, Ahmedabad (Rural), situated at Mirzapur, Ahmedabad.	State of Gujarat
6	9 th Additional Sessions Judge, Gwalior Madhya Pradesh.	State of Madhya Pradesh
7	Court of Additional District and Session Judge, Port Blair, Andaman and Nicobar Islands.	Union territory of Andaman and Nicobar Islands.
8	2 nd Special Court, Calcutta.	State of West Bengal
9	Court of Additional Sessions Judge-03, South-West District, Dwarka	National Capital Territory of Delhi
10	Sessions Judge, Bilaspur	State of Chhattisgarh
11	Court of Special Judge, (Sati Niwaran), Jaipur	State of Rajasthan
12	Court of Sessions Judge and 2 nd Additional Sessions Judge, S.A.S. Nagar	State of Punjab
13	Court of Sessions Judge and 2 nd Additional Sessions Judge, Gurgaon	State of Haryana
14	Court of Sessions Judge and 2 nd Additional Sessions Judge, Chandigarh	Union Territory of Chandigarh

15	I Additional District and Sessions Court, Coimbatore	Districts of Coimbatore, Dharmapuri, Dindigul, Erode, Krishnagiri, Namakkal, Nilgiris, Salem and Tiruppur.
16	II Additional District and Sessions Court, Puducherry	Union Territory of Puducherry
17	Sessions Judge, Imphal East	State of Manipur
18	Court of District and Sessions Judge, Shillong.	State of Meghalaya
19	Special Court for trial of Economic Offences-cum-VIII Additional Metropolitan Sessions Judge Court - cum-XXII Additional Chief Judge, City Civil Court, Hyderabad	State of Telangana
20	Court of IV Additional District Judge-cum-II Additional Metropolitan Sessions Judge, Visakhapatnam	State of Andhra Pradesh
21	Court of Additional District and Sessions Judge, Patna	State of Bihar
22	XV Additional Court, XVI Additional Court of City Civil Court, Chennai	State of Tamil Nadu except Districts of Coimbatore, Dharmapuri, Dindigul, Erode, Krishnagiri, Namakkal, Nilgiris, Salem and Tiruppur.

Organisation Chart



Chief Vigilance Officer : Amardeep Singh Bhatia, JS
Web Master : Ashish Khushwaha, Director
Welfare Officer : Anil Parashar, US

Notifications
(1st January, 2017 to 31st December, 2017)

Sl. No.	Notification Number	Date	Subject
01	G.S.R. 70(E)	25.01.2017	In exercise of the powers conferred by sub-section 1 and 2 of section 469 of the Companies Act, 2013.
02	S.O. 366(E)	08.02.2017	In exercise of the powers conferred by sub-section 1 of section 210A of the Companies Act, 2013.
03	G.S.R. 175(E)	28.02.2017	In exercise of the powers conferred under sub-section 1 and 2 of section 434 of the Companies Act 2013
04	G.S.R. 258(E)	17.03.2017	In exercise of the powers conferred by section 133 read with section 469 of the Companies Act.
05	S.O. 944(E)	23.03.2017	Substitution of ICSI and ICAI nominee on NACAS
06	S.O 945(E)	23.03.2017	Designation of Special Court for the state of Telangana and Andhra Pradesh
07	G.S.R 307(E)	30.03.2017	In exercise of powers conferred by section 143 read with sub-sections 1 and 2 of section 469 of the Companies Act, 2013
08	G.S.R 308(E)	30.03.2017	In exercise of the powers conferred by sub-section 1 of section 467 of the Companies Act, 2013
09	G.S.R 309(E)	30.03.2017	In exercise of the powers conferred under sections 173, 175, 177, 178, 179, 184, 185, 186, 187, 188, 189 and section 191 read with section 469 Companies Act, 2013
10	G.S.R. 339(E)	07.04.2017	Companies (Registration of Charges) Amendment Rules, 2017
11	G.S.R. 355(E)	12.04.2017	Companies (Removal of Names of Companies from the Register of Companies) Amendment Rules, 2017
12	G.S.R. 368(E)	13.04.2017	Companies (Compromises, Arrangements and Amalgamations) Amendment Rules, 2017

13	S.O.1182(E)	13.04.2017	Notification - commencement of section 234 of Companies Act 2013
14	G.S.R. 454(E)	11.05.2017	Companies (Acceptance of Deposits) Amendment Rules, 2017
15	GSR 582 (E)	13.06.2017	Exemption to Government Companies under section 462 of CA, 2013
16	G.S.R.583(E)	13.06.2017	Exemption to Private Companies under section 462 of CA, 2013
17	G.S.R.584(E)	13.06.2017	Exemption to Section 8 Companies under section 462 of CA, 2013
18	G.S.R. 621(E)	22.06.2017	Companies (Audit and Auditors) Second Amendment Rules, 2017
19	GSR 732(E)	29.06.2017	Companies(Transfer of Pending Proceedings) Second Amendment Rules, 2017
20	G.S.R. 840(E).	05.07.2017	National Company Law Tribunal (Amendment) Rules, 2017
21	G.S.R.839(E)	05.07.2017	Companies (Appointment and Qualification of Directors) Rules, 2017
22	S.O. 2113(E)	05.07.2017	Amendment in Schedule.IV of the Companies Act, 2013
23	G.S.R. 880(E)	13.07.2017	Companies (Meetings of Board and its Powers) Second Amendment Rules, 2017
24	S.O. 2218(E)	13.07.2017	Exemption to Private Company(corrigendum)
25	G.S.R.955(E)	27.07.2017	Companies (Incorporation) Second Amendment Rules, 2017
26	G.S.R.1061(E)	23.08.2017	NCLAT (Amendment) Rules 2017
27	G.S.R.1062(E)	24.08.2017	Companies (Arrests in connection with investigation by SFIO) Rules 2017
28	S.O. 2751(E)	24.08.2017	Commencement of sub -sections (8) to (10) of section 212 of CA 2013
30	S.O. 2872(E)	31.08.2017	Designation of Special Court

31	S.O. 2938(E)	06.09.2017	Delegation of powers to RDs under section 458 of CA 2013
32	G.S.R. 1172(E)	19.09.2017	Companies (Acceptance of Deposit) Second Amendment Rules, 2017
33	G.S.R. 1176(E)	20.09.2017	Companies (Restriction on number of Layers) Rules 2017
34	S.O. 3085(E)	20.09.2017	National Advisory Committee on Accounting Standards
35	S.O. 3086(E)	20.09.2017	Commencement of proviso to section 2(87) of CA, 2013
36	G.S.R.1316(E)	18.10.2017	Companies (Registered Valuers and Valuation) Rules, 2017
37	S.O. 3393(E)	18.10.2017	Notification for Commencement of section 247 of Companies Act 2013
38	S.O.3401(E)	23.10.2017	Notification for delegation of powers under section 247 of CA 2013 to Insolvency and Bankruptcy Board of India
39	S.O.3529 (E)	03.11.2017	Designation of Special Court
40	G.S.R.1372(E)	6.11.2017	Companies (Filing of Documents and Forms in Extensible Business Reporting Language), Amendment, Rules, 2017
41	G.S.R. 1371(E)	7.11.2017	Companies (Accounts) Amendment Rules, 2017
42	S.O. 3804(E).	04.12.2017	Designation of Special Court for the state of Karnataka.

Annexure-IV**General Circulars from 1st January, 2017 to 31st December, 2017**

Sl. No.	Circular Number	Date	Subject
1	01/2017	22.02.2017	Section 391(2) closure of place of business by a Foreign Company
2	04/2017	16.05.2017	Clarification regarding applicability of section 16(1)(a) of the CA 2013 with reference to cases under corresponding provisions of Companies Act, 1956
3	08/2017	25.07.2017	Clarification regarding applicability of exemption given to certain private companies under section 143(3)(i) of the Companies Act, 2013
4	09/2017	05.09.2017	Exemptions given to certain unlisted public companies under the companies (Appointment and Qualification of Directors) Rules, 2014 from the appointment of independent directors
5	10/2017	13.09.2017	Clarification regarding obligation with the Indian Accounting Standards (Ind AS) and Rule 4 of Companies (Indian Accounting Standards) Rules 2015-payment banks, small finance banks which are subsidiaries of Corporates
6	11/2017	27.09.2017	Clarification regarding the timelines for making applicable/available new Form DPT -3 issued vide the Companies (Acceptance of Deposits) Second Amendment Rules, 2017
7	13/2017	26.10.2017	Relaxation of additional fees and extension of last date of filing of AOC-4 XBRL E-Forms using Ind AS under the Companies Act, 2013
8	14/2017	27.10.2017	Relaxation of additional fee and extension of last date of filing of AOC-4 and AOC -4(XBRL non-Ind AS) under the Companies Act,2013
9	15/2017	04.12.2017	Relaxation of additional fees and extension of last date of filing Form CRA.4 under the Companies Act, 2013.
10	16/2017	29.12.2017	Condonation of Delay Scheme 2018

List of Benches of National Company Law Tribunal

Sl. No	Title of Bench	Location	Territorial Jurisdiction of the Bench
1	NCLT, Principal Bench	Block No. 3, Ground Floor, 6th,7th & 8th Floor, CGO Complex, Lodhi Road, New Delhi-110003	(1) Union Territory of Delhi (2) State of Rajasthan
2	NCLT, New Delhi Bench.		
3	NCLT Ahmedabad Bench.	Anand House, Ground Floor, 1st & 2nd Floor, SG Highway, Thaltej, Ahmedabad-380054	(1) State of Gujarat (2) State of Madhya Pradesh (3) Union Territory of Dadra and Nagar Haveli (4) Union Territory of Daman and Diu
4	NCLT Allahabad Bench.	9th Floor, Sangam Place, Civil Lines Allahabad -211001	(1) State of Uttar Pradesh (2) State of Uttrakhand
5	NCLT Bengaluru Bench.	Corporate Bhawan, 12th Floor, Raheja Towers, M.G., Road, Bengaluru -560001	(1) State of Karnataka
6	NCLT Chandigarh Bench.	Ground Floor, Corporate Bhawan, Sector-27 B, Madhya Marg, Chandigarh-160019	(1) State of Himachal Pradesh (2) State of Jammu and Kashmir (3) State of Punjab (4) Union Territory of Chandigarh (5) State of Haryana
7	NCLT Chennai Bench.	Corporate Bhawan (UTI Building), 3rd Floor, No. 29 Rajaji Salai, Chennai-600001	(1) State of Kerala (2) State of Tamil Nadu (3) Union Territory of Lakshadweep (4) Union Territory of Puducherry

8	NCLT Guwahati Bench.	4th Floor, Prithvi Planet Behind Hanuman Mandir, G.S. Road, Guahati-781007	1) State of Arunchal Pradesh (2) State of Assam (3) State of Manipur (4) State of Mizoram (5) State of Meghalaya (6) State of Nagaland (7) State of Sikkim (8) State of Tripura
9	NCLT Hyderabad Bench.	Corporate Bhawan, Bandlaguda Tattiannaram Village, Hayatnagar Mandal, Rangareddy District, Hyderabad-500068	(1) State of Andhra Pradesh (2) State of Telangana
10	NCLT Kolkata Bench.	5, Esplanade Row (West), Town Hall Ground and 1st Floor Kolkata-700001	(1) State of Bihar (2) State of Jharkhand (3) State of Odisha (4) State of West Bengal (5) Union Territory of Andaman and Nicobar Island
11	NCLT Mumbai Bench.	6th Floor, Fountain Telecom Building No.1, Near Central Telegraph, M.G. Road, Mumbai-400001	(1) State of Chhattisgarh (2) State of Maharashtra (3) State of Goa



Citizens'/ Clients' Charter Ministry of Corporate Affairs

S. No.	Our Services/ Transactions	How we measure our performance in this area	Our Service Standard
1.	Availability of names for new company	Maximum time to inform deficiencies in the application from the date of receipt of the application.	2 Working Days
		Maximum time taken to communicate approval by the concerned RoC on receipt of the application	2 Working Days
2.	Incorporation of a Company.	Maximum time to inform deficiencies in the application from the date of receipt of the application	2 Working Days
		Maximum time taken to communicate approval and issue of certificate of Incorporation by the concerned RoC on receipt of the application	2 Working Days
3.	Registration of unregistered Companies	Maximum time to inform deficiencies in the application from the date of receipt of the application	2 Working Days
		Maximum time taken to issue of certificate of Registration by the concerned RoC on receipt of approval	2 Working Days
4.	Registration of a place of Business in India by a company incorporated outside India	Maximum time to inform deficiencies in the application from the date of receipt of the application	2 Working Days
		Maximum time taken to issue of certificate by the concerned RoC on receipt of approval	1 Working Days
5.	Change of name of the Company	Maximum time to inform deficiencies in the application from the date of receipt of the application	3 Working Days
		Maximum time taken to issue of certificate by the concerned RoC on receipt of approval	3 Working Days

6.	Registration for change of Objects of the Company	Maximum time to inform deficiencies in the application from the date of receipt of the application	3 Working Days
		Maximum time taken to issue of certificate by the concerned RoC on receipt of approval	2 Working Days
7.	Conversion of Private Company to Public company	Maximum time to inform deficiencies in the application from the date of receipt of the application	3 Working Days
		Maximum time taken to issue of certificate by the concerned RoC on receipt of approval	3 Working Days
8.	Conversion of unlimited company into limited company	Maximum time to inform deficiencies in the application from the date of receipt of the application	3 Working Days
		Maximum time taken to issue of certificate by the concerned RoC on receipt of approval	3 Working Days
9.	Registration of a Prospectus before issue of IPO or FPO	Maximum time to inform deficiencies in the application from the date of receipt of the application	2 Working Days
		Maximum time taken to issue acknowledgement by the concerned RoC from the date of receipt of the application.	1 Working Days
10	Registration of Charge Creation/ modification/ satisfaction	Maximum time to inform deficiencies in the application from the date of receipt of the application	3 Working Days
		Maximum time taken to issue of certificate by the concerned RoC on receipt of approval	2 Working Days
11.	Condonation of delay in filing of charge creation modification/ satisfaction	Maximum time to inform deficiencies and take up queries and clarification on the application from the date of receipt of the application	20 Working Days
		Maximum time taken to issue of order granting condonation by the concerned Regional Director on receipt of approval	10 Working Days
12.	Application for extension of time to hold AGM	Maximum time to inform deficiencies in the application from the date of receipt of the application	5 Working Days

		Maximum time taken to communicate approval by the concerned RoC on receipt of approval	2 Working Days
13.	Registration of Court or NCLT or RD order.	Maximum time to inform deficiencies in the application from the date of receipt of the application	2 Working Days
		Maximum time taken for granting of license to the applicant on receipt of duly completed application form with required documents	2 Working Days
14.	Issuance of certified copies of documents of a company.	Maximum time to inform deficiencies in the application from the date of receipt of the application	4 Working Days
		Maximum time taken to issue certified copy of the document on receipt of duly completed	3 Working Days
15.	Issuance of Director Identification Number (DIN)	Maximum time to inform deficiencies in the application from the date of receipt of the application	1 Working Days
		Maximum time taken to issue approval letter granting DIN on receipt of duly completed application form with required documents.	1 Working Days
16.	Change in DIN Particulars	Maximum time to inform deficiencies in the application from the date of receipt of the application	1 Working Days
		Maximum time taken to issue letter for changing DIN on receipt of duly completed application form with required documents.	1 Working Days
17.	Conversion of company to LLP	Maximum time to inform deficiencies in the application from the date of receipt of the application.	2 Working Days
		Maximum time taken to issue certificate of conversion on receipt of duly completed application form with required documents.	3 Working Days

18.	Shifting of registered office of the company from one State to another.	Maximum time to inform deficiencies and take up queries and clarification on the application from the date of receipt of the application	45 Working Days
		Maximum time taken to issue order confirming the change of Registered Office of a Company on receipt of duly completed application form with required documents	15 Working Days
19.	Shifting of registered office of the company from one RoC to another RoC within the State.	Maximum time to inform deficiencies in the application from the date of receipt of the application	45 Working Days
		Maximum time taken to issue order confirming the change of Registered Office of a Company on receipt of duly completed application form with required documents	15 Working Days
20.	Grant of license under Section 8 of the Companies Act, 2013.	Maximum time to inform deficiencies in the application from the date of receipt of the application	5 Working Days
		Maximum time taken for granting of license to the applicant on receipt of duly completed application form with required documents	2 Working Days
21.	Appointment or Reappointment and payment of remuneration to or payment of increased remuneration to or waiver of recovery of excess remuneration paid to Managing Director / Whole-Time Director Manager/ Chief Executive Officer.	Maximum time to inform deficiencies in the application from the date of receipt of the application	15 Working Days
		Maximum time taken for communicating approval on receipt of application completed in all respect.	30 Working Days
22.	Investor Grievance Redressal/ CPGRAMS	Maximum time taken to dispose of from the date of receipt of grievance	30 Working Days

23.	Other Grievances / Complaints related to MCA-21	Maximum time taken to dispose of from the date of receipt of grievance.	30 Working Days
24.	Application for seeking status of Company as dormant under Section 455	Maximum time to inform deficiencies from date of receipt of the form	3 Working Days
		Maximum time to communicate approval or intimation about the form having been taken on record	2 Working Days
25.	Application for seeking status of Company as active under Section 455	Maximum time to inform deficiencies from date of receipt of the form	3 Working Days
		Maximum time to communicate approval or intimation about the form having been taken on record	2 Working Days
26.	Registration of intimation about appointment of Receiver/ Manager [Section 84(1)]	Maximum time to inform deficiencies from date of receipt of the form	3 Working Days
		Maximum time to communicate approval or intimation about the form having been taken on record	2 Working Days
27.	Condonation of delay u/s 460 of the Companies Act, 2013	Maximum time to inform deficiencies in the application from the date of receipt of the application	15 Working Days
		Maximum time taken to issue of approval by CG	30 Working Days



सत्यमेव जयते

**Ministry of Corporate Affairs
Government of India**