

Annual Report 2015-16



सत्यमेव जयते

Government of India
Ministry of Corporate Affairs

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CHAPTER - I

OVERVIEW

1.1. The mandate of the Ministry of Corporate Affairs includes inter alia, the administration of a wide range of statutes for the regulation of the corporate sector. These are:

- (i) The Companies Act, 2013 and those provisions of Companies Act, 1956 which are still in force
- (ii) The Competition Act, 2002
- (iii) The Limited Liability Partnership (LLP) Act, 2008
- (iv) The Chartered Accountants Act, 1949
- (v) The Cost and Works Accountants Act, 1959
- (vi) The Company Secretaries Act, 1980
- (vii) The Partnership Act, 1932
- (viii) The Societies Registration Act, 1860
- (ix) The Companies (Donations to National Funds) Act, 1951
- (iv) Convergence of Indian Accounting Standards with International Financial Reporting Standards (IFRS),
- (v) Implementation of Competition Act through the Competition Commission of India,
- (vi) Implementation of e-Governance in MCA,
- (vii) Building systems for early detection of irregularities in corporate functioning,
- (viii) Conducting investor education and awareness programmes,
- (ix) To undertake investigation of serious frauds through the Serious Fraud Investigation Office (SFIO),
- (x) Management of the cadre of Indian Corporate Law Service (ICLS).

FUNCTIONS

1.2. The main responsibilities of the Ministry of Corporate Affairs 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 various sections of Companies Act 2013,
- (iii) Formulation of Rules and regulations under various Acts administered by the Ministry,

1.3. Important Policy developments during the reporting period are as follows:

Implementation of the Companies Act, 2013

1.3.1. The Companies Act, 1956 has now been replaced to a large extent by the Companies Act, 2013. The new Act is the result of a decade's consultations with stakeholders and other deliberations. Key features of the Act are provided at Box-I at the end of this chapter.

1.3.2. The Companies Act 2013 as notified on 30th August 2014, is divided into 29 Chapters containing 470 Sections as against 658 Sections in the Companies Act, 1956. Out of total 470 sections in the Act, 283 sections and 24 sets of Rules corresponding to such sections have so far

been brought into force. Of the remaining 187 sections of the Act, 177 are dependent on the establishment of National Company Law Tribunal (NCLT) and National Company Law Appellate Tribunal (NCLAT) which was held up due to a legal challenge in the Supreme Court. The matter has been finally disposed of by the Apex Court on 14th May, 2015. The process for setting up of NCLT and NCLAT has been initiated. The remaining 10 sections require constitution of other bodies like IEPF, Special Courts, NFRA/NFRAA. These provisions would be notified along with rules after the processes involved are over.

1.3.3. The Ministry, on 5th June, 2015, issued the final notifications under section 462 of the Companies Act, 2013 (Act), which provide exemptions under various provisions of the Act to (i) Private Companies; (ii) Government Companies; (iii) Section 8 Companies and (iv) Nidhis. The notifications are available at the Ministry's website at www.mca.gov.in.

Companies (Amendment) Act, 2015

1.3.4. After the commencement of the provisions of the Companies Act 2013, many representations were received from various stakeholders expressing difficulties in complying with some of the requirements laid down in the commenced provisions. It was considered necessary to move certain amendments in the Companies Act, 2013 urgently in the light of practical difficulties experienced by stakeholders in the actual implementation of the provisions of the Act, which were already so far brought in force. It was also felt necessary to further facilitate 'ease of doing businesses' and deal with certain difficulties in this behalf brought out by the World Bank in its Report titled 'Doing Business 2015'.

1.3.5. The Companies (Amendment) Act,

2015 was notified on 26th May, 2015. In brief, the amendments made in the Act, inter alia, included:-

- Omitting requirement for minimum paid up share capital.
- Making common seal optional, and consequential changes for authorization for execution of documents.
- Doing away with the requirement for filing a declaration by a company before commencement of business.
- Prescribing specific punishment for deposits accepted under the new Act to deal with defaults in repayment to depositor.
- Prohibiting public inspection of Board resolutions filed in the Registry.
- Including provision for setting off past losses/depreciation before declaring dividend for the year.
- Enabling provisions to prescribe thresholds beyond which fraud shall be reported to the Central Government (below the threshold, it will be reported to the Audit Committee/ Board. Disclosures for the latter category also to be made in the Board's Report).
- Winding up cases to be heard by 2-member Bench instead of a 3-member Bench in NCLT.
- Special Courts to try only those offences carrying imprisonment of two years or more.

Companies Law Committee

1.3.6. The Ministry, on 5th June, 2015, constituted Companies Law Committee:-

- (a) To make recommendations to the

Government on issues arising from the implementation of Companies Act, 2013; and

- (b) To examine the recommendations received from the Bankruptcy Law Reforms Committee, the High Level Committee on CSR, the Law Commission and other agencies, while undertaking (i) above.
- (c) The Committee was headed by Secretary, MCA, Ms. Reva Khetrpal, former Judge, Delhi High Court and Lok Aukta, Delhi; Presidents of three Professional Institutes i.e. ICAI, ICAI (Cost) and ICSI and Representatives from CII and FICCI are the other members of the Committee. Joint Secretary (Policy), MCA is the Member-Convener of the Committee. The Committee submitted its report on 1st February, 2016

National Advisory Committee on Accounting Standards (NACAS)

1.3.7. Section 132 of the Companies Act, 2013 provides for constitution of National Financial Reporting Authority (NFRA) to make and monitor accounting and auditing standards. However, this Section of the Act is yet to be notified for commencement. Until this Section is notified, similar functions are to be carried out by the 'National Advisory Committee on Accounting Standards' (NACAS) under Section 210A of the Companies Act, 1956. The notification issued vide S.O. 2425(E) dated 18.09.2014 constituting the NACAS under the Chairmanship of Shri Amarjit Chopra has been amended by notification issued vide S.O. 2462(E) dated 10.09.2015 whereby the Government has extended the tenure of NACAS. The Chairperson and members of the Committee will hold office for a period of two

year, or till the constitution of NFRA, whichever is earlier.

International Financial Reporting Standards

1.3.8. The road-map for implementation of Ind AS (the converged Indian Accounting Standards with International Financial Reporting System (IFRS) has been worked out. Ind AS can be applied by companies other than banks, insurance companies and NBFC's voluntarily during the financial year 2015-16 and on mandatory basis for certain class of companies from financial year 2016-17. Thirty-nine Ind AS have been issued after due consultation with Institute of Chartered Accountants of India (ICAI) and NACAS. The relevant Rules i.e. Companies (Indian Accounting Standards) Rules, 2015 have been notified vide G.S.R. 111(E) dated 16th February 2015. In consultation with RBI and IRDA, roadmap for banking entities, insurer/insurance companies/NBFCs has also been issued.

1.3.9. These measures will enable Indian companies to operate with greater ease at the international level as their 'financials' will be prepared based on standards compatible with the standards and policies in many developed jurisdictions. This in turn will contribute to forward linkage of Indian corporates with the global systems.

MCA-21 e-governance Project

1.3.10. The 'MCA-21', an e-Governance project of the Ministry, entered its second cycle in January, 2013. This initiative has enabled the Ministry to achieve high standards of service delivery, besides providing the Government with a comprehensive National Corporate Information Database. Simultaneously, this service affords an opportunity to professionals and general public to have access to a variety of information concerning Indian companies, in

many cases free of any service charges. This has brought in considerable transparency in the paradigm of corporate regulation and oversight in the country. During 2015-16 (up to 31.12.2015), there were almost 91 lakh e-filings.

The Competition Act, 2002

1.3.11. The Competition Act 2002 was enacted with the objective of (i) providing the establishment of a Commission to prevent practices having adverse effect on completion, (ii) promoting and sustaining competition in

market, (iii) protecting the interest of consumers, and (iv) ensuring freedom of trade carried on by other participants in the markets in India, and for matters connected therewith or incidental there to.

1.3.12. The Competition Commission of India (CCI) was set up in October, 2003. A legal challenge prevented its full constitution and enforcement. Only its advocacy function was notified. The Commission was operationalised in 1.3.2009 as a regulatory body with a collegium comprising a chairperson and six members.

Box I

The Key Features of the Companies Act, 2013

I. Business Friendly Corporate Regulations/ Pro-Business Initiatives

- Provision of self-regulation with disclosures/transparency instead of 'Government approval based regime'.
- Automation of corporate records/meetings statutory recognition to (i) maintenance of documents by companies in electronic form, (ii) 'video-conferencing' as a mode of conducting Board meetings etc.
- Faster mergers and acquisitions including short form of mergers and cross border mergers.
- Summary liquidation: For companies having net assets of Rs. 1 crore or less, Official Liquidators (OLs) are empowered with adjudicatory powers.
- Time bound approvals through National Company Law Tribunal (NCLT) (Yet to be notified).
- Concept of 'dormant companies' introduced (Companies not engaged in business for two consecutive years are declared as dormant).
- Concept of One Person Company (OPC) introduced.

II. Good Corporate Governance and Corporate Social Responsibility

- Concept of Independent Directors (IDs) included as a statutory requirement u/s 149(4).
- Provision for constitution of several Committees of the Board (Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and CSR Committee).
- Woman Director for prescribed class of companies.

- Mandatory provision for constitution of CSR Committee and formulation of CSR Policy, with mandatory disclosure, for prescribed class of companies.

III. Enhancing Accountability of Management

- The term 'Officer in Default' has been reviewed to make it more relevant.
- Terms 'Key Managerial Personnel' (KMP) and 'Promoter' defined to affix responsibility on key functionaries of the company.
- Duties of Directors defined, including to shareholders, employees, the community and environment.
- Cap on number of Directorships: 20 companies, of which 10 can be public companies.

IV. Strengthened Enforcement

- The Central Government to have powers to order investigation, suo-motu, in public interest.
- Statutory recognition of Serious Fraud Investigation Office (SFIO).
- Provision for creation of Special Courts (yet to be notified).
- Search and seizure of documents, during investigation, without an order from a Magistrate.
- Freezing of assets or disgorgement of illegal gains of company under investigation.

V. Audit Accountability

- Recognition of accounting and auditing standards.
- Stricter disqualification norms for auditors.
- Auditor not to perform specified non-audit services.
- Tenure or rotation of auditors prescribed.
- Internal audit for bigger companies.
- Substantial civil and criminal liability for an auditor in case of non-compliance.
- Tribunal empowered to direct a change of auditor in case of a fraud detected.
- Cost records and cost audit for prescribed class of companies.
- Secretarial audit for prescribed class of companies.
- National Financial Reporting Authority (NFRA) to be constituted.
- Protection of Minority Shareholders
- Exit option provided, if there is dissent to change in Object clause, or during compromises etc.

- Valuation mandated during compromise, arrangements etc.
- Effect of merger on minority shareholding to be disclosed.
- Listed companies to have one Director representing small shareholders.

VI. Investor Protection

- Stringent norms for acceptance of deposits from the public.
- Strengthened role of Investor Education and Protection Fund (IEPF)
- No time bar on claims of dividends from IEPF.
- Class Action Suits recognized.
- Enhanced powers to Tribunal for protection of minority rights

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, Guwahati (presently functioning at Shillong), Hyderabad, Kolkata, Mumbai and New Delhi, fifteen Registrars of Companies (ROCs), nine Registrars of Companies-cum-Official Liquidators, and fourteen Official Liquidators (OLs) in States and Union Territories of India. The Official Liquidators (OLs) function under the overall administrative control of the Ministry, and are attached to corresponding High Courts. A brief description of the above offices/establishments is given in the following paragraphs.

A. Headquarters

2.1.2. The administrative structure at the Headquarters includes a Secretary, one Special Secretary/Additional Secretary, one DGCoA*, four Joint Secretaries, one Joint Secretary and Financial Adviser, one Economic Adviser, one Cost Adviser, two Directors of Inspection and Investigation and other officials having expertise in administrative, legal, accounting, economic and statistical matters. The senior functionaries of the Ministry are listed in **Annexure-I**.

B. Regional Directors

2.1.3. The Regional Directors supervise the working of the offices of the Registrars of Companies and the Official Liquidators located in their respective jurisdictions.

**This post became operational w.e.f. 4.11.2015*

The main function of these offices is to advise and guide the ROCs and OLs on technical and administrative matters, to report to the Government, particularly on the activities and operations of companies and to function as a link between the Central Government and the States Government in their respective regions on matters relating to administration of Companies Act. The Regional Directors have been delegated powers to directly take up work and dispose of certain business under the provisions of the Companies Act.

C. Registrars of Companies

2.1.4 Registrars of Companies (ROCs) appointed under Section 396 of the Act, are vested with the primary duty of registering companies incorporated in the respective States and the Union Territories. A majority of statutory compliances under the Act are enforced primarily by ROCs. These offices function as registry of records filed by the companies, which are available for inspection by members of the public on payment of the prescribed fee under Section 399 of the Companies Act, 2013. The Central Government exercises administrative control over these offices through the respective Regional Directors.

D. Official Liquidators

2.1.5 Official Liquidators (OLs) are officers appointed by the Central Government under Section 448 of the Companies Act, 1956 and are attached to various jurisdictional High Courts. In the Companies Act, 2013, the appointment of liquidators are dealt in the Section 275 and 359

but the commencement of these provisions is yet to be notified. Therefore, the Companies Act, 1956 is still in force for the purpose of liquidation of companies. The respective Regional Directors supervise their functioning on behalf of the Central Government. Official Liquidators function under the directions and supervision of the High Courts in the conduct of winding-up of affairs of the companies.

2.1.6. The duties and powers of Official Liquidators mainly relates to the filing of claims against debtors for realization of debts due to the company; sale of movable and immovable assets of the company taken possession of, by the Official Liquidator; instituting criminal complaints and misfeasance proceedings against former Directors of the company for acts and omissions and breach of trust; 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; and payment of return of capital where the company's assets exceeds its liability, and finally, dissolve the company under Section 481 of the Companies Act, 1956 (Section 302 of the Companies Act, 2013 but not yet notified).

2.1.7. The Regional Directors supervise the working of the offices of the Registrars of Companies and Official Liquidators located in different locations in the country. They also maintain liaison between the respective State Governments and the Central Government on matters relating to the administration of the Companies Act/LLP Act.

DIVISIONS / SECTIONS / CELLS AT HEADQUARTERS

2.2.1. The Headquarters of MCA is organized into various Divisions/ Sections/ Cells for

administering/ regulating various aspects of the Companies Act and others Acts administered by this 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 Act and the Competition Act are dealt with in **Chapters IV and V** respectively.

2.2.2. 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 major activities of these Sections is given below:

2.2.3. 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.

2.2.4. 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 complaints relating to misuse and diversion of funds, and mismanagement of companies etc. under the provisions of the Companies Act.

2.2.5. Company Law - III Section deals with (a) reduction of share capital (Section 101 of the Companies Act, 1956) (b) Form and contents of balance sheets and profit and loss accounts (Section 129 of the Companies Act, 2013) (c) Amalgamation/Scheme of arrangement etc. of Government Companies (Section 391-394, 396 and 396 A of the Companies Act, 1956) (d) References received from RD's/ROC's regarding approval of names of companies and matters incidental thereto (Section 8 of the

Companies Act, 2013) (e) References received from RD's/ROC's 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)

2.2.6. Company Law - IV (Legal) Section amongst 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.

2.2.7. 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; issue relating to Capital Market, SEBI, Foreign Direct Investments, Anti Money Laundering, combating the financing of terrorism in India, Accounting Standards/Convergence with 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 Section 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 the in venue for holding the Annual General Body Meetings of Government Companies.

2.2.8. 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 appointment and 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.

2.2.9. Cost Audit Branch performs the following functions under Section 148 of the Companies Act, 2013: (i) Frames 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 Registrar of Companies against the defaulting companies and Cost Auditors; (vi) Reviews, examines and studies Cost Audit Reports and seek further information or explanation from the Companies as may be required; (vii) Informs the relevant departments/ organizations/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 recommends the same for approval by the Central Government.

* CL-VI is abolished. CL-VII is renamed as CL-VI

2.2.10. 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 Registrars of Companies for their expeditious redressal. It also coordinates with the various other organisations/departments like Reserve Bank of India, Department of Economic Affairs, 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 conversation.

2.2.11. The investors/depositors can lodge their complaints with concerned Registrar of Companies on-line through MCA 21 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 Regional Directors (RDs) and Registrars of Companies (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 of MCA is available on the MCA website under "Investor Services" head. A Standard Operating Procedure has been formulated by IGM Cell for adopting uniform procedure for handling and disposing of Investor's grievances.

2.2.12. CSR Cell was constituted on 09.05.2014 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 Corporate Social Responsibility (CSR) provisions under Section 135 of Companies Act, 2013, Schedule VII of the Companies Act, 2013 and Companies (CSR Policy) Rules (iii) Coordinating with Department of Public Enterprises (DPE) and Administrative Ministries for implementation of CSR by CPSUs (iv) Data analysis relating to CSR expenditure of Companies (v) Regulation of CSR compliance by companies (vi) Participating in sensitization workshops organized by DPE, Apex chambers, IICA etc.

2.2.13. 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 input on issues relating to inter alia Corporate Performance, Capital Market Reforms, Disinvestment and Foreign Direct Investment at the macro level (iv) represent MCA in IMG for disinvestment of CPSU's formed by Department of Disinvestment(DOD) (v) managing capacity building component of the plan scheme of Corporate Data Management (CDM) (vi) constitute core group of data analytics unit of the Ministry; vii) Formulation of strategic plan and annual action plan of the Ministry, and (viii) serves as the interface between the Ministry and NITI Ayog.

2.2.14. Statistics Division looks after i) the implementation of new Plan Scheme 'Corporate Data Management (CDM)' that envisages to create in-house data mining and analytics facility in the Ministry with the objective of disseminating corporate sector data in a structured manner; ii) examines and resolves issues relating to improvements of corporate statistics generated from the MCA-21 portal; iii) shares 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, and publishes the Monthly information Bulletin containing statistical information and analysis of developments in the corporate sector.

2.2.15. 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 MOU's etc.

2.2.16. 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.

2.2.17. Gender Budget Cell (GBC) has been facilitating the integration of gender analysis in to 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.

2.2.18. Official Language Section undertakes the implementation of the Official Language Act and Rules made there-under; 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.

2.2.19. Vigilance Wing obtains factual information in regards to complaints received

against the employees, conducts 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, 45 posts of the Ministry were identified to be sensitive ones with a view to rotate the incumbents of these posts after every 2/3 years.

2.2.20. 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 encadred 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.

2.2.21. Administration-II deals with all establishment matters related 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, issuance of Gazetted Notifications under relevant sections of Company Act, 2013 & 1956 for authorizing ICLS officers deputed in MCA field offices for the purpose of said sections.

2.2.22. Administration-III deals with all policy issues related to Serious Fraud Investigation Office (SFIO) and; establishment, personnel and financial matters relating to SFIO which requires approval of Central Government. It also deals with framing / amendment of Recruitment Rules for 28 categories of posts in SFIO.

2.2.23. 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.

2.2.24. Competition Section deals with matters relating to the enforcement of Competition Act; 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.

2.2.25. Infrastructure Section plays a vital role towards providing better infrastructure for Headquarters, field offices and attached offices by acquiring land; constructing building in purchased land; purchasing buildup office space and renovating and furnishing of these

built up office space to give face lift; finalization of agreement for hiring of buildings on rent etc.

ATTACHED / SUBORDINATE OFFICES / ORGANISATIONS

Company Law Board

2.3.1. The Company Law Board (CLB) functions as an independent, quasi-judicial body created under section 10E of the Companies Act, 1956, exercising equitable jurisdiction and became functional on 31.05.1991. The business of the Company Law Board is regulated by the Company Law Board Regulations, 1991 prescribing the procedure for filing applications/ petitions before it, and rules prescribing fees for submitting application/ petitions as per the Company Law Board (Fees on Applications and Petitions) Rules 1991.

Competition Commission of India

2.3.2. The Competition Commission of India (CCI) was established under the Competition Act, 2002 for the administration, implementation and enforcement of the Act and was duly constituted in March 2009. 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.

CCI has power to regulate mergers or combinations, and of 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.

Competition Appellate Tribunal

2.3.3. The Competition Appellate Tribunal (COMPAT) was established on 14.10.2003 under the Competition Act, 2002, with powers to entertain appeals against directions or decisions of CCI, and to adjudicate on claim for compensation that may arise from the findings of the Commission and itself.

Serious Fraud Investigation Office

2.3.4. Serious Fraud Investigation Office (SFIO) was set up through a resolution dated 2.7.2003. 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. Under the Companies Act, 2013, SFIO has now been given statutory status. 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

2.3.5. 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 value-adding partnerships between government, corporate entities and other stakeholders. Since its establishment as a Society in September, 2008, the Institute has taken many Steps to fulfil its mandate, viz. (i) Its five Schools and five

Centers have become operational. (ii) Indian Corporate Law Service Academy has become functional and is imparting training to officers of the Indian Corporate Law service since 2010. (iii) 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 social responsibility, company directors, independent-directors, competition issues *etc.* The IICA is headed by a Director General and Chief Executive Officer.

2.3.6. The Institute has signed three Memorandums of Understanding (MOUs) with foreign institutions namely, George Washington University Law School, USA; Institute of Directors, UK and International Finance Corporation, USA. The IICA has also signed 24 MOUs with reputed domestic institutions including the National Law School of India University, Bangalore, The Energy and

Resources Institute, New-Delhi, Tata Institute of Social Science, Mumbai, Indian Institute of Management, Raipur, Bombay Stock Exchange, *etc.*

PROFESSIONAL INSTITUTES

2.4. 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. The functioning of these Institutes is dealt with in **Chapter-V** of this Report.

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 01.04.2014 to 31.12.2015, the Ministry issued 65 Notifications and 43 General Circulars. (Annexure II and III respectively)

REGISTRATION OF COMPANIES

3.3.1. As on 31.12.2015, a total of 15,27,681

companies were on the Registry. Of them 10,70,049 companies are active (comprising of 10,04,949 private companies and 65,100 public companies). A majority of the active companies (about 74%) were operating in activities covered under four broad heads, namely, 'Business Services' (26%), 'Manufacturing' (21%), 'Trading' (15%) and 'Finance, Insurance and Real Estate & Renting' (12%). Business Services, inter alia, include hardware and software consulting, data processing, research and development, legal, accounting and auditing services, business and management consultancy and advertising, etc. Manufacturing, inter alia, includes manufacturing of food products, textiles, paper, metallic / non - metallic mineral products, chemical and petrochemicals, radio, television, transport equipment, etc.

3.3.2. The economic sector-wise distribution of active companies as on 31.12.2015 along with their authorized capital is given in Table 3.1.

Table 3.1

Economic sector-wise distribution of active companies as on 31.12.2015

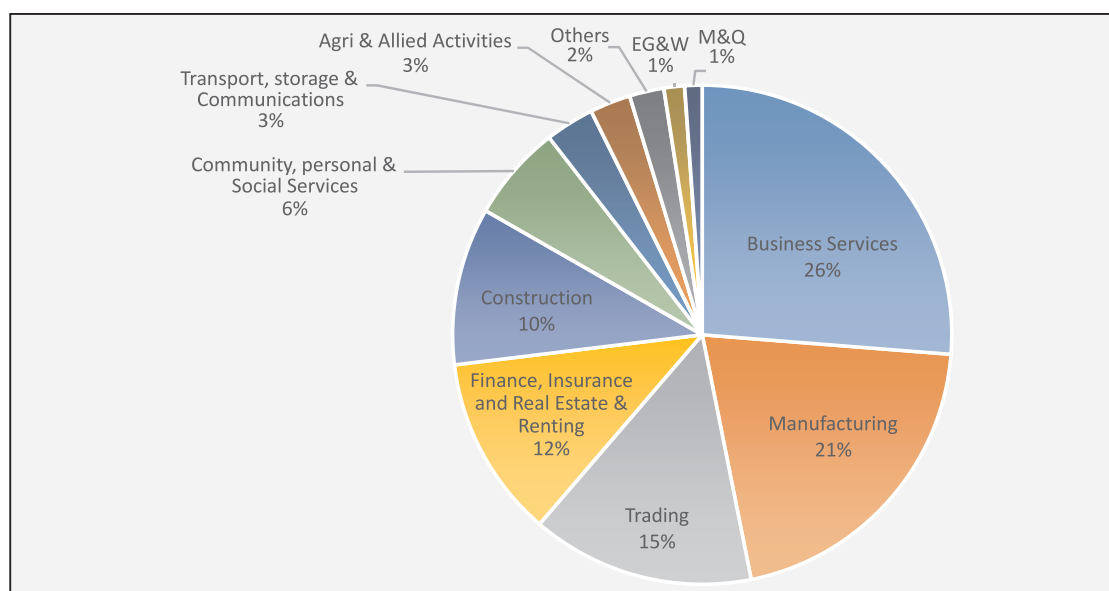
(Authorized Capital in ₹ Crore)

Sl. No.	Economic Activity	Private		Public		Total	
		No. of Companies	Authorized Capital	No. of Companies	Authorized Capital	No. of Companies	Authorized Capital
I	Agriculture & Allied Activities	25,453	17,892.42	2,865	33,015.71	28,318	50,908.13
II	Industry	330,444	796,428.30	25,599	1,726,501.56	356,043	2,522,929.87
1	<i>Manufacturing</i>	202,859	445,780.58	17,650	665,594.03	220,509	1,111,374.61

Sl. No.	Economic Activity	Private		Public		Total	
		No. of Companies	Authorized Capital	No. of Companies	Authorized Capital	No. of Companies	Authorized Capital
2	Construction	103,786	188,397.15	5,419	226,093.73	109,205	414,490.88
3	Electricity, Gas & Water Supply	12,485	127,942.96	1,794	777,288.40	14,279	905,231.36
4	Mining & Quarrying	11,314	34,307.61	736	57,525.41	12,050	91,833.02
III	Service	627,235	762,926.35	34,592	1,167,030.55	661,827	1,929,956.90
1	Business Services	270,676	273,886.38	10,174	410,219.11	280,850	684,105.49
2	Trading	148,255	147,893.29	6,316	111,573.62	154,571	259,466.91
3	Finance, Insurance and Real Estate & Renting	113,219	225,876.76	12,767	330,239.49	125,986	556,116.25
4	Community, personal & Social Services	62,653	68,494.04	3,860	115,670.47	66,513	184,164.51
5	Transport, storage & Communications	32,432	46,775.89	1,475	199,327.86	33,907	246,103.74
IV	Others	21,817	34,093.95	2,044	169,016.74	23,861	203,110.70
Grand Total (I+II+III+IV)		1,004,949	1,611,341.02	65,100	3,095,564.57	1,070,049	4,706,905.59

Chart 3.1 provides sector-wise distribution of active companies as on 31.12.2015.

Chart 3.1
Sector-wise distribution of active companies (As on 31.12.2015)



*'EG&W' is Electricity, Gas & Water & M&Q' is Mining & Quarrying.

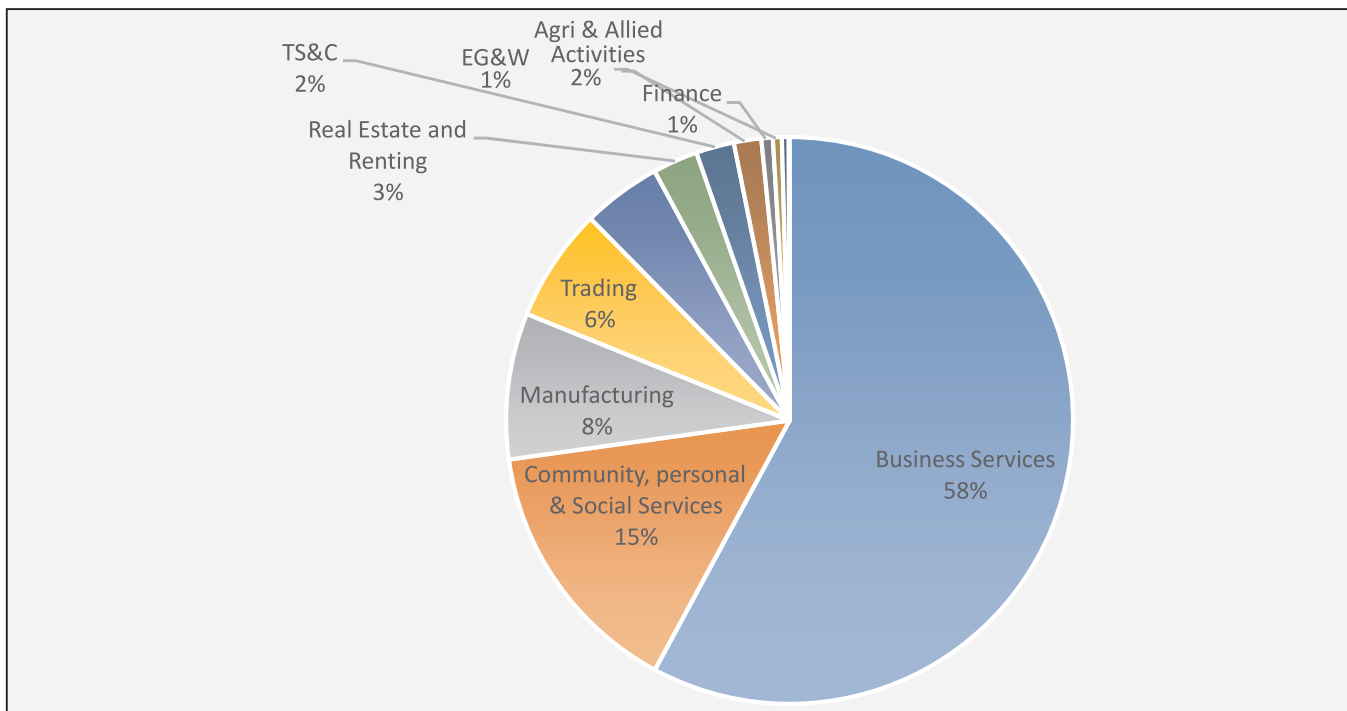
New Registration

3.3.3. During the financial year 2015-16 (up to 31.12.2015), a total of 60,489 companies were registered with collective authorized capital of ₹11,98,5.97 crore. Out of these, 75 were Government companies with authorized capital of ₹ 1,140.64 crore and 60,414 were Non-Government companies with authorized capital of ₹ 10,845.33 crore.

One Person Company

3.3.4. The Companies Act, 2013 introduced the concept of One Person Company (OPC) in India. During the financial year 2015-16 (up to 31.12.2015), a total of 2,761 One Person companies were registered with collective authorized capital of ₹ 66.82 crore. **Chart 3.2** provides sector-wise distribution of OPCs registered during the financial year 2015-16 (up to 31.12.2015).

Chart 3.2
Sector-wise distribution of OPCs



Foreign Companies

3.3.5. As on 31.12.2015, a total number of 4,324 foreign companies were registered and of them 3,337 foreign companies were active. During the financial year 2015-16 (up to 31.12.2015) a total of 116 foreign companies were registered under the Companies Act, 2013.

STATUTORY APPLICATIONS TO THE CENTRAL GOVERNMENT

Change of Name of the Company

3.4.1. Under Section 13 of the Companies Act, 2013, which replaced Section 21 of Companies Act, 1956, a total of 15416 applications were received during 1.04.2014 to

31.12.2015, and 431 applications were pending as on 31.03.2014. Out of a total of 15847 applications considered during this period, 15419 were disposed of.

Rectification of the name of the Company

3.4.2. Under Section 16 of the Companies Act, 2013, which replaced Section 22 of the Companies Act, 1956 on 01.04.2014, a total of 106 applications were received during 01.04.2014 to 31.12.2015, and 100 applications were pending as on 31.03.2014. Out of a total of 206 applications considered, 128 were disposed of and 78 applications were pending as on 31.12.2015.

Alteration in Articles through Special Resolution

3.4.3. Under Section 31(1) of the Companies Act, 2013, which replaced Section 31 of the Companies Act, 1956 with effect from 01.04.2014, regarding changing the articles of association, a total of 3764 applications were received during 01.04.2014 to 31.12.2015, and 185 applications were pending as on 31.03.2014. Out of a total of 3949 applications considered during this period, 3814 were disposed of.

Appointment of Managerial Personnel and their Remuneration

3.4.4. The Ministry of Corporate Affairs 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 of the Companies Act, 2013, including waiver of recovery of remuneration paid in excess of the limits prescribed under the Companies Act, 2013 to such managerial personnel.

3.4.5. Under Sections 196, 197 read with Schedule V of the Companies Act, 2013, a total of 450 applications were received during 01.04.2015 to 31.12.2015, and 375 applications were pending as on 01.04.2015. Out of a total of 825 applications considered during this period, 494 were disposed of.

Appointment and Remuneration to Auditors

3.4.6. Under Sections 139 of the Companies Act, 2013, a total of 12149 applications were received during 01.04.2014 to 31.12.2015, and 44 applications were pending as on 31.03.2014. Out of a total of 12193 applications considered during this period, 12161 were disposed of.

Further Issue of Share Capital

3.4.7. Under Sections 62 of the Companies Act, 2013, which replaced Section 81 of the Companies Act, 1956, during 01.04.2014 to 31.12.2015 no application was received and no application was pending disposal from the previous year.

Reduction of Share Capital

3.4.8. Under Sections 101 of the Companies Act, 1956, one application was received during 01.04.2014 to 31.12.2015, and no application was pending as on 31.03.2014. One application was considered during this period and the same was disposed of.

Change of Venue of Annual General Meeting

3.4.9. 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. 60 applications were received during 1.04.2014 to

31.12.2015, and one application was pending as on 31.03.2014. All these applications were disposed of.

Change in the Rate of Depreciation

3.4.10. Under Section 123 of the Companies Act, 2013 which replaced Section 205(2) (c) of the Companies Act, 1956, one application was received during 01.04.2014 to 31.12.2015, and 5 applications were pending as on 31.03.2014. Out of a total of 6 applications considered during this period, all were disposed of.

Amalgamation of Government Companies

3.4.11. Under Sections 391-394 of the Companies Act, 1956, a total of 7 applications were received during 01.04.2014 to 31.12.2015, and 02 applications were pending as on 31.03.2014. Out of a total of 9 applications considered during this period, 6 were disposed of.

Amalgamation of Private/Public Companies

3.4.12. Under Section 394A of the Companies Act, 1956, 2054 applications were received during 01.04.2014 to 31.12.2015, and 231 applications were pending as on 31.03.2014. Out of a total of 2285 applications considered during this period, 2012 were disposed of.

Liquidation of Companies

3.4.13. As on 01.04.2014, 4814 companies were under liquidation; out of which 601 companies were under member's voluntary winding-up, one company was under creditor's voluntary winding up and 4212 companies under winding up by the court. 458 companies went into liquidation during 01.04.2014 to 31.03.2015. Out of a total of 5272 companies,

193 companies were finally dissolved during the period 01.04.2014 to 31.03.2015. 5079 companies are in liquidation as on 31.03.2015 out of which 567 companies were under member's voluntary winding-up, 4 companies were under creditor's voluntary winding up and 4508 companies under winding up by the court. During the period 01.04.2015 to 31.12.15, a total of 286 companies went into liquidation. Out of a total of 5635 companies, 149 companies were finally dissolved during the period 01.04.2015 to 31.12.2015. 5216 companies are in liquidation as on 31.12.2015.

Grant of license

3.4.14. Under Section 8(1) of Companies Act, 2013, 1636 applications were received during 01.04.2014 to 31.12.2015 and 37 applications were pending as on 31.03.2014. Out of a total of 1673 applications considered during this period, 1636 were disposed of.

Alteration in the Memorandum and Articles of Association

3.4.15. Under Section 8(4) of Companies Act, 2013, 2789 applications were received during 01.04.2014 to 31.12.2015, and 71 applications were pending as on 31.03.2014. Out of a total of 2860 applications considered during this period, 2750 were disposed of.

Striking of Name of Companies in the Register maintained by Registrar of Companies

3.4.16. Under Section 560 of Companies Act, 1956, a total of 24535 applications were received during 01.04.2014 to 31.12.2015 and 4855 applications were pending as on 31.03.2014. Out of a total of 29390 applications considered during this period, 22015 were disposed of.

Condonation of delay

3.4.17. Under Section 460(b) of the Companies Act, 2013, which replaced Section 637B of the Companies Act, 1956 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 824 applications were received during 1.04.2014 to 31.12.2015, and 36 applications were pending as on 01.04.2014. Out of a total of 860 applications considered during this period, 610 were disposed of.

INSPECTION AND INVESTIGATION

Scrutiny:

3.5.1. Section 206 of the Companies Act, 2013 empowers the Registrar to call for information/explanations on various grounds for scrutiny of the documents filed with the offices. During the period 01.04.2014 to 31.12.2015, 205 scrutiny reports were received in the Ministry.

Inspection

3.5.2. Section 206(5) of the Companies Act, 2013 empowers the Registrar of Companies or the Officers duly authorised 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 38 inspection reports during the period 01.04.2014 to 31.12.2015

Investigation:

3.5.3. 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 as well as in the public interest.

3.5.4. The Ministry ordered investigation involving 56 companies during the period 01.04.2015 to 31.12.2015, vide fifteen Orders. The investigations in the cases of 121 companies were under progress as on 31.12.2015. Out of the investigations ordered by the Central Government in the past years, investigations have been completed in the cases of 39 companies, during the period 01.04.2015 to 31.12.2015.

Prosecution

3.5.5. Prosecutions are launched by ROCs against the companies for violations of provisions of Companies Act. There were 47078 prosecutions under consideration by various ROCs as on 01.04.2015. During the year 2015-16 (Up to 31.12.2015), 1418 prosecutions were launched. Out of 47078 cases, 2396 cases were disposed of and other 46100 cases were still under consideration as on 31.12.2015.

Company Law Board

3.6.1. The Board has its Principal Bench at New Delhi. It has four Regional Benches located at New Delhi, Kolkata, Mumbai and Chennai. The Company Law Board has its own website www.clb.gov.in where particulars of its organization, functions, jurisdiction of the Benches, Cause List, orders passed by the Board, Company Law Board Regulations, 1991 and other statistical information etc. are placed.

3.6.2 The territorial jurisdiction of the Regional benches of the CLB is given in **Table 3.2**

Table 3.2
The Territorial Jurisdiction of the Regional benches of the CLB

S. No.	Bench	Jurisdiction
1.	Principal Bench, New Delhi	All States & Union Territories
2.	New Delhi Bench	States of Delhi, Haryana, Himachal Pradesh, Jammu & Kashmir, Punjab, Rajasthan, Uttar Pradesh, Uttarakhand and Union Territories of Chandigarh.
3.	Mumbai Bench	States of Goa, Gujarat, Madhya Pradesh, Maharashtra, Chhattisgarh and Union Territories of Dadra and Nagar Haveli and Daman and Diu
4.	Chennai Bench	States of Andhra Pradesh, Telangana, Karnataka, Kerala, Tamil Nadu and Union Territories of Pondicherry and Lakshadweep island
5.	Kolkata Bench	States of Arunachal Pradesh, Assam, Bihar, Manipur, Meghalaya, Nagaland, Orissa, Sikkim, Tripura, West Bengal, Jharkhand and Union Territories of Andaman and Nicobar Island and Mizoram.

3.6.3 CLB has a sanctioned strength of nine members including the Chairman and Vice-Chairman. As on 31.12.2015, the constitution of Company Law Board is given in **Table 3.3**

Table 3.3
Constitution of Company Law Board (As on 31.12.2015)

S. No.	Name	Designation
1	Hon'ble Chief Justice Shri M.M. Kumar	Chairman, Company Law Board, New Delhi
2	Shri Kanthi Narahari	Member, Company Law Board, Chennai Bench.
3	Shri B.S.V. Prakash Kumar	Member, Company Law Board, New Delhi Bench.
4	Shri Dhan Raj	Member Company Law Board, Kolkata Bench.

3.6.4. The total number of applications/cases considered under various sections of the Companies Act, 1956 by CLB during 01.04.2015 to 31.12.2015 was 6966. CLB disposed of 1901 applications/ cases during this period, leaving a pendency of 5065 applications/cases pending as on 31.12.2015. During the period, filing fees received by the CLB was Rs. 73,00,967 and compounding fees realized during the same period was Rs. 8,57,38,712.

3.6.5. The Board has a mandate to protect the interest of investors/deposit holders by passing Orders against the defaulter companies to repay their due deposits as per scheme approved. CLB has an important role in resolving corporate disputes and protecting the interest of the minority shareholders. CLB passes orders to bring an end to the disputes in public interest and for the affected management of the companies to expedite speedy disposal of cases

pending under section 621A of the Companies Act, 1956 before the Company Law Board Four "Lok Adalat" were successfully held at the Company Law Board, New Delhi Bench and Mumbai Bench.

3.6.6 The Company Law Board is disposing of Petitions/Applications in very transparent manner. Hardship Committee Meetings are held regularly in CLB at New Delhi to consider applications filed by Depositors for refund of deposit on hardship grounds.

Investigation and Prosecution by Serious Fraud Investigation Office (SFIO)

(a) Investigations

3.7.1. During the period from 01.04.2014 to 31.12.2015, number of investigations referred to SFIO and reports submitted to MCA are given in **Table 3.4**

Table 3.4
Investigations referred to SFIO and reports submitted to MCA

Period	No. of Investigations Referred by MCA	No of Reports Submitted To MCA
From 01.04.2014 to 31.03.2015	71	39
From 01.04.2015 to 31.12.2015	42	39

(b) Prosecutions

3.7.2. During the period from 01.04.2014 to 31.12.2015, number of prosecutions filed in various designated courts are given in table 3.5

Table 3.5
Number of Prosecutions filed in various designated courts

Period	No of Prosecutions Filed			Total No of Prosecutions filed
	Company Law/IPC	ICAI/ ICSI	CLB	
From 01.04.2014 to 31.03.2015	56	13	3	72
From 01.04.2015 to 31.12.2015	43	06	01	50

3.7.3. SFIO files single complaint in respect of a particular company, combining all violations together whenever these are closely connected.

Cost Audit

3.8.1. During the period, consequent upon the amendment of Companies (Cost Records and Audit) Rules, 2014, the revised eForm CRA-2 i.e. form for intimation of appointment of cost auditor, was made available on the MCA21 portal for the reporting period 2015-16 and onwards.

3.8.2. To facilitate online filing of Cost Audit Reports as per the Companies (Cost Records and Audit) Rules, 2014, e-form CRA-4 was developed and made available on the MCA21 portal. As per Companies (Filing of Documents and Forms in Extensible Business Reporting Language) Rules, 2015, Cost Audit Reports are to be filed in XBRL format. Costing taxonomy, Costing business rules and Costing validation tool were developed and made available for the same.

3.8.3. Till 31st December, 2015, MCA has accorded approval to 4 Cost Auditing Standards received from the Institute of Cost Accountants

of India as required under second proviso to Section 148(3) of the Companies Act, 2013, after due technical evaluation of the same.

3.8.4. The Ministry received 4543 intimations for appointment of cost auditors during 2014-15 and 5761 similar intimations were received during the 2015-16 till 31st December, 2015. As a part of the ease of doing initiative for the F.Y. 2014-15 and onwards, only intimation is required to be filed for appointment of cost auditor and approval of the same is not required, as in the past.

3.8.5. The Ministry receives Cost Audit Reports against the intimation of appointment of cost auditor filed by the companies. During 2014-15, the number of cost audit reports received were 6685 whereas those received during 2015-16 till 31st December, 2015 were 4791.

3.8.6. A total of 35 Cost Audit Reports, as filed by the companies, during year 2015-16 (till 31st December, 2015) were shared with various user Departments such as Tariff Commission, Commissioner (Audit) Central Excise and Service Tax, National Pharmaceutical Pricing Authority etc. The number of reports so shared in respect of the year 2014-15 stood at 963.

CHAPTER - IV

THE LIMITED LIABILITY PARTNERSHIP (LLP) ACT, 2008

4.1. 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.

4.2. 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 on the one hand, and the statute-based governance structure of the limited liability company on the other, in order to enable 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.

4.3. The Government has therefore permitted the Limited Liability Partnership 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 09.01.2009, and came to effect on 31.03.2009. The enabling Rules were notified on 01.04.2009 and the first LLP was registered on 02.04.2009.

4.4. 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.

4.5. The functions of Registrar of LLPs are being exercised by the Registrar of Companies (ROCs), with effect from 11.06.2012. 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 its existence irrespective of changes in partners.

4.6. 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.

4.7. 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.

4.8. 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.

4.9. 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 11.06.2012. With this integration, the filing and approval of LLP forms is being done through MCA 21 portal, and stakeholders are presently availing of all existing facilities of MCA 21 for LLP forms filing, including online payment, or use of internet banking from designated banks, in addition to credit card payment.

4.10. it was clarified by the Ministry that a trustee representing a trust in case of Real Estate Investment Trust (REIT) or Infrastructure Investment Trust (InvITs), is not barred to hold partnership in an LLP in its name without the addition of the statement that it is a trustee. The following two notifications were issued during the year 2015:

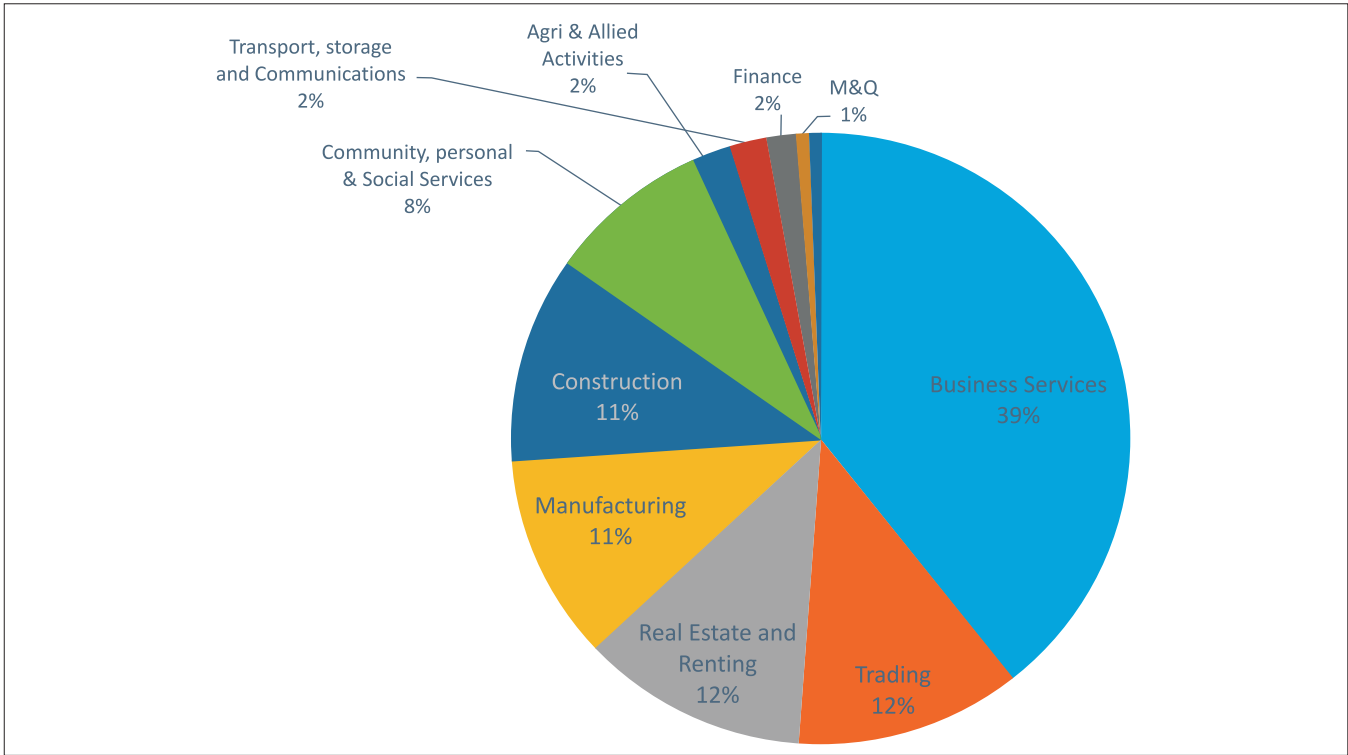
(i) Notification No. G.S.R.333 (E) dated 29.04.2015, vide which section 458 of Companies Act, 2013 (which deals with the delegation by Central Government of its powers and functions) was made applicable to LLPs.

(ii) Notification No. G.S.R 786(E), dated 15-10-2015, vide which Rule 33 of the LLP Rules, 2009 has been amended to do away the filing of Form-14 by Companies converting into LLPs.

4.11. 52,144 LLPs were registered as on 31.12.2015 of which 51,315 LLPs were active. Economic activity-wise classification of LLPs as on 31.12.2015 reveals that Service Sector accounts for over 63% LLPs. In **Chart 4.1**, a graphic description of the economic activity-wise distribution of all LLPs registered up to 31.12.2015 is given.

Chart 4.1

LLPs Registered by Economic Activity



*'M&Q' is Mining and Quarrying.

4.12. The collective obligation of contribution by partners of LLPs stood at ₹ 14,161.77 crores. About 89.92% active LLPs (46,143 in number) have obligation of contribution less than or equal to ₹ 5 lakh each; and only about 2.03% (1,041 in number) of LLPs have obligation of contribution of above ₹ 1 crore each.

CHAPTER - V

THE COMPETITION ACT, 2002 AND OTHER LEGISLATIONS

I. THE COMPETITION ACT, 2002

5.1.1. The Competition Act essentially has four components, 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, who through its position of dominance may restrict markets and set 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 Competition Act, 2002 provides for setting of the Competition Commission of India (CCI) comprising of a Chairperson, and a minimum of two and maximum of six Members. The Act also provides for establishment of the Competition Appellate Tribunal (COMPAT) to hear and dispose of appeals against the orders of CCI, and adjudicate upon the claims of compensation that may arise from the findings of the Commission. The Competition Commission of India (CCI) was constituted in March 2009 for the administration, implementation and enforcement of the Act.

5.1.3. The composition of CCI (as on 31.12.2015) is as under:

Shri Ashok Chawla - Chairperson*

* Current Chairperson is Shri Devender Kumar Sikri, with effect from 11.01.2016

Shri S.L. Bunker - Member
Shri Sudhir Mital - Member
Shri Augustine Peter - Member
Shri U.C. Nahta - Member
Shri M S Sahoo - Member
Shri G P Mittal - Member

Activities of the Commission

Various activities undertaken by CCI during the period from 01.01.2015 to 31.12.2015 are elaborated as under:

I. Enforcement Activities:

5.2.1. The Commission has received 113 cases u/s 19 (1)(a) of the Competition Act, 2002 from various informants during the period 01.01.2015 to 31.12.2015 in addition to 02 reference cases u/s 19 (1)(b). The Commission ordered investigation by DG in 23 cases under Section 26 (1) of the Act. During the period, the Commission also decided to close 96 cases u/s 26 (2) of the Act, after considering all facts and evidences.

5.2.2. From 20.05.2009 to 31.12.2015, a total of 673 cases were received u/s 19(1) of the Competition Act. Out of these, 269 were referred to DG, CCI for investigation. Out of these 269 cases, DG, CCI submitted investigation reports in respect of 219 cases and the investigation report is yet to be received from the DG, CCI in respect of the remaining cases. During this period, the Commission has finally disposed of 554 cases.

II. Combination:

5.2.3. The provisions relating to regulations of

Combinations (mergers and acquisitions) in the Competition Act, 2002 ('Act') were notified by the Government of India on 04.03.2011 (to come into force from 01.06.2011). For executing the mandate given under the Competition Act, the CCI notified "The Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011" (hereinafter known as 'Combination Regulation') on 11.05.2011. These regulations were amended vide notification(s) dated 23.02.2012, 04.04.2013, 28.03.2014, 01.07.2015 and 07.01.2016.

5.2.4. During the period 01.01.2015 to 31.12.2015, the Commission received one hundred and twenty seven (127) notices under sub-section (2) of Section 6 [including notices received under sub-section (1) of Section 20] of the Act. Further, the Commission made its final decision in one hundred and twenty (120) notices during the period.

5.2.5. During this period, the Commission issued show cause notice under sub-section (1) of Section 29 of the Act in one (1) combination notice as to why investigation in respect of this case should not be conducted. This case is under process as on 31.12.2015.

5.2.6. In addition to the above, during the period 01.01.2015 to 31.12.2015, the Commission has received one (1) filing under sub-section (5) of Section 6 of the Act. The Commission has noted this case in accordance with the provisions of the Act.

III. Market Studies & other initiatives

5.2.7. In pursuance of the mandate under section 49, sub-section 3 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 time to time.

COMPETITION APPELLATE TRIBUNAL

5.3.1. The Competition Appellate Tribunal (COMPAT) is a quasi-judicial body constituted under the provisions of Competition Act, 2002, as amended by Competition (Amendment) Act, 2007. The Tribunal is headed by a Chairperson, who shall be a serving/retired Judge of Supreme Court of India or serving/retired Chief Justice of a High Court or qualified to be a Judge of Supreme Court or Chief Justice of a High Court. The Members shall be eminent persons from socio-economic fields.

5.3.2. The Competition Appellate Tribunal adjudicates appeals against the orders of the Competition Commission of India and also adjudicates the claims of compensation that may arise from the findings of the Commission.

5.3.3. The present Chairperson of the Competition Appellate Tribunal is Hon'ble Justice Shri G.S. Singhvi, who is a former Judge of the Supreme Court of India and the Member is Shri Rajeev Kher, former Secretary to the Government of India. One post of Member of the Tribunal is presently lying vacant.

5.3.4. After the dissolution of the erstwhile MRTP Commission, the Government of India vide Ordinance dated 14th October, 2009, vested the COMPAT with powers to hear and dispose of pending cases, being dealt with by the then MRTP Commission. About 1825 pending cases were transferred to this Tribunal, out of which this Tribunal has disposed of 1807 cases and only 18 cases are pending at the end of December, 2015.

5.3.5. This Tribunal has received 443 Appeals so far against the decision of Competition

Commission of India, out of which 309 appeals have been disposed of and 134 appeals are under adjudication with the Tribunal as on 31 December, 2015.

5.3.6. There is also one post of Registrar in this Tribunal, of 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 Service.

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) maintenance and publication of Register of Members qualified to practice the profession; (iii) carrying on activities for development of the profession; and (iv) regulation & maintenance of the status and standards of professional qualification of members. The Institute conducts examinations all over the country, provides postal/oral 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 The Indian Partnership Act 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 (DONATION TO NATIONAL FUNDS) ACT, 1951

5.9 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

6.1. The Ministry of Corporate Affairs has taken several steps for providing improved client oriented service. The MCA-21 e-Governance Project marked a new era of responsive, customer-oriented, transparent and efficient governance. The project has been implemented in the offices of Registrar of Companies (ROCs), Regional Directorate (RDs) and MCA Headquarter at Delhi since March 2006. The first phase of the project began as the first Mission Model Project (MMP) of the National e-Governance Plan (NeGP) in 2006, with Tata Consultancy Services (TCS) as the service provider. The project completed its life-cycle on 16.01.2013. Infosys Ltd was selected as the service provider for the second phase (January, 2013 to July, 2019).

E-GOVERNANCE

6.2.1. MCA21 is presently undergoing technological up-gradation. In the continuous process of further enhancements and system improvements in the MCA 21 system, the following important measures have been initiated during the period 01 Apr 2014 31 Dec 2015:

I. MCA Portal redesigned: The website (www.mca.gov.in) has been redesigned during the year to provide an enhanced user experience and information architecture. Key information is easily accessible on the home page. The information is grouped under “About MCA, Acts & Rules, MCA Services, Statistics & Reports, Contacts and Help & FAQs” menus on the website.

II. An office of Registrar of Companies - cum - Official Liquidator, Chhattisgarh, at Bilaspur has been established and necessary changes have been made in MCA21 Application for same.

III. Implementation of the Companies Act, 2013:

- a. A total of 282 (of the 470) Sections of the Companies Act, 2013 came into force with effect from 01st April 2014. Notified e-forms corresponding to these sections along with detailed instruction kits to assist in filling the forms, have been provided on the MCA-21 portal for easy reference and further action by stakeholders.
- b. e-Form ADT-1 for intimating appointment of Auditors, under section 139(1) of the Companies Act, 2013, by the companies has been made available for e-filing on the MCA website www.mca.gov.in under 'company forms download' with effect from 20th October 2014. Form ADT-1 is to be filed as a separate e-form, and not as an attachment to the Form GNL-2.
- c. The new e-Forms introduced in 2014-15 are MGT-10 (Changes in shareholding position of promoters and top ten shareholders), DPT-4 (Statement regarding deposits existing on the commencement of the Act), DIR-3C (Intimation of Director Identification Number by the company to the Registrar DIN services) and

ADT-3 (Notice of Resignation by the Auditor). Forms introduced in 2015-16 are AOC 4 (Form for filing financial statement and other documents with the Registrar), AOC 4 CFS (Form for filing consolidated financial statements and other documents with the Registrar), AOC 4 XBRL (Form for filing XBRL document in respect of financial statement and other documents with the Registrar), MGT 7 (Form for filing annual return by a company), ADT 3 (Notice of Resignation by the Auditor), and ADT 2 (Application for removal of auditor(s) from his/their office before expiry of term).

- d. The modified e-Forms are DIR-3 (Application for allotment of Director Identification Number) and DIR-6 (Intimation of change in particulars of Director to be given to the Central Government). In order to further simplify the process of filing e-Forms, requirement of affidavit along with e-Forms DIR-3 and DIR-6 has been dispensed with. Now affidavits in e-Forms DIR-4 and DIR-7 has been converted into a declaration and merged with DIR-3 and DIR-6 respectively. Accordingly e-Forms DIR-4 and DIR-7 have been dispensed with.
- e. Form simplification (Integrated Form): To simplify and fast track the procedure for company registration in India, Ministry of Corporate Affairs (MCA) has introduced Form INC-29 Integrated Incorporation Form. Form INC-29 Company Registration has merged the process of getting Director Identification Number (DIN), Name

Approval and Incorporation application into one single process thereby reducing the time taken to start a company in India.

- f. A separate section on Frequently Asked Questions (FAQs) has been updated for guiding stakeholders to fill up the forms correctly. The document, mapping e-forms prescribed under the Companies Act, 2013 with e-forms prescribed under Companies Act, 1956, is also uploaded on the Ministry's website. Filing of the new e-forms began with effect from 28th April 2014.

IV. RoC and OL for the State of Telangana: Ministry has established the office of the Registrar of Companies at Hyderabad having territorial jurisdiction in the whole State of Telangana for discharging the functions of the Registrar of Companies under the various provisions of the Companies Act and necessary provision has been made in MCA21 Application for the same.

V. Company Law Settlement Scheme, 2014: The Ministry of Corporate Affairs had launched the 'Company Law Settlement Scheme 2014 (CLSS-2014)', which concluded on 31st December 2014. CLSS-2014 provided a one-time opportunity for defaulting companies to file their annual statutory documents, while granting immunity from prosecution and reduced fee. The total filing under CLSS from 1st April 2014 to 31st December 2014 was 4,78,656.

VI. Online payment of stamp duty and court fees for Certified Copies: MCA enabled the payment of Stamp Duty as well as Court Fee online through MCA portal. This has also enabled the respective ROCs to send the certified documents without awaiting for

physical stamp papers and any formal application (with Court Fee Stamp) in this regard.

VII. MCA21 Filings Set New Record: The Ministry had put in place a mechanism for ensuring seamless e-filing during the peak period of September-November, 2014. The system had functioned smoothly during peak filing and the total number of filings crossed the 15 lakh mark during the Month of October, 2014. The daily filing exceeded 1 lakh on four occasions during the same period.

VIII. Opportunity for Updating Signatory Details: There are about 1.67 lakh companies on the Registry, which have not provided the signatory details of its Directors. To facilitate stakeholders, the Ministry of Corporate Affairs has allowed these companies to get their signatory details of the Directors updated on the MCA21 system by approaching the Registrar of Companies (RoCs) with proof of appointment of Directors prior to 30th June 2007. Directors appointed after 30th June 2007, can update their signatory details by filing e-Form DIR-12. This will enable all the Directors to file their overdue annual documents with the Registrars and also to file DIR-3C for informing RoCs of the DIN of Directors.

IX. Simplification of e-Form for Allotment of DIN: The Ministry of Corporate Affairs has issued Companies (Appointment and Qualifications of Directors) Amendment Rules, 2014, simplifying the e-Forms required to be filed for obtaining Director Identification Number (DIN).

X. Relaxation of PAN Requirement for Foreign Nationals for Filing Charge Document: The Ministry of Corporate Affairs has relaxed the requirement of submitting the Permanent Account Number (PAN) for foreign nationals being the charge holder at the time of

filing the charge document.

XI. Components of MCA21 in eBiz: Ministry of Corporate Affairs has linked three of its services, i.e., (i) incorporation of company; (ii) name application; and (iii) Directors Identification Number (DIN) with the eBiz platform. The focus of eBiz e-governance project is to improve the business environment in the country by enabling fast and efficient access to Government-to-Business (G2B) services through an online portal.

XII. MGT-14 e-Form through STP Mode: In order to simplify procedures and ensure timely disposal of e-Forms in the office of Registrars of Companies, e-form, MGT-14 (except those related to change in name and object, resolution for issue of capital and conversion of companies) will be processed and taken on record using the Straight Through Process (STP) mode.

XIII. LLP rollout on new platform: A new platform has been introduced for MCA 21 users for LLP. The New platform for MCA 21 users comes with a new architecture, wherein various operations' bottlenecks faced in previous system have been addressed. In addition, the new platform features:

- a. 360 degree view of system
- b. Interactive reports feature
- c. Improved security features such as audit trail for all production activities.

New platform is also planned to be rolled out for Company administration in 2016-17.

XIV. New Tool for ticket management: To address the growing demand of IT, MCA as part of ITSM (Information Technology Service Management) practice has introduced new tool for logging service requests. The tool addresses the following needs of MCA21 project:

- a. SLA Compliance of tickets

- b. Service request management
- c. Improved reporting

XV. MCA sets up Central Registration Centre (CRC) on Republic Day: The Ministry of Corporate Affairs has taken the initiative in Government Process Re-engineering (GPR) and completed all necessary steps for the launch of the Central Registration Centre (CRC), on the occasion of Republic Day 2016, with the specific objective of providing speedy incorporation related services within stipulated time frames which are in line with international best practices. The GPR involves a three pronged approach wherein further automating some of the approval processes by utilizing advanced software tools & engines, rationalising and modifying some of the rules and engaging professionals to expedite the process of manual scrutiny has been carried out. In the first phase, the CRC will process applications for name availability (INC-1 e-forms) submitted on line across the country and endeavour to process these by the end of next working day. 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, eradicating discretion. It is being supplemented by intensive monitoring aimed at providing timely approvals.

XVI. Tool for service delivery monitoring: MCA 21 is transitioning to a new platform. The service levels for service delivery on new platform have accordingly been revised. Monitoring of these service levels shall be done in new and improved tool through a single interface. Some of the features of tool are:

- a. Automated calculation of SLAs.
- b. Business level reports
- c. Web based reporting.

XVII. Fee Calculator: As per revised notifications, fee calculator for fees applicable to various services of MCA has been updated and made available on MCA21 portal.

EFFICIENCY IN SERVICE DELIVERY UNDER MCA21:

6.2.2. There has been a significant turnaround in time for delivery of services with the implementation of the project. The Achievements of MCA-21 in terms of the filing status is given in **Table 6.1**.

Table 6.1
Filing Status (During 01.04.2014 to 31.12.2015)

Sr. No	Description	Number
1	Total filings through system till date	91,32,411
2	Maximum number of documents filed on a day	1,37,979
3	Number of companies registered online	1,24,946
4	Total DIN issued till date	4,02,556
5	Company records viewed online	14,62,291
6	Number of balance sheets filed	13,63,494
7	Number of annual returns filed	13,51,840
8	Amount of E-stamp fee collected (in Rs.)	2,92,55,80,705
9	Number of authorised bankers and professional registered with DSC	15,231
10	Number of registered users on the portal	1,74,983

INVESTOR AWARENESS PROGRAMME:

6.3. Investor Awareness Programmes have been conducted during the year, in partnership with the three Professional Institutes i.e. Institute of Charter Accountants of India (ICAI), the Institute of Companies Secretaries of India (ICSI) and the Institute of Cost Accountants of India (Formerly Institute of Cost and Works Accountants of India (ICWAI). The programmes aim to educate investors, including young investors, on various aspects of responsible investment. These programmes cover various cities across the country. To increase the reach of these programmes, Regional Directors and field offices of the Ministry of Corporate Affairs have been involved in organizing these programmes since 2012-13. The Regional Directors, in turn, collaborate with the Professional Institutes to organize these programmes. During the year 2015-16, about 1650 investor's awareness programmes have been organized. Further, the Ministry has also organised 98 such programmes in rural areas during 2015-16 (till 31.12.2015) through CSC e-Governance Services of India Ltd., an entity under Department of Electronics and Information Technology. Besides organizing investors awareness programmes, the Ministry also undertook campaign through print and electronic media to create awareness among the investors.

INVESTOR EDUCATION AND PROTECTION FUND

6.4. The Ministry has launched a sub-site on the Ministry's website www.mca.gov.in, where companies are filing their investor-wise details of unpaid and unclaimed amounts lying with them. Till 31st December, 2015, 5347

companies have uploaded their data. The objective is to enable the investors, especially the small investors, to search and locate information on such amount and claim the same from the respective companies before the transfer of unclaimed amounts to the Investor Education and Protection Fund after the expiry of seven years.

CORPORATE SOCIAL RESPONSIBILITY (CSR) LEGISLATION

6.5.1 Corporate Social Responsibility (CSR) for companies has been mandated through legislation in India through Section 135 of the Companies Act, 2013. Section 135, Schedule VII to the Companies Act, 2013, and the Companies (Corporate Social Responsibility) Rules, 2014 were notified on 27th February, 2014, and came into force from 01.04.2014.

6.5.2. Section 135 of the Companies Act, 2013 Schedule VII of the Act and Companies CSR Policy Rules, 2014 read with General Circular dated 18.06.2014 issued by the Ministry of Corporate Affairs, provide the board contour within which eligible companies are required to formulate their CSR policies including activities to be undertaken and implement the same in the right earnest. While complying with the CSR provisions of the Act, Board of the eligible companies are empowered to appraise and approve their CSR policy including CSR projects/Programmed/activities to be undertaken. Under Section 134(3) (o) of the Act, Companies are mandated to include Annual Return on CSR in their Board's Report as per the prescribed format.

6.5.3. The Department of Public Enterprises has issued guidelines on 'Corporate Social Responsibility and Sustainability' on

21.10.2014, which is in complete alignment with CSR provisions of the Companies Act, 2013 and is applicable to Central Public Sector Undertakings (CPSEs).

6.5.4. A High Level Committee was constituted under the Chairmanship of Shri Anil Bajjal, former Union Secretary, to suggest measures for monitoring the progress in Implementation of Corporate Social Responsibility (CSR) policies by companies at their level and by the Government under the provisions of Section 135 of the Companies Act. The Committee submitted its report on 22.09.2015. The report is available at the Ministry's website www.mca.gov.in

6.5.5. A set of Frequently Asked Questions along with replies has been brought out by this Ministry on 12th January, 2016 to facilitate effective implementation of CSR by companies. This has been placed in the public domain on the Ministry's website.

NATIONAL FOUNDATION FOR CORPORATE GOVERNANCE

6.6.1 The National Foundation for Corporate Governance has been established as a Trust jointly by the Ministry of Corporate Affairs, Confederation of Indian Industry (CII), and 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.

6.6.2. 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 Ministry for Corporate Affairs.

6.6.3. 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.

RASHTRA-BHASHA

6.7. The Ministry of Corporate Affairs continues to enhance its efforts for achieving targets set by the Department of Official Language and to promote the use of Hindi in official work. In its endeavor to promote the use of Hindi in official work and to achieve the targets set by the Department of Official Language in the Annual Program 2015-16, the Ministry has undertaken various initiatives. Some of the major activities and initiatives undertaken during the period under review are:

- i. Quarterly meetings of Official Language Implementation committee (OLIC), chaired by the Joint Secretary (Administration) were held regularly and the implementation of the official Language policy of the Government was monitored actively.
- ii. The first meeting of the newly constituted Hindi Salahkar Samiti was held on 30.09.2015 under the chairmanship of the Shri Arun Jaitely, Hon'ble Minister for Corporate Affairs.
- iii. Hindi Pakhwada (Hindi fortnights) were organized in the Ministry from

12th to 26th September, 2014 and 15th to 30th September, 2015. Various Competitions were organized separately for Hindi speaking and non-Hindi speaking officers/employees during the period. Felicitation Prize Distribution Functions were organized on 17th October, 2014 and 16th October, 2015 respectively wherein Secretary, Corporate Affairs awarded prizes and certificates to the winners.

- iv. Four Hindi workshops were organized on 02.06.2014, 18.02.2015, 12.05.2015 and 14 to 17.07.2015 for the officers/employees of the Ministry, which this helped them overcome hitches in the use of Hindi in Official work. Hindi font was activated in 24 computers and Hindi typing practice sessions were conducted during 14.07.2015 to 17.07.2015.
- v. Twenty eight subordinate/attached offices of the Ministry were inspected by the officers of the Ministry under Inspection-cum-contact program during 01.04.2014 to 31.12.2015 to review the progress of implementation of Official Language Policy. All the sections of the Ministry were also inspected by the Hindi section.
- vi. The Parliamentary Committee on Official Language inspected eight offices of the Ministry during 01.04.2014 to 31.12.2015.

CITIZEN'S/CLIENT'S CHARTER

6.8. The Ministry of Corporate Affairs, being a regulatory Ministry, has regular public interaction for performing its regulatory functions, which most often take form of

rendering its services to the various stakeholders. The Ministry has issued 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 Citizens' charter with the designation of the official concerned and relevant contact particulars in respect of each of the services. It has also set the standards of performance/ time limits against each of the services/ transactions. The same is enclosed at **Annexure-IV** to this Report.

REPRESENTATION OF SCHEDULED CASTES (SCs), SCHEDULED TRIBES (STs), OTHER BACKWARD CLASSES (OBCs)

6.9. The representation of Scheduled Castes (SCs), Scheduled Tribes (STs) and Other Backward Classes (OBCs) in the Ministry, including field offices staff is shown in the **Table 6.2.**

Table 6.2
Representation of SCs, STs and OBCs in the Headquarter and Field Offices

(As on 31st December 2015)

Group	In position			
	Total	SC	ST	OBC
A	257	36	27	40
B	432	76	30	67
C	502	114	41	73
TOTAL	1191	226	98	180

BUDGET OF MCA 2014-15 (up to 31.12.2014)

6.10. The details of the Revenue Receipts and Expenditure (Plan and Non Plan) of the Ministry are given below (Table 6.3 and Table 6.4).

Table 6.3
Revenue Receipts

(in ₹ crore)

2012-13	2013-14	2014-15	2015-16 (upto 31st Dec, 2015)
1468.85	1602.50	2268.18	1389.28

* Figures provided by Principal Accounts Office, MCA

Table 6.4
Expenditure (Plan & Non-Plan)

(in ₹ crore)

	Actual Expenditure* 2014-15	Budget Estimate** 2015-16	Revised Estimate*** 2015-16	Actual Expenditure* 2015-16 (Upto Dec, 2015)	Budget Estimate 2016-17
Non-Plan	208.31	247.88	391.53	186.55	324.43
Plan	17.93	24.00	20.00	13.60	20.00
Total	226.24	271.88	411.53	200.15	344.43

*Figures provided by Principal Accounts Office, MCA

**As DDG-2015-16

***As per ceiling provided by Ministry of Finance

Investor Grievance Management Cell

6.11.1. The Ministry received 18692 grievances petitions from the investors/depositors during the period from 01.04.2014 to 31.12.2015 and apart from this, 3001 grievances

related to the previous year were also pending. Out of a total of 21593 grievances, 19608 grievances were resolved and 1985 grievances were pending for redressal as on 31.12.2015 with Registrars of Companies.

6.11.2. Further, IGM Section received 486 off-line grievance pertaining to other agencies such as SEBI, RBI, Ministry of Finance (Banking Division, Capital Market Division), Department of Revenue, Ministry of Labour & Employment, IRDA, Department of Public Enterprises, M/o Consumer Affairs, M/o Water Resources, M/o Law and Justice, M/o Civil Aviation, Ministry of Home Affairs, Ministry of Human Resources, MSME etc. The same were forwarded to the respective agencies for necessary action.

RIGHT TO INFORMATION

6.12.1 Ministry of Corporate Affairs is a Public Authority under the provision of the RTI 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. In order to fulfil the obligations and provisions under section 4(1) (a) (b) of the Right to Information Act, 2005, subject matters dealt by various Divisions of the Ministry have been uploaded, in the format as devised by Central Information Commission (CIC) on the website of the Ministry (www.mca.gov.in). The information is being kept in the public domain and is updated regularly.

6.12.2. The officers of the ministry have been declared as Central Public Information Officers (CPIOs) and Appellate Authorities (AAs) as per their allotted work. Field offices under this ministry have been declared as Public Authorities under Right to Information Act. Applications/ appeals under the Right to Information Act are also being received through Central Assistant Public Information Officers (CPIOs) nominated at sub-Divisional level or other Sub-District level by the Department of Posts.

6.12.3. Similarly arrangements to implement proactive disclosure have been made by other Public Authority under the ambit of Ministry of Corporate Affairs viz Company Law Board, Competition Commission of India, Serious Fraud investigation Office, Indian Institute of Corporate Affairs, Competition Appellate Tribunal, Institute of Chartered Accountant of India and Institute of Cost Accountants of India and Institute of Company Secretary of India.

6.12.4. The Statistics in respect of application and appeals received under the Right to Information Act during the period 01.01.2015 to 31.02.2015 in the Ministry of Corporate Affairs in given in **Table 6.5** below:

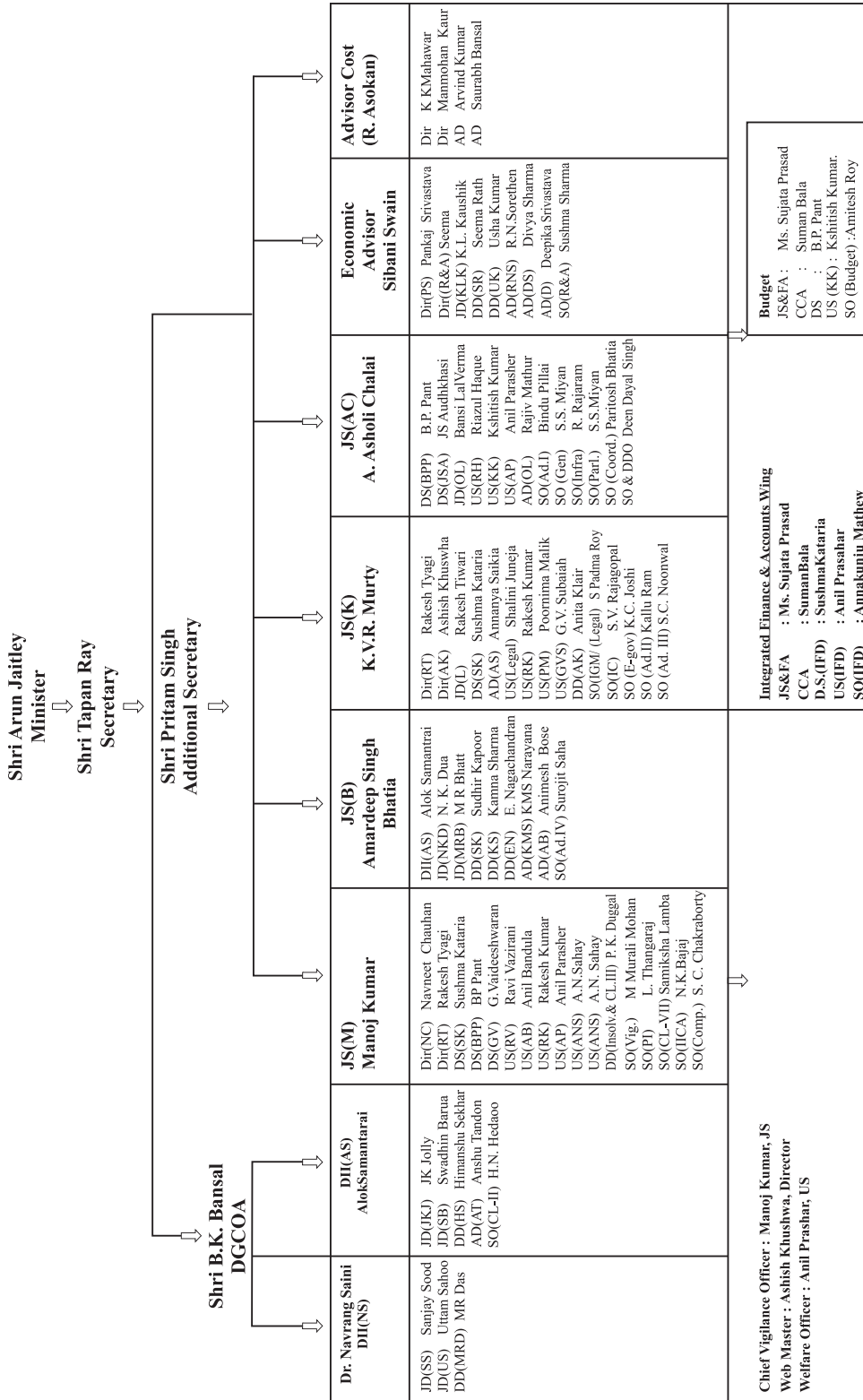
Table 6.5
Details of RTI Requests and Appeals (during the period 01.01.2015 31.12.2015)

1	Total number of applications received	2862
2	Transferred to other Public Authorities	1486
3	Decisions where requests for information were rejected	170
4	Total no. of appeals received	130
5	No. of cases where disciplinary action was taken against any officer in respect of administration of this Act	NIL
6	No. of cases where CIC imposed penalty	NIL

**ANNEXURES
(I to IV)**

Organisation Chart

Functionaries of Ministry of Corporate Affairs



NOTIFICATIONS
(01st April, 2014 to 31st December, 2015)

S.No.	Notification Number	Date	Subject
1	G.S.R. 297(E)	28.04.2014	Regarding the Companies (Registration Offices and Fees) Amendment Rules, 2014
2	S.O. 1177(E)	29.04.2014	Regarding the Companies (Removal of Difficulties) Second Order, 2014.
3	S.O.1352(E)	21.05.2014	The Central Government has delegates to the Regional Directors at Mumbai, Kolkata, Chennai, Noida, Ahmedabad, Hyderabad and Shillong, the powers and function vested in it under the clause (i) of sub-section (4) of Section 8, sub-section (6) of Section 8, sub-section (4) and (5) of Section 13, Section 16, 87, sub-section (3) of Section 111, sub-section (1) of Section 140 and proviso (i) to sub-section (1) of Section 399.
4	S.O.1353(E)	21.05.2014	The Central Government has delegates to the Registrar of Companies, the power and functions vested in it under the sub-section (2) of Section 4, sub-section (1) of Section 8, clause (i) of sub-section (4) of Section 8, except for alteration of memorandum in case of conversion into another kind of company, sub-section (5) of Section 8; and sub-section (2) of Section 13.
5	S.O.1354(E)	21.05.2014	The Central Government has delegates the powers and functions of the Central Government in respect of allotment of Director Identification Number under Section 153 and 154 of the said Act to the Regional Director, Joint Director, Deputy Director or Assistant Director posed in the office of Regional Director at Noida.
6	S.O 1406(E)	27.05.2014	In the notification of the Ministry of Corporate Affairs S.O. 1177(E) dated 29.04.2014 published in the Gazette of India on 30.04.2014, in line six, for “(1) This order may be called the Companies (Removal of Difficulties) Second Order, 2014” read “(1) This order may be called the Companies (Removal of Difficulties) Order, 2014”.

S.No.	Notification Number	Date	Subject
7	S.O. 1428(E)	02.06.2014	Regarding The Companies (Removal of Difficulties) Second Order, 2014 providing that until a date is notified by the Central Government under sub-section (1) of the section 434 of the Companies Act, 2013, the Company Law Board constituted in pursuance of sub-section (1) of section 10E of the Companies Act, 1956 shall exercise the jurisdiction, powers, authority and functions under sub-section (4) of section 73 of Companies Act, 2013.
8	S.O. 1429(E)	02.06.2014	Regarding The Companies (Removal of Difficulties) Third Order, 2014 providing that until the National Company Law Tribunal is constituted under section 408 of the Companies Act, 2013, the Board of Company Law Administration constituted in pursuance of sub-section (1) of section 10E of the Companies Act, 1956 shall exercise the jurisdiction, powers, authority and functions under the first proviso to clause (41) of section 2 of Companies Act, 2013.
9	G.S.R. 386 (E)	06.06.2014	Amending Rule 5 of The Companies (Acceptance of Deposits) Rules, 2014 thereby providing that the company may accept the deposits without deposit insurance, contract till 31.03.2014.
10	S.O. 1459 (E)	06.06.2014	Regarding appointment of the 6th June, 2014 as the date on which the provisions of sub-section (2) and (3) of Section 74 of the Companies Act, 2013 shall come into force.
11	S.O. 1460 (E)	06.06.2014	Regarding The Companies (Removal of Difficulties) Fourth Order, 2014 providing that until a date is notified by the Central Government under sub-section (1) of the section 434 of the Companies Act, 2013, the Company Law Board constituted in pursuance of sub-section (1) of section 10E of the Companies Act, 1956 shall exercise the jurisdiction, powers, authority and functions of the Tribunal under sub-section (2) of section 74 of Companies Act, 2013.
12	G.S.R. 390 (E)	09.06.2014	Inserting Rule 8A in The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, thereby incorporating provision of appointment of Company Secretaries in companies not covered under rule 8.

S.No.	Notification Number	Date	Subject
13	G.S.R. 398 (E)	12.06.2014	Amending Rule 6 of The Companies (Meeting and Powers of Board) Rules, 2014 thereby providing that public companies covered under this rule which were not required to constitute Audit Committee under section 292A of the Companies Act, 1956 shall constitute their Audit Committee within one year from the commencement of these rules or appointment of independent directors by them, whichever is earlier. Further, providing that public companies covered under this rule shall constitute their Nomination and Remuneration Committee within one year from the commencement of these rules or appointment of independent directors by them, whichever is earlier.
14	G.S.R. 397(E)	12.06.2014	Amending Rule 3 of The Companies (Declaration and Payment of Dividend) Rules, 2014, thereby incorporating that no company shall declare dividend unless carried over previous losses and depreciation not provided in previous year or years are set off against profit of the company of the current year.
15	G.S.R. 413 (E)	18.06.2014	Amending Rule 4, 13 and 18 of The Companies (Share Capital and Debentures) Rules, 2014
16	G.S.R. 415 (E)	18.06.2014	Amending Rule 20 of The Companies (Management and Administration) Rules, 2014, thereby providing that the company may provide the facility referred to in this sub-rule (1) on or before the 1st day of January, 2015, further in sub-rule (3) of Rule 20, for the words “which opts to provide”, the words “which provides” were substituted
17	G.S.R. 424 (E)	30.06.2014	Inserting a new proviso in Rule 14, sub-rule (2), clause (a) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, thereby providing that in case of an offer or invitation for non-convertible debentures referred to in the second proviso, made within a period of six months from the date of commencement of these rules, the special resolution referred to in the second proviso may be passed within the said period of six months from the date of commencement of these rules.
18	G.S.R. 425 (E)	30.06.2014	Companies (cost records and audit) Rules, 2014.
19	S.O. 1820 (E)	09.07.2014	Regarding the Companies (Removal of Difficulties) Fifth Order, 2014, thereby providing that in sub-clause (v) of clause (76) of section 2, of Companies Act for the words “or holds”, the words “and holds” shall be substituted.

S.No.	Notification Number	Date	Subject
20	G.S.R. 506 (E)	17.07.2014	Inserting Rule 11 in the Companies (Miscellaneous) Amendment Rules, 2014 after rule 10, thereby incorporating that any application or form filed with the Central Government or Regional Director or Registrar (hereinafter referred to as 'the authority') prior to the commencement of these rules but not disposed of by such authority for want of any information or document shall, on its submission, to the satisfaction of the authority, be disposed of in accordance with the rules made under the Companies Act, 1956 (1 of 1956).
21	G.S.R. 507 (E)	17.07.2014	Amending Rule 3 of the Companies (Specification of definitions details) Rules, 2014, the words 'other than an independent director', after the words 'a director'.
22	G.S.R. 537 (E)	24.07.2014	Amending Rule 9, 13, 23 and 27 of Companies (Management and Administration) Rules, 2014, thereby inserting proviso after sub-rule (3) of Rule 9 stating that nothing contained in this rule shall apply in relation to a trust which is created, to set up a Mutual Fund or Venture Capital Fund or such other fund as may be approved by the Securities and Exchange Board of India, omitting words "either value or volume of the shares" and explanation in Rule 13, substituting the words "not more than five lakh rupees" for the words "not less than five lakh rupees" in Rule 23 sub-rule (1) and substituting word "may" for the word "shall" in sub-rule (1) and explanation of Rule 27 respectively.
23	S.O. 1894 (E)	24.07.2014	Regarding the Companies (Removal of Difficulties) Sixth Order, 2014, thereby inserting the word "or his relative" after the word "manager" in Section (2), Clause (76), sub-clause (iv) of Companies Act, 2013.
24	S.O. 1913 (E)	25.07.2014	This Ministry has issued a notification stating that public companies having paid-up share capital of rupees one hundred crore or more and annual turnover of rupees one thousand crore or more which are engaged in multiple businesses and have appointed Chief Executive Officer for each such business shall be the class of companies for the purposes of the second proviso to sub-section (1) of section 203 of the Companies Act, 2013.

S.No.	Notification Number	Date	Subject
25	G.S.R. 568 (E)	06.08.2014	Regarding amendment in Schedule VII of the Companies Act, 2013 thereby inserting 'slum area development' as new item (xi) after item (x) in schedule VII of the Companies Act, 2013.
26	G.S.R. 590 (E)	14.08.2014	Amending Rule 3, Rule 4 and Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014.
27	G.S.R. 627(E)	29.08.2014	The Central Government has makes amendments further to amend Schedule II of the Companies Act, 2013
28	S.O. 2226 (E)	04.09.2014	Regarding the Companies (Removal of Difficulties) Seventh Order, 2014. In section 143 of the Companies Act, 2013 in sub-section (5), for the portion beginning with the words “In the case of a Government company” and ending with the words “required to be audited and”, thereby substitute as follows:- “In the case of a Government company or any other company owned or controlled, directly or indirectly, by the Central Government, or by and State Government or Governments, or partly by the Central Government and partly by one or more State Governments, the Comptroller and Auditor General of India shall appoint the auditor and sub-section (5) or sub-section (7) of Section 139 and direct such auditor the manner in which the accounts of the company are required to be audited and”.
29	S.O. 2226 (E)	04.09.2014	Regarding the Companies (Removal of Difficulties) Seventh Order, 2014. In section 143 of the Companies Act, 2013 in sub-section (5), for the portion beginning with the words “In the case of a Government company” and ending with the words “required to be audited and”, thereby substitute as follows:- “In the case of a Government company or any other company owned or controlled, directly or indirectly, by the Central Government, or by and State Government or Governments, or partly by the Central Government and partly by one or more State Governments, the Comptroller and Auditor General of India shall appoint the auditor and sub-section (5) or sub-section (7) of Section 139 and direct such auditor the manner in which the accounts of the company are required to be audited and”.

S.No.	Notification Number	Date	Subject
30	G.S.R. 644 (E)	12.09.2014	Amending Rule 4 in sub-rule (6) of Companies (Corporate Social Responsibility Policy) Rules, 2014. (c) The Central Government constitutes an Advisory Committee namely the National Advisory Committee on Accounting Standards, consisting of 01 Chairperson and 12 Members to advise the Central Government on the formulation and laying down of accounting policies and accounting standards for adoption by companies or class of companies under the Companies Act, 2013.
31	G.S.R 671(E)	18.09.2014	The Central Government has makes the rules to amend the Companies (Appointment and Qualifications of Directors) Rules, 2014.
32	S.O. 2425 (E)	18.09.2014	The Central Government constitutes an Advisory Committee namely the National Advisory Committee on Accounting Standards, consisting of 01 Chairperson and 12 Members to advise the Central Government on the formulation and laying down of accounting policies and accounting standards for adoption by companies or class of companies under the Companies Act, 2013 Regarding the Companies (Audit and Auditors) Amendment Rules, 2014. In the Companies (Audit and Auditors) Rules, 2014, after rule 10, the following shall be inserted:-
33	G.S.R. 722 (E)	14.10.2014	“10A. For the purposes of clause (i) of sub-section (3) of section 143, for the financial years commencing on or after 1st April, 2015, the report of the auditor shall state about existence of adequate internal financial controls system and its operating effectiveness: Provided that auditor of a company may voluntarily include the statement referred to in this rule for the financial year commencing on or after 1st April, 2014 and ending on or before 31st March, 2015”
34	G.S.R. 723 (E)	14.10.2014	Regarding the Companies (Accounts) Amendment Rules, 2014. In the Companies (Accounts) Rules, 2014, in rule 6, after the existing proviso, the following provisos shall be inserted:- “Provided further that nothing in this rule shall apply in respect of preparation of consolidated financial statement by an intermediate wholly-owned subsidiary, other than a wholly-owned subsidiary whose immediate parent is a company incorporated outside India:

S.No.	Notification Number	Date	Subject
			Provided also that nothing contained in this rule shall, subject to any other law or regulation, apply for the financial year commencing from the 1st day of April, 2014 and ending on the 31st March, 2015, in case of a company which does not have a subsidiary or subsidiaries but has one or more associate companies or joint ventures or both, for the consolidation of financial statement in respect of associate companies or joint ventures or both, as the case may be”.
35	G.S.R. 741(E)	24.10.2014	The Central Government has makes further amendment to Schedule VII of the Companies Act, 2013.
36	G.S.R. 772(E)	03.11.2014	Regarding the Company Law Board (Fees on Applications and Petitions) Amendment Rules, 2014. In the Company Law Board (Fees on Applications and Petitions) Rules, 1991, after serial no. 33, four new entries namely Serial No. 34 to 37 have been added in the schedule providing that every petition/application made to the Company Law Board under Section 2(41), 58 & 59, 73(4) read with Section 76 and 74(2) of the Companies Act, 2013 shall be accompanied with fee of Rs. 5,000/-, 500/-, 100/- and 5,000/- respectively.
37	G.S.R. 815(E)	17.11.2014	Regarding the Companies (Central Government's) General Rules and Forms Amendment Rules, 2014, thereby, substituting the words “in the Ministry of Corporate Affairs” in Rule 12A of Companies (Central Government's) General Rules and Forms, 1956 for the brackets and words “[Accounts] in the Department of Company Affairs”.
38	G.S.R. 01(E)	31.12.2014	This Ministry vide Notification dated 31.12.2014, amended the Companies (Cost Records and Audit) Rules, 2014. The amendment rules came into force from the date of the publication in the official gazette
39	S.O. 504 (E)	13.02.2015	Regarding the Companies (Removal of Difficulties) Order, 2015. In the Companies Act, 2013 thereby substitute as follows:- (a) in section 2, in clause (85), in sub-clause (i), for the word “or” occurring at the end, the word “and” shall be substituted; and (b) in section 186 of the Companies Act, 2013, in sub-section (11), in clause (b), after item (iii), the following item shall be inserted namely:-

S.No.	Notification Number	Date	Subject
			(iv) made by a banking company or an insurance company or a housing finance company, making acquisition of securities in the ordinary course of its business“.
40	G.S.R. 210 (E)	18.03.2015	This Ministry vide notification dated 18.03.2015 has amended the rules relating to Companies (Share Capital and Debentures) Rules, 2014. The amendment rule of Companies (Share Capital and Debentures) Amendment Rules, 2015 comes into force w.e.f. 18.03.2015 and the same has been sent for publication in the Official Gazette.
41	S.O. 990(E)	10.04.2015	The Companies (Auditor's Report) Order, 2015 under sub-section (11) of section 143 of the Companies Act, 2013 in order to replace the Companies (Auditor's Report) Order, 2003 issued under the Companies Act, 1956 and to specify the matters to be included in the report to be made by the auditor under section 143 of the Companies Act, 2013.
42	G.S.R. 349(E)	01.05.2015	<p>This Ministry vide notification dated 01.05.2015 has amended the rules relating to Companies (Incorporation) Rules, 2014. The amendment rule of Companies (Incorporation) Amendment Rules, 2015 come into force from the date of their publication in the Official Gazette. In order to ease, the doing of business in India, this Ministry w.e.f. 01.05.2015, introduced eForm INC-29 i.e. integrated incorporation form. Only a single integrated application in form no. INC-29 need to be filed for the following purpose:-</p> <ul style="list-style-type: none"> • Application for applying DIN for maximum 3 Directors. • Application for Name availability (for single name only). • Application for company registration. <p>All the information asked in aforesaid forms is combined into one single form. The filing fees will be the normal registration fees for registration of the company along with Rs. 2000.</p>
43	S.O. 1440(E)	29.05.2015	This Ministry vide notification dated 29.05.2015 hereby appoints the 29th May, 2015 as the date on which the provisions of sections 1 to 12 and 15 to 23 of the Companies (Amendment) Act, 2015 shall come into force

S.No.	Notification Number	Date	Subject
44	G.S.R. 439(E)	29.05.2015	This Ministry vide notification dated 29.05.2015 has amended the rules relating to Companies (Share Capital and Debentures) Rules, 2014. The amendment rule of Companies (Share Capital and Debentures) Second Amendment Rules, 2015 come into force from the date of their publication in the Official Gazette. In rule 5, in sub-rule (3) with regard to Certificate of Shares, seal of the company has not been mandated and also the share certificate shall be signed by two directors in case a company does not have a common seal and also case of One Person Company does not have a common seal the share certificate shall be signed in the presence of whom the seal is required to be affixed.
45	G.S.R. 438(E)	29.05.2015	This Ministry vide notification dated 29.05.2015 has amended the rules relating to Companies (Registration Offices and Fees) Rules, 2014. The amendment rule of Companies (Registration Offices and Fees) Second Amendment Rules, 2015 come into force from the date of their publication in the Official Gazette. The rule prohibits for right to inspect and obtain copy of resolution passed by the Board in clause (g) of sub-section (3) of section 117 of the Act.
46	G.S.R. 440(E)	29.05.2015	This Ministry vide notification dated 29.05.2015 has amended the rules relating to Companies (Registration of Charges) Rules, 2014. The amendment rule of Companies (Registration of Charges) Amendment Rules, 2015 come into force from the date of their publication in the Official Gazette. In rule 3, in sub-rule (4) of the said rules the seal of the company has been made optional for certificate of shares.
47	G.S.R. 442(E)	29.05.2015	This Ministry vide notification dated 29.05.2015 has amended the rules relating to Companies (Incorporation) Rules, 2014. The amendment rule of Companies (Incorporation) Second Amendment Rules, 2015 come into force from the date of their publication in the Official Gazette. A proviso has been inserted in rule 12 of the said rule to obtain prior approval of sectoral regulators such as RBI, SEBI for pursuing objects and the same shall be submitted at the stage of incorporation of the company.

S.No.	Notification Number	Date	Subject
48	G.S.R. 441(E)	29.05.2015	This Ministry vide notification dated 29.05.2015 has amended the rules relating to Companies (Declaration and Payment of Dividend) Rules, 2014. The amendment rule of Companies (Declaration and Payment of Dividend) Second Amendment Rules, 2015 come into force from the date of their publication in the Official Gazette. In rule 3, sub-rule (5) has been deleted relating to carried over previous losses and depreciation aspect and set off against profit of the company for declaring dividend.
49	G.S.R. 466(E).	05.06.2015	Notification issued under section 462 of the Act. The same is relate to exemptions to Section 8 (non-profit) companies;
50	G.S.R. 464(E).	05.06.2015	Notification issued under section 462 of the Act. The same is relate to exemptions to Private companies
51	G.S.R. 465(E).	05.06.2015	Notification issued under section 462 of the Act. The same is relate to exemptions to Nidhi companies
52	G.S.R. 463(E).	05.06.2015	Notification issued under section 462 of the Act. The same is relate to exemptions to Government companies
53	G.S.R. 486(E)	12.06.2015	<p>A notification dated 12.06.2015 relates to amendment in Companies (Cost Records and Audit) Rules, 2014 for substituting Forms CRA-2 (Form of intimation of appointment of cost auditor by the company to Central Government) CRA-4 (Form for filing Cost Audit Report with the Central Government) has been issued.</p> <p>(B) (i) In form no. CRA-2 changes inter-alia includes insertion of (i) nature of intimation of appointment of cost auditor (ii) SRN of CRA-2 filed earlier (iii) filling of casual vacancies (iv) elaborating goods or services with drop down facility (v) capturing of PAN of manager and membership number of the Company Secretary.</p> <p>(B)(ii) In form no. CRA-4, changes inter-alia includes insertion of (i) SRN no. of form no. 23C/CRA-2 filed for appointment of cost auditor (ii) change in the financial year (iii) elaborating goods or services with drop down facility and bifurcating Regulated Sector and Non-Regulated Sector (iv) capturing of PAN of manager and membership number of the Company Secretary.</p>

S.No.	Notification Number	Date	Subject
54	G.S.R. 669(E)	28.08.2015	The notification relates to amendment in Companies (Management and Administration) Rules, 2015 to the effect to make some drafting nature changes and to modify Form MGT-7 i.e. the form prescribed for filing annual return with the concerned Registrar of Companies by every company to contain particulars as they stood on the close of the financial year.
55	S.O. 2437(E)	04.09.2015	Pursuant to sub-section (6) of section 129 of the Companies Act, 2013, the Central Government, in public interest, has allowed exemptions from disclosing certain information with respect to quantitative details in respect of raw material, purchase, import, export etc. to Government companies producing Defence Equipment including the Space Research subject to certain conditions.
56	G.S.R. 679(E)	04.09.2015	Amendment has been made in Schedule III to the said Act to require companies to make disclosures in respect of amount outstanding to Micro, Small and Medium Enterprises.
57	G.S.R. 680(E)	04.09.2015	Amendment in the Companies (Accounts) Rules, 2014 as under:- (a) to provide that items contained in financial statements shall be prepared in accordance with definition and other requirements specified in Accounting Standards/Indian Accounting Standards. (b) to provide exemption to Government companies engaged in producing defence equipment with respect to disclosures in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo. (c) to revise Form AOC 4 and specify new Form AOC 4 XBRL.
58	G.S.R. 692(E)	09.09.2015	Notification of Companies (Filing of Documents and Forms in XBRL) Rules, 2015 has been issued for allowing filing of financial statement with Registrar in e-form AOC-4 XBRL and filing of cost audit report with the Central Government in e-form CRA-4 using the XBRL.
59	G.S.R. 695(E)	15.09.2015	Amendment in the Companies (Acceptance of Deposits) Rules, 2014 as under:- (a) to provide that any amount received from a relative of director by a private company shall not be included in the definition of term 'deposit'.

S.No.	Notification Number	Date	Subject
			(b) to provide that securities premium account shall also be taken into account while determining limit up to which a company may accept deposits. Earlier it allowed only paid-up share capital and free reserves and suggestions were received to allow securities premium account also to be included.
60	S.O. 2462(E)	04.09.2015	Amendment has been made in the notification number S.O. 2425(E) dated 10.09.2015 to substitute in paragraph 2, for the words “one year” the words “two years” whereby the tenure of National Advisory Committee on Accounting Standards (NACAS) has been extended.
61	G.S.R. 737(E)	24.09.2015	Amendment in Companies (Management and Administration) Rules, 2014 as under:- (a) In Form No. MGT-7, in paragraph I, under serial number (i), after “Global Location Number (GLN) of the Company”, the words “Permanent Account Number (PAN) shall be inserted.
62	G.S.R. 786(E),	15.10.2015	The Ministry makes the Limited Liability Partnership (Amendment) Rules, 2015 to amend the Limited Liability Partnership Rules, 2009 as under:- (a) for rule 33, the following rule shall be substituted, namely:- “33. For the purpose of the proviso to sub-section (1) of section 58 of the Act, where the firm has been converted into limited liability partnership, an intimation of such conversion to the concerned Registrar of Firms shall be given in Form 14 within fifteen days of the date of registration of the Limited Liability Partnership.” (b) in rule 39, sub-rule (3) shall be omitted; (c) in rule 40, sub-rule (3) shall be omitted; (d) in “Form 2”, under the heading “ADDENDUM TO FORM 2”, under PART A, for serial number 1 and entries relating therto, the following shall be substituted, namely:- “1. *Indicate Registrar's reference number for name approval (Service Request Number (SRN) of Form 1]”.

S.No.	Notification Number	Date	Subject
			<p>(e) in “Form 4”, under the heading “ADDENDUM TO FORM 4”, serial number 1 and entries relating thereto shall be omitted;</p> <p>(f) in “FORM 4” under the heading “ADDENDUM TO FORM 4”, serial number 2 to 7 shall be renumbered as serial numbers 1 to 6 respectively;</p> <p>(g) in “FORM 16”, before the words “CERTIFICATE OF INCORPORATION”, the National Emblem shall be inserted.</p> <p>(h) in “FORM 19”, before the words “CERTIFICATE OF REGISTRATION ON CONVERSION”, the National Emblem shall be inserted.</p> <p>(I) in “FORM 30”, before the words “CERTIFICATE FOR ESTABLISHMENT OF PLACE OF BUSINESS IN INDIA”, the National Emblem shall be inserted.</p>
63	G.S.R. 832(E)	03.11.2015	<p>This Ministry vide notification dated 03.11.2015 has authorized the Regional Directors to discharge the functions conferred upon them by the Companies Act, 2013 or delegated to them by the Central Government under the said Act. Further, the Regional Director shall continue to exercise the functions conferred upon them under the Companies Act, 1956 or delegated under that Act in respect of provision of that Act, which are still in force.</p>
64	G.S.R. 832(E)	16.11.2015	<p>This Ministry vide notification dated 16.11.2015, notified the Companies (Management and Administration) Third Amendment Rules, 2014, whereby the Form No. MGT-7 has been substituted.</p>
65	S.O. 3388(E) G.S.R. 972(E)	14.12.2015	<p>Section 13 and 14 of the Companies (Amendment) Act, 2015 have been brought into force with effect from 14.12.2015 and the corresponding Rules, by amendment of Companies (Audit and Auditors) Rules, 2014 and Companies (Meetings of the Board and its Powers) Rules, 2014 have been notified to prescribe/provide for thresholds for frauds which will be reportable by auditor to Central Government and Omnibus approval of related party transactions by audit committee respectively.</p>

GENERAL CIRCULARS
(01st April, 2014 to 31st December, 2015)

S.No.	Circular Number	Date	Subject
1	07/2014	01.04.2014	Regarding dissemination of information with regards to provisions of the Companies Act, 2013 as notified till date vis-à-vis the corresponding provisions of the Companies Act, 1956
2	08/2014	04.04.2014	clarifying that the financial statements (and documents required to be attached thereto), auditors report and Board's report in respect of financial years that commenced earlier than 1 st April, 2014 shall be governed by the relevant provisions/Schedules/ rules of the Companies Act, 1956 and that in respect of financial years commencing on or after 1 st April, 2014, the provisions of the new Act shall apply.
3	12/2014	22.05.2014	It has been clarified that filling PAN details in INC-7 are mandatory only for those foreign nationals now it has been clear who are required to possess "PAN" in terms of provisions of the Income Tax Act, 1961 on the date of application for incorporation. In case the Foreign National is not required to compulsorily possess PAN, it will be sufficient for such a person to furnish his/her passport number, alongwith undertaking stating that provisions of mandatory applicability of PAN are not applicable to the person concerned.
4	14/2014	09.06.2014	Regarding appointment and qualifications of directors and Independent Directors.
5	16/2014	09.06.2014	Regarding applicability of PAN requirement for foreign nationals
6	19/2014	12.06.2014	Regarding matters relating to 'share capital and debentures'.
7	20/2014	17.06.2014	Regarding to voting through electronic means.
8	22/2014	25.06.2014	Regarding format of annual return applicable for Financial Year 2013-14 and fees to be charged by companies for allowing inspection of records.
9	23/2014	25.06.2014	Regarding incorporation of a company i.e. company Incorporated outside India.

S.No.	Circular Number	Date	Subject
10	24/2014	25.06.2014	Regarding holding of shares in a 'fiduciary capacity' by associate company under section 2(6) of the Companies Act, 2013.
11	25/2014	26.06.2014	Clarification on applicability of requirement for resident director.
12	26/2014	27.06.2014	Regarding use of the word "Commodity Exchange" in a company
13	28/2014	09.07.2014	Clarifying that on form MGT-14 all cases except for change of Name, change of object, resolution for further issue of capital and conversion of companies will be STP mode.
14	29/2014	11.07.2014	Ensuring that registration of names of the companies shall be in consonance with the provisions of the Emblems and Names (Prevention of Improper Use) Act, 1950.
15	30/2014	17.07.2014	Regarding clarifications on matters relating to Related Party Transactions.
16	32/2014	23.07.2014	Regarding clarification on transitional period for resolutions passed under the Companies Act, 1956.
17	33/2014	31.07.2014	Regarding clarification with regard to applicability of provisions of section 139(5) and 139(7) of the Companies Act, 2013.
18	34/2014	12.08.2014	In order to provide an opportunity to defaulting companies to enable them to make their default good by filing their belated annual documents, a scheme namely "Company Law Settlement Scheme, 2014" has been introduced. This scheme condones delay in filing of annual documents (Annual Return and Financial Statements) and gives an opportunity to inactive companies to declare themselves as dormant company by filing a simple application at reduced fee. The scheme shall come into force on the 15 th August, 2014 and shall remain in force up to 15 th October, 2014.
19	35/2014	27.08.2014	Clarification Accounting Standards (AS) 10- Capitalization of Cost regarding.
20	38/2014	14.10.2014	clarifying right of persons other than retiring directors to stand for directorship-Refund of deposit under section 160 of the Companies Act, 2013 in certain cases.

S.No.	Circular Number	Date	Subject
21	39/2014	14.10.2014	Regarding clarification on matters relating to Consolidated Financial Statement.
22	40/2014	15.10.2014	Regarding extension of Company Law Settlement Scheme (CLSS 2014) upto 15 th November, 2014.
23	41/2014	15.10.2014	Regarding Company Law Settlement Scheme (CLSS 2014)-Clarification u/s 164(2) of the Companies Act, 2013.
24	42/2014	12.11.2014	Regarding clarification on matters relating to the Companies (Cost Records and Audit) Rules, 2014.
25	43/2014	13.11.2014	Regarding issue of Foreign Currency Convertible Bonds (FCCBs) and Foreign Currency Bonds (FCBs) - Clarification regarding applicability of provisions of Chapter III of the Companies Act, 2013.
26	44/2014	14.11.2014	Regarding extension of Company Law Settlement Scheme (CLSS-2014) upto 31 st December, 2014.
27	45/2014	18.11.2014	Regarding extension of time upto 31.12.2014 to those companies registered in the State of Jammu and Kashmir who could not hold their AGM (other than first AGM) for the financial year 2013-14 within the stipulated time.
28	01/2015	03.02.2015	Constitution of a High Level Committee to suggest measures for improved monitoring of the implementation of Corporate Social Responsibility policies by the companies under Section 135 of the Companies Act, 2013
29	02/2015	11.02.2015	Extension of time for filing of Notice of appointment of the Cost Auditor in Form CRA-2.
30	03/2015	03.03.2015	General Circular 03/2015: Clarification relating to filing of e-form DIR-I1 & DIR-12 under the Companies Act, 2013.
31	4/2015	10.03.2015	Clarification with regard to section 185 and 186 of the Companies Act, 2013 - loans and advances to employees
32	5/2015	30.03.2015	Amount received by private companies from their members, directors or their relatives before 1st April, 2014 - Clarification regarding applicability of Companies (Acceptance of Deposits) Rules, 2014
33	6/2015	09.04.2015	Clarification under sub-section (7) of section 186 of the Companies Act, 2013

S.No.	Circular Number	Date	Subject
34	7/2015	10.04.2015	Remuneration to managerial person under Schedule XIII of the Companies Act, 1956 - Clarification with regard to payment for period.
35	8/2015	12.06.2015	Extension of time for filing of Notice of appointment of the Cost Auditor for the F.Y. 2015-16 in Form CRA-2 and filing of cost audit report to the Central Government for the F.Y. 2014-15 in form CRA-4.
36	9/2015	18.06.2015	Clarification on repayment of deposits accepted by the companies before the commencement of the Companies Act, 2013 under section 74 of the said Act.
37	10/2015	13.07.2015	Relaxation of additional fees and extension of last date of in filing of forms MGT-7 (Annual Return) and AOC-4 (Financial Statement) under the Companies Act,2013
38	11/2015	21.07.2015	Clarification with regard to circulation and filing of financial statement under relevant provisions of the Companies Act, 2013
39	12/2015	01.09.2015	Extension of time for filing of cost audit report to the Central Government for the Financial Year 2014-2015 in form CRA-4
40	13/2015	16.09.2015	Extension for a period of one month for the High Level Committee on CSR.
41	14/2015	28.10.2015	Relaxation of additional fees and extension of last date of filing of AOC-4, AOC-4 XBRL and MGT-7 E-Forms under the Companies Act, 2013
42	15/2015	30.11.2015	Relaxation of additional fees and extension of last date of in filing of forms MGT-7 (Annual Return) and AOC-4 (Financial Statement) under the Companies Act, 2013.
43	16/2015	30.12.2015	Relaxation of additional fees and extension of last date of in filing of forms MGT-7 (Annual Return) and AOC-4 (Financial Statement) under the Companies Act, 2013- State of Tamil Nadu and UT of Puducherry

**CITIZENS'/CLIENTS' CHARTER**

**Ministry of Corporate Affairs,
Shastri Bhawan, New Delhi - 110001
Our Commitments to you**

S.No.	Our Services/Transactions	How we measure out 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.	3 working days
		Maximum time taken to communicate approval by the concerned ROC on receipt of approval	3 working days
2	Incorporation 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 communicate approval and issue of certificate of Incorporation by the concerned ROC on receipt of approval	3 working days
3	Registration of unregistered Companies	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 of Registration by the concerned ROC on receipt of approval	3 working days
4	Registration 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 day
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	3 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

S.No.	Our Services/Transactions	How we measure out performance in this area	Our Service Standard
8	Conversion of Public Company to Private 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 day
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 day
11	Condonation of delay in filing of charge creation/ modification/ satisfaction	Maximum time to inform deficiencies and take up queries and clarifications 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	Condonation of delay in filing of charge creation/ modification/ satisfaction	Maximum time to inform deficiencies and take up queries and clarifications on the application from the date of receipt of the application	5 working days
		Maximum time taken to issue of order granting condonation by the concerned Regional Director on receipt of approval	2 working days
13	Registration of Court or CLB or RD order.	Maximum time to inform deficiencies in the application from the date of receipt of the application	20 working days
		Maximum time taken for granting of license to the applicant on receipt of duly completed application form with required documents	10 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 application form with required documents	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 day
		Maximum time taken to issue approval letter granting DIN on receipt of duly completed application form with required documents.	1 working day

S.No.	Our Services/Transactions	How we measure out performance in this area	Our Service Standard
16	Change in DIN Particulars	Maximum time to inform deficiencies in the application from the date of receipt of the application	1 working day
		Maximum time taken to issue letter for changing DIN on receipt of duly completed application form with required documents.	1 working day
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 clarifications 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

S.No.	Our Services/Transactions	How we measure out performance in this area	Our Service Standard
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.	15 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



WOMAN DIRECTOR ON BOARD



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