



# Monthly Newsletter

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## From The Secretary's Desk

The Advance Estimates of National Income released by the Central Statistical Office (CSO) for the year 2012-13 suggest that the Indian economy would see the slowest growth in a decade. The real GDP growth for the current year is pegged at 5%, a sharp decline from 8.4% in 2010-11 and 6.2% in 2011-12. There is contraction in industrial output, decline in exports, persistent inflation at a level higher than RBI's comfort zone, high level of Fiscal Deficit and Current Account Deficit (CAD).

As per the latest *Global Economic Prospects* (GEP) Report (January 15, 2013) of the World Bank, our GDP growth is projected at 6.4 percent in 2013, rising to 7.3 percent by 2015. The global economic recovery remains fragile and uncertain, clouding the prospects for rapid improvement and return to more robust economic growth. The world GDP is estimated to grow at 2.4% in 2013 (2.3% in 2012), marking a marginal acceleration of the activities throughout the year. However, World Bank has cautioned that short-term monetary/fiscal stimulus could be counter-productive for the developing countries and could cause unabated inflation without a significant pay off in terms of additional growth.

Keeping in mind the underlying situation, the Government has started taking necessary steps to deal with the supply side constraints. A Cabinet Committee on Investment has been set up to expedite decisions on approvals and clearances for implementation of infrastructure projects. The Government has also created Infrastructure Debt Fund to raise low cost, long-term resources for refinancing infrastructure projects.

In recent months, certain signs have emerged in the economy. With moderation of core inflation, RBI has softened the policy rates

by 25 basis points in January, 2013, for the first time in 9 months. The Cash Reserve Ratio (CRR) has been reduced to 4%, the lowest since December, 1974. The latest release of WPI indicates further decline in the inflation rate estimated at 6.62% for January, 2013. Indian exports, which were hit hard by global slowdown last year, have started showing signs of recovery. These developments, I am sure, would improve investment climate and boost investors' confidence.



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**High Level Appointment:** In pursuance of an assurance given in the Lok Sabha on 12.12.2012, the Ministry has appointed Shri Justice Mukul Mudgal, retired Chief Justice of Punjab and Haryana High Court as the one-man Inquiry Committee on 31.01.2013 to inquire into the media reports concerning Wal-Mart. The Committee is expected to submit its report by end April, 2013. Ministry of Corporate Affairs would provide secretarial assistance to the Inquiry Committee.

**Senior Level Appointments:**

- (I) Shri M.J. Joseph has taken over as the Additional Secretary to the Government of India in the Ministry of Corporate Affairs with effect from 22.01.2013. Shri Joseph is a 1979 batch officer of the Indian Civil Accounts Service.
- (II) Shri Suresh Pal has been appointed as Joint Secretary, Ministry of Corporate Affairs with effect from 03.01.2013. Shri Pal belongs to the Central Secretariat Service.

**MCA21 Transition:** Upon completion of the first phase of the MCA21 project on 16.01.2013 with M/s Tata Consultancy Services Ltd. ( TCS ) as the service provider, the project has been taken over by M/s Infosys Ltd. The transition experienced some technical glitches, resulting in operational problems in its functioning and affecting the services provided by the portal to stakeholders. The Ministry has taken necessary measures to restore the stability and performance level of the portal. The system is expected to stabilize by end February, 2013.

**Notifications and Circulars:** The Ministry of Corporate Affairs has issued a couple of Circulars concerning administration of the Companies Act, 1956 in the month of January, 2013 (for further details, visit our website: <http://mca.gov.in>). These Circulars broadly relate to —

- (i) The Ministry has, in continuation of General Circulars No. 16/2012 dated 06.07.2012, No. 34/2012 dated 25.10.2012 and No. 39/2012 dated 12.12.2012, decided to extend time limit to file the financial

statements for the financial year commencing on or after 01.04.2011 in the XBRL mode (without any additional fee/penalty) has been extended up to 15.02.2013, or within 30 days from the due date of AGM of the company, whichever is later. The other terms and conditions laid down in General Circular No. 16/2012 dated 06.07.2012 would remain the same (See General Circular No. 1/2013 dated 15.01.2013).

- (ii) The Ministry has, in continuation of General Circulars No. 8/2012 dated 10.05.2012 (as amended on 29.06.2012), No. 18/2012 dated 26.07.2012 and No. 43/2012 dated 26.12.2012, decided to allow all cost auditors and the companies concerned to file their Cost Audit Reports and Compliance Reports for the year 2011-12 [including the overdue reports relating to any previous year(s)] with the Central Government in the XBRL mode, without any penalty, by 28.02.2013 or within 180 days from the close of the company's financial year to which the report relates, whichever is later. (See General Circular No. 2/2013 dated 31.01.2013).

**Investor Awareness Programmes:** Investor Awareness Programmes are being conducted in partnership with the three Professional Institutes i.e. Institute of Chartered Accountants of India, Institute of Company Secretaries of India, and Institute of Cost Accountants of India. The programmes are devised to help investors gain awareness of opportunities, associated risks, need for informed decisions to understand the intricacies of financial markets. In other words, it is intended to impart greater financial literacy on the part of investors before they make investments. During the month of January, 2013, 85 such programmes were conducted.



**New Team at the Institute of Company Secretaries of India:** Shri S. N. Ananthasubramanian, a Fellow Member of the Institute of Company Secretaries of India (ICSI) has been elected as the President of the Institute w.e.f. 19.01.2013. Shri Harish K. Vaid, Shri M. S. Sahoo and Shri Sutanu Sinha, Fellow Members of the Institute, have taken over as the Vice President, Secretary and Chief Executive of the Institute.

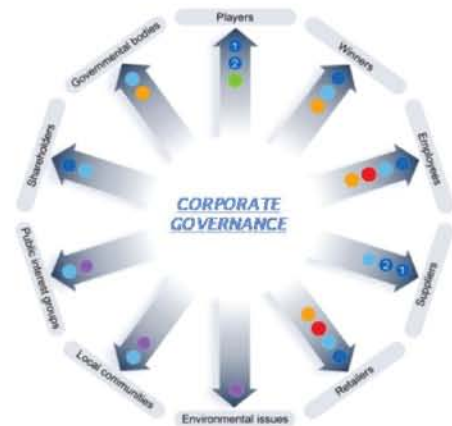
**CCI Round-Table with Corporates on Competition Compliance:** Competition Commission of India (CCI) held a round-table meeting, as part of its advocacy initiatives, with leading companies on “Competition Compliance for Good Corporate Governance” on 24.01.2013. Shri Sachin Pilot, Hon'ble Corporate Affairs Minister stressed the importance of healthy competition and pointed out that the foremost objective of competition is to ensure protection of consumers.



### Major Activities at IICA

**1. IICA-CCI-OECD Training course on Competition Assessment:** A two-day training course was organized jointly by the Indian Institute of

Corporate Affairs (IICA), the Competition Commission of India (CCI) and the Organization for Economic Co-operation and Development (OECD) during January 22-23, 2013 at New Delhi. Shri Ashok Chawla, Chairperson, CCI, delivering the Keynote Address, noted that competition assessment is an important touchstone of modern policy making to meet policy objectives. The training course was intended to impart knowledge on methodology-related issues, while carrying out competition assessment of various policy and statutory provisions.



**2. Work shop in aid of CSR Agenda :** The IICA organized a half-day work shop on 28.01.2013 at its Manesar campus. The workshop brought together various CSR Training Institutes focusing on implementation of the new CSR Agenda as proposed in the Companies Bill, 2012. IICA would also launch a Certification Programme to fill the space for Certified Professionals as envisaged in Clause 135 of the Companies Bill, 2012. The IICA Certified Professionals (ICP) certificate would be awarded to students after successful completion of an IICA patented - professional and knowledge oriented course.



## MCA 21 ( Phase-I) : e-Filing Status and Improved Service Delivery

MCA21 - Operational Statistics (end December 2012)		
S. No.	Description	Number
1.	Average portal hits per day	31147
2.	Total filings through the systems	187.10 Lakh
3.	Maximum number of documents filed in a day (21.11.2012)	88119
4.	Number of companies registered online	510152
5.	Total DIN issued till date	21.43 Lakh
6.	Company records viewed online	138.45 Lakh
7.	Number of Balance sheet filed	32.58 Lakh
8.	Number of Annual Returns filed	33.11 Lakh
9.	Amount of E-stamp fee collected	Rs. 41,959.55 Lakh

S. No.	Service Metrics of MCA21		
	Type of Service	Prior to MCA21	After MCA21
I	<i>Registration of Basic Documents</i>		
(i)	Name Approval	7 days	1-2 days
(ii)	Company Incorporation	15 days	1-3 days
(iii)	Change of Name	15 days	3 days
(iv)	Charge creation / modification	10-15 days	Instantaneous
(v)	Certified Copy	10 days	2 days
II	<i>Registration of Other Documents</i>		
(i)	Annual Return	60 days	Instantaneous
(ii)	Balance-sheet	60 days	Instantaneous
(iii)	Change in Directors	60 days	Instantaneous
(iv)	Change in Regd. Office Address	60 days	1-3 days
(v)	Increase in Authorized Capital	60 days	1-3 days
(vi)	Inspection of Public Documents	Physical appearance	On-line