



सत्यमेव जयते

ANNUAL REPORT 2012-13

Government of India
Ministry of Corporate Affairs



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GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

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CHAPTER – I

OVERVIEW

1.1.1. The Indian economy attained the distinction of becoming the third largest economy in the world (next only to United States and China) in terms of Purchasing Power Parity (PPP) in 2011. India's share in world GDP in terms of Purchasing Power Parity (PPP) moved to 5.65%. However, the years 2011-12 and 2012-13 were years of a slowdown. This slowdown began in the second quarter of 2011-12, with GDP growth rate declining to 6.7 per cent as against 8.0 per cent realized in the previous quarter. The down-turn continued in subsequent quarters, pegging the GDP growth rate for the year 2011-12 at 6.2%. The growth prospects for the year 2012-13 have declined further, registering an average growth rate of less than 5.5% in the first three quarters.

1.1.2. The downturn is not confined to India alone; it is a global phenomenon. In India, the slowdown has impacted almost all sectors of the economy. Besides economic recession, persistent price rise, slowing industrial growth, high levels of fiscal deficit, and widening current account deficit continued to put pressure on India's business sentiments.

1.1.3. Despite the uncertainty in the global economic environment, India's corporate sector, as a major engine of growth, has enormous responsibilities. Ministry of Corporate Affairs has been consistently pursuing its mandate of providing an enabling regulatory framework for promoting corporate growth. The Ministry has taken a number of initiatives during 2012-13 in the legislative, regulatory, service delivery and capacity building areas, with a view to

facilitating corporate growth in a manner that is both inclusive and sustainable.

1.1.4. The Ministry is concerned, inter alia, with the administration of a wide range of statutes for the regulation of the corporate sector including the following Acts:

- (i) The Companies Act, 1956
- (ii) The Competition Act, 2002
- (iii) The Limited Liability Partnership 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

LEGISLATIVE DEVELOPMENTS

(a) Companies Bill, 2012 passed by the Lok Sabha

1.2.1. Keeping in view the development taking place nationally as well as internationally, the need to modernize the structure of corporate regulation in India, and to promote the Indian corporate sector through enlightened regulation

and good corporate governance practices, a decision was taken to revise the existing Companies Act, 1956 comprehensively in consultation with various stakeholders viz. Industry Chambers, Professional Institutes, Government Departments, Legal Experts and Professionals etc.

1.2.2. The Companies Bill, 2011 was introduced in the Lok Sabha on 14.12.2011 and was considered by the Parliamentary Standing Committee on Finance. The Committee submitted its Report on 26.06.2012, which was laid in Parliament on 13.08.2012. Keeping in view the recommendations made by the Committee, it was decided to make certain official modifications to the Companies Bill, 2011. In October 2012, the Union Cabinet approved the proposed official amendments to the Companies Bill, 2011 which were presented in the Lok Sabha and passed by it on 18.12.2012. The Bill has since been re-titled as Companies Bill, 2012.

1.2.3. The passing of the Companies Bill, 2012 by the Lok Sabha has been a significant achievement of the Ministry of Corporate Affairs during 2012-13. On its enactment, this new Companies law will allow the country to have a modern legislation for promoting growth and regulation of the corporate sector in India. In view of various reformatory and contemporary provisions proposed in the Companies Bill, 2012, together with deleting some existing unwanted and obsolete compliance requirements, companies in the country will be able to comply with the requirements of the proposed Companies Act in a better and more effective manner.

(b) Competition (Amendment) Bill 2012 introduced in Lok Sabha

1.3.1. The Competition (Amendment) Bill 2012 was introduced in the Lok Sabha on 07.12.2012 to further amend the Competition Act, 2002, with a view to fine tuning it and to meet present day needs in the area of competition, in the light of experiences gained in the actual working of the Competition Commission of India (CCI) during the last few years.

1.3.2. Major amendments proposed in the Bill relate to changing the definition of “turnover”, “Group”, reducing the overall time limit of finalization of combinations from 210 days to 180 days, and insertion of a new Section 5A enabling the Central Government to lay down, in consultation with the Competition Commission of India, different thresholds for any class or classes of enterprises for the purpose of examining acquisitions, mergers and amalgamations by the Commission. The other amendments relate to procedural aspects in the working of the Commission.

1.3.3. The proposal after its initial consideration in April, 2012 was referred to a Group of Ministers to examine it in detail, with particular reference to jurisdiction of sectoral regulators on Competition-related issues.

1.3.4. The Group of Ministers considered the issues referred to it by the Cabinet, and while endorsing the original proposal, also proposed amendment in the Competition Act requiring other regulators to mandatorily refer matters impinging on “Competition” to the Competition Commission of India, and vice-versa to concerned regulators by CCI, on matters relating to those regulators. To this extent the original proposal has been modified.

OTHER POLICY DEVELOPMENTS

(c) National Competition Policy

1.4. With a view to make the ‘culture of Competition’ an intrinsic part of governance at each tier of administration: Centre, State or local body, the Government is considering bringing out a National Competition Policy. During the year, the Ministry sought the opinion of State Governments on the policy. State Governments are broadly in agreement with the proposed policy. The Ministry also invited comments and initiated consultations with various sections of society, such as, Stakeholders, Industry, Law Firms, Researchers, Economists etc. and incorporated their responses suitably in the Policy. The Policy is expected to be finalized shortly.

(d) Committee on Corporate Governance

1.5.1. The Ministry constituted a Committee to formulate a Policy document on Corporate Governance, under the chairmanship of Shri Adi Godrej on 07.03.2012. A comprehensive Corporate Governance Policy for India was needed to meet the emerging challenges of strong internal audit, better risk management, and extensive disclosures, as these have over a period of time become important aspects of corporate governance. In addition, focus on Value Statements, Corporate Social Responsibility and Sustainability would help companies address the challenges of the future.

1.5.2. The Committee has since submitted its Report to the Central Government suggesting 17 *Guiding Principles*, instead of a formal policy. It is proposed to obtain comments/suggestions

of the public on these principles, so as to frame policy guidelines on corporate governance.

(e) Constitution of National Advisory Committee on Accounting Standards

1.6. By a statutory Order issued vide F. No. 1/5/2001-CL.V dated 11.04.2012 under Section 210A of the Companies Act, 1956, the Central Government has constituted a twelve-member National Advisory Committee on Accounting Standards (NACAS) under the chairmanship of Shri M.M. Chitale, an eminent Chartered Accountant. The Committee has representatives from the Ministry, three professional institutes (ICAI, ICSI, ICWAI), SEBI, RBI, CAG, IIM, Kolkata, CBDT and the Business Chambers. The NACAS will advise the Central Government on the formulation and laying down of accounting policies and accounting standards for adoption by companies or class of companies. The tenure of NACAS is up to 28.02.2013.

(f) Multi-state Societies Registration Law

1.7. The Ministry has constituted an Expert Group to study the legislative and regulatory architecture of the Societies Registration Act, 1860 governing the functioning of societies in India, and also to study the functioning of the Act. This will help to identify regulatory gaps and an oversight mechanism that can facilitate formulating a Model Law on the subject. The Expert Group has submitted its report to the Ministry on 05.07.2012 proposing therewith a Bill on ‘Multi-state Societies Registration’. The Report and the proposed Bill have been uploaded on the website of the Ministry (www.mca.gov.in). Comments, views and suggestions on the Report from various Individuals/ Experts/ Institutions/ Organizations are being considered.

(g) Committee on ‘Reforming the Regulatory Environment’

1.8.1. The Ministry constituted a committee on ‘Reforming the Regulatory Environment for doing Business in India’ under the chairmanship of Shri M. Damaodaran, former chairman, SEBI. The objective of the Committee is to assess procedural bottlenecks, jurisdictional overlaps and systemic inertia in Ease of Doing Business and recommend measures to address them effectively.

1.8.2. On the basis of deliberations at its first meeting held on 10.10.2012, it has been decided to include representatives from PSU Banks/ NTPC and BHEL in the Committee, so as to make it more broad based. The Committee is likely to submit its report by end June 2013.

(h) Committee on Data Dissemination Policy

1.9. In order to streamline data demands from various quarters, MCA has set up a Committee under the chairpersonship of Economic Adviser to identify shareable Corporate Sector data. The Committee would critically examine the present data dissemination system and suggest measures for its improvement. The Committee’s recommendations are expected to culminate into a comprehensive Data Dissemination Policy of the Ministry of Corporate Affairs.

(i) Central Monitoring Committee and Regional Task Forces on Vanishing Companies

1.10.1. The Ministry has constituted a Central Monitoring Committee and Regional Task Forces on Vanishing Companies to keep a check on such cases. As on date, 87 companies are considered as ‘Vanishing Companies’. FIRs

have been lodged with the Police against all these 87 vanishing companies and their Directors to trace their whereabouts and also take necessary action under the provisions of the Indian Penal Code (IPC). Further, prosecutions have been filed against vanishing companies and their Directors under Sections 162 and 220 of the Companies Act, 1956 for non-filing of Statutory Returns, and under Sections 62/63, 68 and 628 of the Companies Act, 1956 for mis-statement in prospectus/ fraudulently inducing persons to invest money and for false statements made in the offer documents, etc.

1.10.2. Promoters/Directors of the vanishing companies were also debarred by Securities and Exchange Board of India (SEBI) from raising money from the public under Section 11B of the Securities and Exchange Board of India Act. Besides, details of vanishing companies and their Promoters/Directors have been published in newspapers, as well as placed on the website of the Ministry (www.mca.gov.in) to facilitate investors to lodge complaints against vanishing companies.

Revision of e-Forms

1.11. The Ministry has notified amendments from time to time relating to e-forms for 23AB, 24AAA, 8, 10, 17, 21, 23, 23B, 23AC, 23ACA and 18 in the Companies (Central Government’s) General Rules and Forms (Amendment) Rules, 2012 and DIN-1, DIN-4 to the Companies (Directors Identification Number) Amendment Rules, 2012 and has amended Companies (Filing of Documents and Forms in eXtensible Business Reporting Language) Rules.

Simplification of Rules & Procedures

1.12. Thirty-one Notifications and twenty-six General Circulars/Press Notes simplifying the rules and procedures under the Companies Act, 1956 have been issued by the Ministry of Corporate Affairs during the current year (up to 31.12.2012).

INVESTOR AWARENESS PROGRAMMES

1.13. A large number of Investor Awareness Programmes have been conducted during the year, in partnership with the three Professional Institutes i.e. the Institute of Chartered Accountants of India, the Institute of Cost Accountants of India and the Institute of Company Secretaries of India to educate investors, including young investors, about various investments options. These programmes cover various cities and towns (including Tier II and Tier III towns) across the country. To increase the reach of these programmes, it was felt that Regional Directors and field offices of the Ministry of Corporate Affairs should be actively involved in organizing these programmes. Accordingly, funds have been allocated to all seven Regional Directors, who are collaborating with Professional Institutes in organizing these programmes. It is planned to organize about 2000 such programmes across the country during 2012-13. Up to November 2012, about 1,200 investor awareness programmes have been organized.

INVESTOR EDUCATION AND PROTECTION FUND

1.14. The Ministry has launched a sub-site on the Ministry's website *www.mca.gov.in*

for companies to file details of unpaid and unclaimed amounts of investors lying with them. Till 31.12.2012, 6099 companies have uploaded their data. This website has enabled investors, especially small investors and investors from remote areas, to search and obtain information. The unclaimed amounts get transferred to the Investor Education and Protection Fund (IEPF), after the expiry of seven years. Earlier, there was no facility for making investors aware about unclaimed and unpaid amounts. This website has helped investors to find out information of such amounts due to them, and file their claim with the respective companies before the expiry of seven years.

REDRESSAL OF INVESTORS' GRIEVANCES

1.15. Investors/depositors have been empowered to lodge their complaints on-line through MCA 21 system, using the website of the Ministry viz. *www.mca.gov.in* under "Investor Services". A system of Nodal Officers has also been established at the Regional Level, with a further recourse to the Nodal Officer at the Ministry. In order to make the investor grievance redressal mechanism more effective and responsive, the Ministry has restructured its complaint module in the MCA21 System.

CORPORATE GOVERNANCE

1.16. With a view to promoting good corporate governance practices in the Indian corporate sector, the Ministry of Corporate Affairs, through National Foundation of Corporate Governance (NFCG), has provided a platform to harmonize various initiatives on corporate governance, at the national level,

and interact with similar organizations across the world. 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. During the current year (up to 31.12.2012), NFCG has conducted fourteen Seminars/ Conferences/ Workshops, and completed three Research Studies on the subject.

INVESTIGATION OF CORPORATE FRAUDS

1.17.1. The Government of India, through its multi-disciplinary investigating agency, namely, the Serious Fraud Investigation Office (SFIO), carries out investigation under the provisions of the Companies Act, 1956.

1.17.2. Since its inception, 133 cases have been referred to SFIO for investigation. Out of these, SFIO has submitted investigation reports in 100 cases till 31.12.2012 [including 20 submitted in 2011-12 and 18 during the current year (up to 31.12.2012)]. Five cases have been either stayed or dismissed by Courts.

1.17.3. During the financial year 2011-12, thirteen cases were ordered for investigation under Section 235/237 of the Companies Act, 1956 by the Central Government under separate orders. During the current year (up to 31.12.2012) forty-one cases (excluding one which was earlier kept in abeyance and has been revived during the year) were ordered for investigation. As on 31.12.2012, 28 investigation cases (excluding three which have been stayed and one which has been kept in abeyance) are under investigation by SFIO.

MCA-21 E-GOVERNANCE PROJECT IN ITS SECOND PHASE

1.18.1. The “MCA21 Project” of the Ministry of Corporate Affairs, launched in 2006, is a major e-Governance initiative covering all aspects of incorporation and regulation of companies as defined under the Companies Act. It is an end-to-end e-Governance program envisaging electronic filing of documents, registration of companies and public access to corporate information online through a secure interactive portal. The portal services can be accessed/ availed from anywhere, at any time that best suits the corporate entities, professionals and the public at large.

1.18.2. Since its launch, MCA 21 project has achieved very high degree of adoption and acceptance with more than 19 Lakhs DINs issued, 4.7 crore unique visitors to the portal, 6.2 Lakh registered users on the portal, 2.15 crore e-filings, 5.12 Lakh company's incorporated, 8 Lakh charges registered, 56,980 authorised bankers and professionals registered with DSC, 4.56 Lakh service queries responded etc. Peak usage of system has consistently gone up each year, with highest daily filing of 87,841 in the peak season of 2012. MCA 21 has enabled the Ministry to achieve very high standards of service delivery for its services, besides providing the Government with a comprehensive National Corporate Information Data base for improved decision making. The first cycle of MCA-21 has since completed on 16th January 2013.

1.18.3. During the current year, the Cabinet Committee on Economic Affairs approved continuation of the MCA21 Project to its second cycle from January, 2013 to July,

2021. The new cycle of the project will be a Non-Plan Scheme at a total project outlay of Rs. 357.81 crore, including an outlay of Rs.54.42 crore for independent project management and certification, for an eight and a half year period. It also includes an outlay of Rs. 29.84 crore for continuous improvements and up-gradation of the electronic service delivery of the Ministry of Corporate Affairs.

1.18.4. The project will benefit all companies and LLPs registered in India. In addition, the project benefits citizens through its IEPF sub-portal for investor awareness and disclosures. Banks and financial institutions also benefit immensely from MCA21, as it acts as a repository of charge information on company/company's assets. MCA21 project has also benefited various State Governments through innovative use of electronic stamps (e-stamp).

1.18.5. MCA21 e-governance programme has already resulted in improved service delivery, and its second cycle is expected to continue the same. In addition, the project will improve corporate governance through better scrutiny of company disclosures, better enforcement of corporate laws and paperless working.

1.18.6. In addition, the Ministry has extended e-governance to its OL offices, connect attached offices like SFIO and CLB, etc. in its second cycle. Ministry envisages redesigning of the portal to improve the stakeholder's experience. New services, like SMS and mobile enabled interfaces, will be provided for improved service delivery. A new vendor for running the portal in its new cycle was also selected during the year.

MCA XBRL VALIDATION TOOL

1.19.1. A final version of the MCA XBRL Validation Tool (for Financial Statements based upon new Schedule VI of the Companies Act, 1956) was released during the year. Under this initiative, XBRL filings of financial statements for the accounting year commencing on or after 01.04.2011 were enabled on the MCA website with effect from 14.10.2012. For end users, a 'Filing Manual' was made available on the XBRL portal of the Ministry's website for filing financial statements in the XBRL format.

1.19.2. MCA XBRL Validation Tool (for costing taxonomy) was also released, and XBRL filings of Cost Audit report and Compliance reports were enabled on the MCA website, with effect from 02.12.2012.

1.19.3. As per General Circular number 39/2012 dated 12.12.2012, the time limit to file financial statements in XBRL mode (for the financial year commencing on or after 01.04.2011) without payment of any additional fee was extended up to 15.01.2013 or within 30 days of AGM of the company, whichever is later. As per latest available data, more than 22,000 filings as on 15.01.2013 for 2011-12, including 10,703 filings by end of December, 2012 have been done under XBRL.

INTEGRATION OF LLP WITH MCA 21 SYSTEM

1.20.1. In order to enhance and extend the operational convenience to stakeholders, and grouping of all registry related functions on a single platform, Limited Liability Partnership (LLP) e-governance was integrated with MCA 21 from 11.06.2012. With this integration, the

filing and approval of ‘LLP forms’ is being done through the MCA 21 website, and stakeholders are presently availing 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.

1.20.2. In addition, the regulation of LLPs has been decentralized amongst the 20 Registrars of Companies across the country, enabling direct promotion of the new form of corporate entity in their region. This was earlier being handled centrally by the Registrar of LLPs, New Delhi.

e-FILING STATUS & IMPROVED SERVICE DELIVERY

(a) Peak Filing

1.21.1. With the strengthening of the MCA 21 portal, the filing of the Annual Report and Balance Sheet has been further streamlined, resulting in a new record for peak filing during

2012. The Ministry facilitated the process of peak filing during October and November, 2012. As a result, about 15.76 lakh filings (all forms) were received in the month of October and November 2012 – which is about 2.74 lakh filings more than the previous year. The final figure for this entire year is 17.40 lakh filings, as against 15 lakh filings made last year.

1.21.2. A total of 6.69 lakh annual filings (Annual Reports and Balance Sheets) were received, which is about 1.02 lakh more than the previous year. Also, the MCA 21 received 88,119 filings on one single day on 21.11.2012, which is the highest ever compared to previous years – 24% higher than the last year’s peak filing on a single day. Notably, this progress is achieved in addition to XBRL filings.

1.21.3. Operational statistics bringing out the stability in the systems, increased volume of filing and improved compliance are given in **Table 1.1:**

Table 1.1.
Filing Status as on 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.)	41959.55 Lakh
10	Number of E-forms changed during the Year	25 (companies) + 20 (LLP)

(b) Efficiency in Service Delivery under MCA21

1.21.4. There has been a significant turn around in time for delivery of services with

the implementation of the project. This which is brought out from the Service Metrics of the MCA21 system as at the end of December, 2012, as given in **Table 1.2:**

Table 1.2.
Service Metrics of the MCA21 system

Type of Service	Prior to MCA21	After MCA21
Registration of Basic Documents		
Name Approval	7 days	1-2 days
Company Incorporation	15 days	1-3 days
Change of Name	15 days	3 days
Charge creation / modification	10-15 days	Instantaneous
Certified Copy	10 days	2 days
Registration of Other Documents		
Annual Return	60 days	Instantaneous
Balance-sheet	60 days	Instantaneous
Change in Directors	60 days	Instantaneous
Change in Regd. Office Address	60 days	1-3 days
Increase in Authorized Capital	60 days	1-3 days
Inspection of Public Documents	Physical appearance	On-line

CHAPTER - II

ORGANISATIONAL SET UP AND FUNCTIONS

2.1. Administrative Structure

2.1.1. The Ministry has a three tier organizational structure with, the Headquarters at New Delhi, seven offices of Regional Directors at Ahmedabad, Chennai, Guwahati (presently functioning at Shillong), Hyderabad, Kolkata, Mumbai, and NOIDA, fifteen Registrars of Companies, fourteen Official Liquidators (including one at Jodhpur opened during 2012-13) and nine Registrar of Companies-cum-Official Liquidators in States and Union Territories. The Official Liquidators, function under the overall administrative control of the Ministry, and are attached to corresponding High Courts.

A. Headquarters

2.1.2. The set-up at the Headquarters includes one Secretary, one Additional Secretary, four Joint Secretaries, one Economic Adviser, one Cost Adviser, two Directors of Inspection & Investigation and other officials having expertise in administrative, legal, accounting, economic and statistical matters. The Telephone Directory of the Headquarters is given at Annexure–I. The organizational chart of the Ministry is given at Annexure–II, and the major functionaries are listed in Annexure–III.

B. Regional Directors

2.1.3. The Regional Directors are in-charge of the respective regions, each region comprising a number of States and Union Territories. They supervise the working of

the offices of the Registrars of Companies and the Official Liquidators working in their regions. They also maintain liaison between the respective State Governments and the Central Government in matters relating to the administration of the Companies Act, 1956. Certain powers of the Central Government under the Companies Act have been delegated to the Regional Directors. They have also been declared as Heads of Department under Delegation of Financial Powers Rules. There is an Inspection Unit attached to the office of every Regional Director for carrying out inspection of the books of accounts of companies under Section 209A of the Act.

C. Registrars of Companies and Official Liquidators

2.1.4. Registrars of Companies (ROCs) appointed under Section 609 of the Companies Act, covering various States and Union Territories are vested with the primary duty of registering companies floated in their jurisdiction and ensuring that such companies comply with statutory requirements under the Act. These offices function as a registry of records, relating to the companies registered with them, which are available for inspection by members of the public on payment of the prescribed fee. The Central Government exercises administrative control over these offices through the respective Regional Directors.

2.1.5. The Official Liquidators are officers appointed by the Central Government under

Section 448 of the Companies Act, and are attached to various jurisdictional High Courts. The Official Liquidators are under the administrative charge of the respective Regional Directors, who supervise their functioning on behalf of the Central Government. Official Liquidators act under the directions and supervision of the High Courts in the conduct of winding-up of affairs of the companies. At the same time under Section 463 of the Companies Act, the Central Government has the responsibility of exercising overall control over the Official Liquidators to ensure that they faithfully perform their duties and duly observe all the requirements imposed on them under the Act or the Rules there-under.

2.1.6. The duties and powers of the Official Liquidators as laid down in Section 457 of the Companies Act, are mainly relating 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 by the Official Liquidator; instituting criminal complaints and misfeasance proceedings against former Directors of the company for their acts and omissions and breach of trust; invitation of claims from creditors; adjudication of claims and settlement of list of creditors; payment to creditors by way of dividend and settlement of list of contributories 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.

2.1.7. The field Offices of the Ministry were re-organised vide Office Memorandum No. 42011/12/2009-Ad. II dated 11.08.2011. The list of Regional Directors, Registrar of Companies, Official Liquidators and Registrar of Companies-cum-Official Liquidators, along with their web addresses, is given at Annexure-IV.

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, corporate policy etc. The detailed description of the mechanism to administer the Companies Act is given in Chapter III, while the matters relating to the Competition Act and Limited Liability Partnership Act are dealt with in Chapters IV and V respectively.

2.2.2. The provisions of the Companies Act are dealt with by various sections under the supervision of concerned Joint Secretaries. A brief description of major activities of these Sections is given below:

Company Law – I Section deals with proposals relating to amendment of the Companies Act, 1956 and LLP Act, 2008 and specific provisions thereof from time to time. It serves as the Secretariat for the Working Group/ Expert Committee set up for the purpose.

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 and issue of directions of Special Audit Reports, complaints relating to misuse and diversion of funds, and mismanagement of companies etc. under the provisions of the Companies Act.

Company Law – III Section deals with raising of capital (further issue,

conversion of loans and debentures) or reduction of Share Capital, payment of dividends, form and contents of Balance Sheets and Profit & Loss Accounts, Amalgamation and Merger of Government Companies, Accounts of Foreign companies, references received from RDs/ ROCs for approval of names of companies, alteration of Memorandum and Articles of Association etc.

Company Law – IV Section deals with default cases under various Sections of the Companies Act and rules made thereunder leading to prosecution. It also examines applications/petitions made to the Central Government seeking authorization for filing application for prevention / alleged acts of mismanagement and oppression under Section 399 (4) of the Act. The draft reply/affidavits to be filed by ROCs/RDs/OLs and other attached offices of the Ministry are vetted by this Section. Apart from the above, this Section tenders legal advice to other Sections of the Ministry as well as to other Ministries.

Company Law – V Section (known as Policy Section)

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, Capital Market, and coordination with SEBI, Foreign Direct Investments, Anti Money Laundering and combating the financing of terrorism in India, Accounting standards/Convergence

with IFRS, issuing clarification/simplification of various rules and procedures prescribed under the provisions of Companies Act, 1956 and LLP Act, 2008, launching various schemes to aid in the implementation of corporate laws, e-Governance forms, co-ordinating the framing of guidelines for ensuring uniformity of practices by all field offices, and change in the venue for holding the Annual General Meetings of Government Companies.

Company Law - VI Section deals with approvals for loans to Directors/inter-corporate loans/corporate guarantee/security, declaration of dividend out of reserves, grants of Nidhi status under Section 620A of the Companies Act, 1956, exemption under Section 58A(8) of the Act, appointment of Sole Selling Agents, and acquisition/transfer of shares by and of dominant undertaking.

Company Law – VII Section deals with appointment of, and payment of remuneration to, Managing Directors/ Whole Time Directors/ Managers of listed companies and subsidiary of listed companies; payment of enhanced remuneration/ waiver of recovery of remuneration paid in excess of the limits of the Act to managerial personnel; examination of eligibility/qualification of Directors for providing professional services to the company; application for increase in the number of Directors; and appointment of Government nominee Directors on Board of Companies.

2.2.3. The Director of Inspection and Investigation (DII) and the Registrar of Companies (RoC) are empowered to inspect

the books of accounts of a company, to direct special audit, to order investigation into the affairs of a company and to launch prosecution for violation of the Companies Act, 1956. Books of accounts and other documents of the companies are inspected for initiating action in cases of illegal/ fraudulent practices resorted to by any company, affecting adversely the interest of shareholders, creditors, employees and others. In appropriate cases, the results of inspection are shared with other Ministries/ Departments such as Ministry of Commerce and Industry, Central Board of Direct Taxes, Enforcement Directorate, State Government and Provident Fund Authorities.

Cost Audit Branch

2.2.4. Cost Audit Branch under the Ministry of Corporate Affairs is manned by professionals drawn from the Indian Cost Accounts Service (ICoAS) and primarily deals with Sections 209(1)(d) and 233B of the Companies Act, 1956. The Branch, under Section 209(1)(d) formulates & notifies Cost Accounting Records Rules (CARRs) for various industries/products. Such rules prescribe the manner in which cost records are to be maintained by specified class of companies. The Branch also undertakes rationalization of existing CARRs to reflect changed requirements of regulatory bodies and other government agencies, changes in technology, manufacturing processes, accounting standards and cost accounting standards. Under Section 233B, orders are issued for conducting audit of cost records, in accordance with Cost Audit Report Rules, by a Cost Auditor appointed by the Board of Directors of the company with prior approval of the Central Government.

Investor Grievance Management Cell

2.2.5. Investor Grievance Management Cell (IGMC), earlier known as the Investor Protection Cell (IPC) set up in 1993, is mandated to deal with investors' grievances. IGMC takes up the grievances of investors with the Registrars of Companies for their expeditious settlement. In respect of complaints received in MCA, the subject matter of which may pertain to the Reserve Bank of India, Department of Economic Affairs, SEBI etc., IGMC coordinates with the above organisations for their redressal. Broadly, 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- issue of share certificates
- f. Non- registration of transfer of shares
- g. Non- receipt of debenture certificates
- h. Non-issue of rights/ bonus shares
- i. Non- receipt of duplicate share certificates
- j. Non- issue of interest on late payment
- k. Non- redemption of debentures and interest thereon
- l. Non- receipt of share certificates on conversion.

2.2.6. The investors/depositors can also lodge their complaints with the concerned Registrar

of Companies on-line through the MCA 21 portal using the website of the Ministry, viz, www.mca.gov.in. The system acknowledges the receipt of the complaint online by generating a complaint number, which can be used for follow-up of the complaint in future.

2.2.7. In order to actively associate the field offices for redressal of investors' grievances, a nodal team headed by a designated officer has been set up at three different levels : (i) all offices of Regional Directors (RDs), (ii) all offices of Registrars of Companies (ROCs), and (iii) at Headquarters in the Ministry. The investors can directly take up their grievances with the concerned Nodal Officers at the ROC/RD Level. In case any investor grievance remains un-redressed, even after a reasonable time, as suggested in the Citizen's Charter of the Ministry, the Nodal Officer at the headquarters may be approached for its redressal. The updated list of nodal officers of MCA is available in the MCA website under "Investor Services".

International Cooperation Section

2.2.8. International Cooperation Section in the Ministry plays a key role in co-ordinating and organizing interactions with International Organizations such as Corporate Registers Forum (CRF), Accounting and Corporate Regulatory Authority (ACRA), US Business Leaders from American Chambers of Commerce, Global Reporting Initiatives (GRI), International Association of Insolvency Regulators (IAIR), Organization for Economic Co-operation and Development (OECD), Federal Trade Commission, USA, Department of Justice, USA, State Administration for Industry & Commerce (SAIC) of Japan.

Research & Analysis Division

2.2.9. Research & Analysis Division in the Ministry of Corporate Affairs is managed by a team of Directors, Deputy Directors and Assistant Directors, who are professionals drawn from the Indian Economic Service and the Indian Statistical Service. The Division renders economic advice on issues of development policy for promotion of activities of the corporate sector in India and with regard to Corporate Performance, Capital Market reforms, Disinvestment and Foreign Direct Investment at the macro level. It also carries out studies on estimation of private Corporate Sector savings and investment as required by government from time to time.

2.2.10 The Division is responsible for the implementation of reforms suggested by the National Statistical Commission in respect of corporate sector statistics. The Division also provides inputs to the government by way of monitoring and management of information/data, and economic analysis in respect of the Working and Administration of the Companies Act, 1956.

2.2.11. The Division prepares technical notes and comments on issues relating to formulation of Five Year Plans, appraisal and evaluation of various schemes of the Ministry, G-20 Summit, disinvestment of Central Public Sector Enterprises (CPSEs), capital market, etc. Besides, the Division also represents the Ministry at interaction of the Inter Ministerial Group (IMG) set up by Department of Disinvestment for selection of intermediaries such as legal Advisers and Merchant Bankers for divesting Government of India's stake in CPSEs.

2.2.12. The Division is also responsible for compilation, editing and publication of : (i) the Annual Report of the Ministry, (ii) the Annual Report on the Working and Administration of the Companies Act, 1956, (iii) Monthly Newsletter of the activities of the Ministry, and (iv) the Monthly Information Bulletin containing statistical information and analysis of developments in the corporate sector. The Division also disseminates data about the corporate sector, obtained from the MCA21 Portal database to the States' Bureaux of Economics and Statistics.

Statistics Division

2.2.13. The Statistics Division under the charge of a Director, looks after issues relating to (i) improvements of corporate statistics generated from the MCA21 Portal (including in XBRL mode), (ii) preparation of eXtensible Business Reporting Language (XBRL) taxonomy consistent with revised Schedule-VI of the Companies Act, Business Rules, etc. The Division shares statistical information on the corporate sector generated from the MCA21 Portal with Central Ministries and Organizations such as Central Statistics Office (CSO), Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI) and others, as and when necessary.

Infrastructure Section

2.2.14. The Infrastructure Section looks after the creation of improved infrastructure by way of purchase of land and buildings, capital works for construction/renovation/maintenance of all buildings of the Ministry and its field offices, and entering into agreements for hiring buildings at headquarters and field locations.

RTI Monitoring Cell

2.2.15. The Monitoring Cell, apart from being a repository of all RTI related information, also functions as a link between the applicant/appellant and the CPIO/ Appellate Authority. 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.

Gender Budget Cell

2.2.16. The Ministry has set up a Gender Budget Cell (GBC) with the objective of facilitating the integration of gender analysis into Government budgeting. The GBC has initiated steps to build up an information/database system on gender representation the Ministry including its various branches as well as field offices, and attached offices and professional institutes. The GBC aims to accelerate the growing awareness of gender sensitivities of budgetary allocations, and assessing how corporate sector oriented policies impact issues of equity and empowerment of women.

Official Language Section

2.2.17. The implementation of the Official Language Act and Rules made there-under is being undertaken by the Official Language Section, headed by a Joint Secretary. The duties of the OL Section involves 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.

Administration of Limited Liability Partnership Act

2.3.1. Initially, the Administrative structure under the Limited Liability Partnership Act, 2008 was a two-tier set up consisting of a Registrar of LLPs, an Assistant Registrar of LLPs, assisted by a staff of twelve. The Registrar of LLPs was reporting to two Joint Secretaries, one for policy matters through a Director of Inspections and Investigations and the other for residuary matters including e-governance and Administration through a Director. With effect from 11.06.2012, the Registry services for Limited Liability Partnership (LLP) have been decentralised amongst twenty Registrars across the country. The decentralisation has been done with a view to promoting the incorporation of new business entities in the form of LLPs.

2.3.2. The e-Governance system for Limited Liability Partnerships, hitherto being handled by the National Informatics Centre (NIC) has been integrated into a single e-Governance system under the MCA21 Portal with effect from 11.06.2012. At present the MCA-21 system handles e-governance services for both Companies and LLPs.

2.3.3. The Ministry of Corporate Affairs has placed the New Guidelines for stake holders on its newly launched LLP Portal. Presently, all forms etc. will have to be submitted as per MCA21 requirements. Payments relating to

services for companies and LLPs can be made using NEFT, Credit Cards and Net banking from six designated banks (ICICI Bank, SBI, PNB, HDFC Bank, Indian Bank, UBI). Users are requested to follow the User's Guide and Instruction Kit hosted on the MCA21 portal before filing LLP forms so as to avoid inconvenience. In case of any problem in filing LLP forms, users may utilise the assistance of the MCA-21 HelpDesk.

ATTACHED/ SUBORDINATE OFFICES / ORGANISATIONS

2.4. The Ministry is responsible, as a Nodal Ministry, for the functioning of a number of attached/ subordinate offices, such as the Company Law Board (CLB), Competition Commission of India (CCI), Competition Appellate Tribunal (COMPAT) and Serious Frauds Investigation Office (SFIO). It is also involved in establishing the National Company Law Tribunal (NCLT) and National Company Law Appellate Tribunal (NCLAT) under the provisions of the Companies (Second Amendment) Act, 2002.

Company Law Board

2.4.1. 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 CLB 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.

2.4.2. CLB has a sanctioned strength of nine Members, including the Chairman and Vice-Chairmen. As on 31.12.2012, the Board comprises of the following Members :

- (1) Shri Justice D. R. Deshmukh, Chairman, CLB.
- (2) Smt. Vimla Yadav, Member, CLB, Mumbai.
- (3) Shri Kanthi Narhari, Member, CLB, Chennai.
- (4) Shri B.S.V. Prakash Kumar, Member, CLB, New Delhi.
- (5) Shri Amalesh Bandopadhyay, Member, CLB, Kolkata.

(6) Shri Dhan Raj, Member, CLB, New Delhi.

(7) Shri A.K.Tripathi, Member, CLB, Mumbai.

(8) Shri R. Vasudevan, Member, CLB (under suspension since 23.11.2009)

2.4.3. The CLB has its Principal Bench at New Delhi, and four Regional Benches located at New Delhi, Mumbai, Kolkata and Chennai. The territorial jurisdiction of the Regional benches of the CLB are as follows :

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, Uttaranchal and Union Territory of Chandigarh.
3.	Mumbai Bench	States of Goa, Gujarat, Madhya Pradesh, Maharashtra, Chhattisgarh and Union Territories of Dadra and Nagar Haveli and Damman and Diu
4.	Chennai Bench	States of Andhra Pradesh, Karnataka, Kerala, Tamil Nadu and Union Territories of Pondicherry and Lakshadweep Islands.
5.	Kolkata Bench	States of Arunachal Pradesh, Assam, Bihar, Manipur, Meghalaya, Nagaland, Orissa, Sikkim, Tripura, West Bengal, Jharkhand, Mizoram and Union Territory of Andaman and Nicobar Islands.

2.4.4. Matters falling under Sections 250, 269, 388B of the Act are being dealt with by the Principal Bench. Other matter falling under Sections 58AA, 79/80A, 111/111A, 113/113A, 117, 117C, 118, 144, 163, 167, 186, 196, 219, 235, 237(b), 247, 284, 304, 397/398, 408, 409, 614 and 621A of the Act and section 45QA of the Reserve Bank of India Act, 1934 are being dealt with by Regional Benches according to their territorial jurisdiction. The CLB has powers to enforce its own orders.

Appeals against decisions or orders of the CLB involving Question of Law may be made to the concerned High Court within sixty days.

2.4.5. In a major reform, aimed at reducing the time consumed and cost incurred in the process relating to (i) confirmation of shifting of the registered office of companies from one State to another State, and consequent alteration to Memorandum of Association of the company; and (ii) rectification of the

Register of charges under the Companies Act, 1956, the functions of the CLB have been entrusted to the Central Government. Further, the Government has delegated this function to the Registrar of Companies. Steps have been taken to convert these activities to the online mode under the MCA21 System.

National Company Law Tribunal / National Company Law Appellate Tribunal

2.4.6. The National Company Law Tribunal (NCLT) and National Company Law Appellate Tribunal (NCLAT) were proposed to be set up under the Companies (Second Amendment) Act, 2002. The Amendment Act had been challenged in the Madras High Court, and the matter was finally decided by the Supreme Court by its judgment dated 11.05.2010. The revised Companies Bill, 2012 passed by Lok Sabha on 18.12.2012 incorporates the Supreme Court's guidelines.

2.4.7. The Tribunals will replace the Company Law Board, Board for Industrial and Financial Reconstruction and Appellate Authority for Industrial and Financial Reconstruction, dealing with liquidation and winding up, amalgamation and mergers of companies.

Competition Commission of India

2.4.8. The Competition Commission of India (CCI) was established on 14.10.2003 under the Competition Act, 2002, with the objective of eliminating practices having an adverse effect on competition, promoting and sustaining competition, protecting the interest of consumers, and ensuring freedom of trade in India.

2.4.9. The provisions of the Competition Act relating to anti-competitive agreements and abuse of dominant position have been brought into force w.e.f. 20.05.2009. CCI, based on its experience and after due consultation with various stakeholders, has framed the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Amendment Regulations, 2011 with effect from 23.02.2012. In the light of experiences gained in the actual working of the Competition Commission of India, and to meet the evolving needs in the field of competition, the Government has introduced Amendment Bill in the Lok Sabha in December 2012.

Competition Appellate Tribunal

2.4.10. 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 the Competition Commission of India, and to adjudicate on claim for compensation that may arise from the findings of the Commission and itself.

Serious Fraud Investigation Office

2.4.11. The Serious Fraud Investigation Office (SFIO) has been set up by the Government through a resolution dated 02.07.2003. It is a multi-disciplinary Investigating Agency, wherein experts from the banking sector, capital market, company law, law, forensic audit, taxation, information technology etc. work together to unravel a corporate fraud. SFIO takes up investigation of corporate frauds characterized by (a) complexity, and having inter-departmental and multi-disciplinary ramifications; (b) substantial involvement of public interest to

be judged by size, either in terms of monetary misappropriation (Rs. 50 Crore or more, or where the paid up capital of the company is Rs. 5 crores or more of which at least 20% has been subscribed by the public), or in terms of persons affected (at least 5000 persons); and (c) the possibility of investigations leading to, or contributing towards, a clear improvement in systems, laws or procedures. SFIO carries out investigations under provisions of Sections 235 to 247 of the Companies Act, 1956. The Companies Bill, 2012 provides for statutory status to the SFIO, and enhanced powers to take police action in cases of corporate frauds.

2.4.12. SFIO is headed by a Director as Head of the Department, in the rank of Joint Secretary to the Government of India. The Director is assisted by several Additional Directors, Joint Directors, Deputy Directors, Senior Assistant Directors and Assistant Directors. Investigations of cases are carried out by teams of officers. The Headquarters of SFIO is at New Delhi, with a Branch Office at Mumbai. Regional Offices of SFIO at Hyderabad, Chennai, Kolkata, Ahmedabad and New Delhi are being set up.

Professional Institutes of Accountants

2.5. The Ministry administers laws regulating the Professions of Accountancy [The Chartered Accountants Act, 1949]; Costs and Works 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 VI** of this Report.

Indian Institute of Corporate Affairs

2.6.1. The Ministry has set up the Indian Institute of Corporate Affairs (IICA) to serve as a ‘Holistic Think-Tank’, and a ‘Capacity Building, Service Delivery Institution’ to help corporate growth, reforms through synergised knowledge management, partnerships and problem solving in an one-stop-shop mode. The Institute supports the Ministry in evolving policy and legislative responses to meet the requirements of a dynamic economic environment, and extends support in organizational reform initiatives. It fulfils the training needs of the officers of the Indian Corporate Law Service (ICLS), and other officials working for the Ministry. IICA also helps in the continuous improvement of service delivery mechanisms in diverse areas like MCA21, corporate governance, corporate social responsibility, investor education and protection, etc.

2.6.2. The Institute has been designed with a vision of providing a platform for dialogue, interaction and partnership between governments, corporates, investors, civil society, professionals, academicians and other stake holders in the emerging 21st century environment. The IICA is headed by a Director-General & Chief Executive Officer.

Investor Education and Protection Fund

2.7.1. The Investor Education and Protection Fund (IEPF) has been set-up under Section 205C of the Companies Act, 1956, with a view

to supporting activities relating to investor education, awareness and protection. The following unclaimed amounts are credited to IEPF:-

- (a) Unpaid dividend accounts of the companies;
- (b) Application moneys received and due for refund;
- (c) Matured deposits;
- (d) Interest accrued in the amounts referred to above;
- (e) Matured debentures;
- (f) Grants and donations by the Central Government, State Governments, companies or any other institutions; and
- (g) Interest or other income received out of the investments made from the Fund.

2.7.2. The objectives/activities of the Fund are:

- ◆ Educating investors about market operations
- ◆ Equipping investors to analyze information to take informed decisions
- ◆ Making investors aware about market volatilities
- ◆ Empowering the investors by making them aware of their rights and responsibilities under various laws
- ◆ Continuously disseminating information about unscrupulous elements and unfair practices in securities market
- ◆ Broadening the investors' base by encouraging new investors to participate in securities market

- ◆ Promoting research and investor surveys to create a knowledge base that facilitates informed policy decisions.

2.7.3. A Committee, set up under the Companies Act, takes decisions regarding spending moneys out of the Fund for carrying out the above objectives and activities relating to investors' education, awareness and protection.

National Foundation for Corporate Governance

2.8.1. The National Foundation for Corporate Governance (NFCG) has been established as a Trust jointly by the Ministry of Corporate Affairs, Confederation of Indian Industry (CII), Institute of Company Secretaries of India (ICSI) and Institute of Chartered Accountants of India (ICAI). The founder partners have made financial contributions towards the corpus of NFCG. Activities of the Foundation are run using interest earnings from the corpus. In 2010, the Institute of Cost and Works Accountants of India (now Institute of Cost Accountants of India) and National Stock Exchange of India (NSE) were inducted as new members of the NFCG and have made financial contributions to the corpus. The basic objective of the Foundation is to promote good corporate governance practices in the Indian corporate sector as the key to sustainable wealth creation.

2.8.2. The Governing Council of NFCG works at the apex level of policy making. It is chaired by the Minister for Corporate Affairs. The activities of the Foundation are steered by the Board of Trustees, which is chaired by the Secretary, Ministry of Corporate Affairs. The activities conducted under the aegis of NFCG include seminars, conferences, training and workshops, research activities, etc. on corporate governance practices.

CHAPTER – III

THE COMPANIES ACT, 1956 AND ITS ADMINISTRATION

3.1.1. The Companies Act, 1956 (hereinafter referred as ‘the Act’ in this Chapter) primarily 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.

3.1.2. The main objectives of the Act are summarized as under:-

- (a) To enable the interests of shareholders be protected through articulation of shareholders democracy;
- (b) To safeguard the interests of other stakeholders, such as, creditors, financial institutions etc. through appropriate disclosures;
- (c) To provide a framework for regulation of processes of companies, including mergers/ amalgamation etc.; and
- (d) To enable the Government with adequate powers of enforcement of the law in public interest and as per procedure prescribed by law.

SIMPLIFICATION OF RULES & PROCEDURES

3.2.1. During 2011-12, the Ministry issued thirty Notifications, fifty-three General Circulars, One Departmental Circular and two master Circulars. During the current year (up to 31.12.2012), the Ministry issued thirty-one Notifications, twenty-six General Circulars. A List of such Notifications and Circulars with dates and description of the subject matter are given at the end of this Chapter.

Revision of e-Forms

3.2.2. The Ministry has notified amendments from time to time relating to e-forms for 23AB, 24AAA, 8, 10, 17, 21, 23, 23B, 23AC, 23ACA and 18 in the Companies (Central Government’s) General Rules and Forms (Amendment) Rules, 2012, and DIN-1, DIN-4 to the Companies (Directors Identification Number) Amendment Rules, 2012 and has amended Companies (Filing of Documents and Forms in Extensible Business Reporting Language) Rules.

REVIEW OF REGISTRATION AND LIQUIDATION OF COMPANIES

Companies At Work

3.3.1. As on 31.12.2012, a total of 12,89,229 companies were on the Register (consisting of 11,67,226 private limited companies and 1,22,003 public limited companies). Out of the above, 8,72,957 companies were at work,

comprising 8,06,666 private limited and 66,291 public limited companies. A majority of the companies at work (about 80%) were operating in activities covered under four broad heads, namely, ‘*Financing, Insurance, Real Estate and Renting, Business Services*’ (31.57%), ‘*Manufacturing*’ (22.31%), ‘*Wholesale and Retail Trade, Restaurants and*

Hotels’ (15.85%), and ‘*Construction*’ (10.74%) sectors. The economic activity-wise distribution of the number of companies at work as on 31.12.2012 is given in **Table 3.1**. A pictorial representation of the number of companies at work by economic activity as on 31.12.2012 is provided in **Chart 3.1**.

Table 3.1
Activity-wise per cent distribution of the Companies at Work as on 31.12.2012

Economic Activities	Private	Public	Total
(1)	(2)	(3)	(4)
Finance, Insurance, Real estate and Renting, Business Services	29.41	2.16	31.57
Manufacturing	20.07	2.24	22.31
Wholesale and Retail Trade, Restaurants and Hotels	15.15	0.70	15.85
Construction	10.14	0.60	10.74
Community, Personal and Social Services	5.55	0.43	5.98
Transport, Storage and Communication	3.05	0.17	3.22
Agriculture and Allied Activities	2.16	0.35	2.51
Electricity, Gas and Water	1.07	0.20	1.27
Mining and Quarrying	1.17	0.09	1.26
Others	4.64	0.65	5.29
Total	92.41	7.59	100.00

3.3.2. As on 31.12.2012, the total authorized capital of companies limited by shares was Rs. 39,19,877 crore, out of which private limited companies were authorized to raise capital up to Rs. 12,34,045 crore and public limited companies were authorized to raise capital up to Rs. 26,85,832 crore. The authorized capital of Companies at Work amounted to Rs. 35,39,110 crore. Out of this, Rs. 10,86,233 crore is the authorized capital of private limited companies, while authorized capital of public limited companies stood at Rs. 24,52,876 crore. Among the Companies At Work, a majority (about 80%) of the authorized capital correspond to

companies operating in five major industrial sectors, namely, ‘*Manufacturing*’ (24.4%), ‘*Electricity, Gas & Water Supply*’ (21.6%), ‘*Financing, Insurance, Real Estate and Renting, Business Services*’ (19.4%), ‘*Construction*’ (9.2%), ‘*Wholesale and Retail Trade, Restaurants and Hotels*’ (5.4%) sectors. The economic activity-wise distribution of the authorized capital of companies at work as on 31.12.2012, is given in **Table 3.2**. and **Chart 3.2**. gives a pictorial representation of the authorized capital of companies at work by economic activity as on 31.12.2012.

Table 3.2
Economic Activity-wise percentage Distribution of Authorized capital of
Companies at work (as on 31.12.2012)

Industry	Private	Public	Total
(1)	(2)	(3)	(4)
Manufacturing	8.36	16.08	24.45
Electricity, Gas and Water	2.47	19.17	21.63
Finance, Insurance, Real Estate and Renting, Business Services	7.13	12.30	19.43
Construction	4.43	4.82	9.25
Wholesale and Retail Trade, Restaurants and Hotels	3.05	2.37	5.42
Transport, Storage and Communication	1.03	3.08	4.12
Community, Personal and Social Services	1.17	2.72	3.90
Mining and Quarrying	0.50	1.45	1.95
Agriculture and Allied Activities	0.35	0.51	0.85
Unclassified	2.19	6.81	9.00
Total	30.69	69.31	100.00

NEW REGISTRATION

3.3.3. During 2011-12, 99,639 companies limited by shares with authorized capital of Rs. 34,818.34 crore were registered under the Act. Out of these, 52 were Government companies with authorized capital of Rs. 5,749.57 crore and 99,587 were Non-Government companies with authorized capital of Rs. 29,068.77 crore.

3.3.4. Among the 52 Government companies limited by shares registered during 2011-12, 40 were public limited companies, and 12 were private limited companies with authorized capital amounting to Rs. 5,642.60 crore and Rs. 106.97 crore respectively. Out of the 99,587 Non-Government companies limited by shares registered during 2011-12, 3,440 were public limited companies, and 96,147 were private limited companies with authorized

capital amounting to Rs. 5,957.78 crore and Rs. 23,110.99 crore respectively.

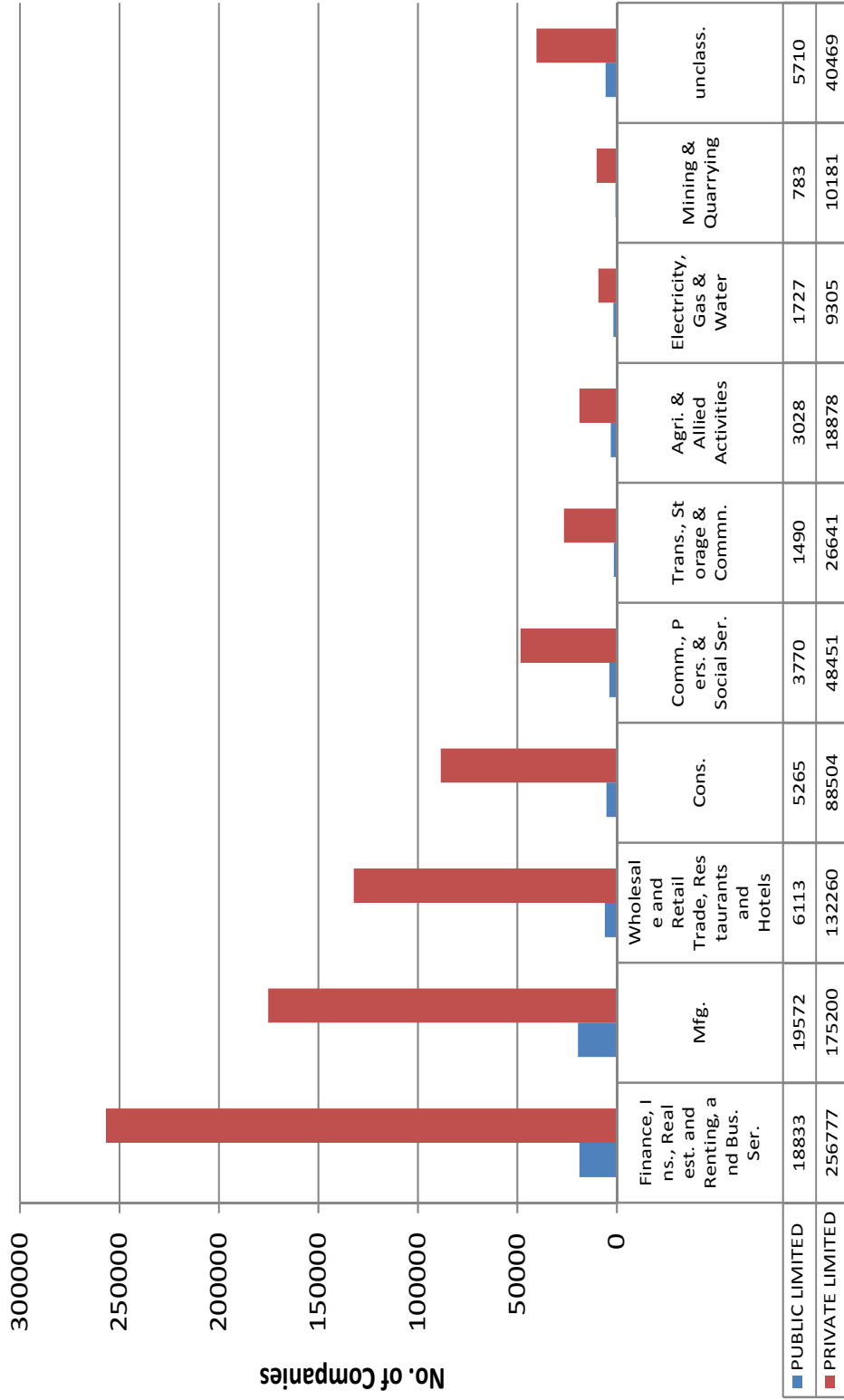
FOREIGN COMPANIES

3.3.5. As on 31.03.2012, there were 3,191 foreign companies, as defined under Section 591 of the Act. The number of foreign companies increased to 3,799 by the end of December 2012. Five States/UTs, account for over 90% of the total of 3,799 foreign companies, with a place of business located in India. The States/UTs are: (i) Delhi (1,737), (ii) Maharashtra (940), (iii) Karnataka (338), (iv) Haryana (246) and (v) Tamil Nadu (228).

NIDHI COMPANIES

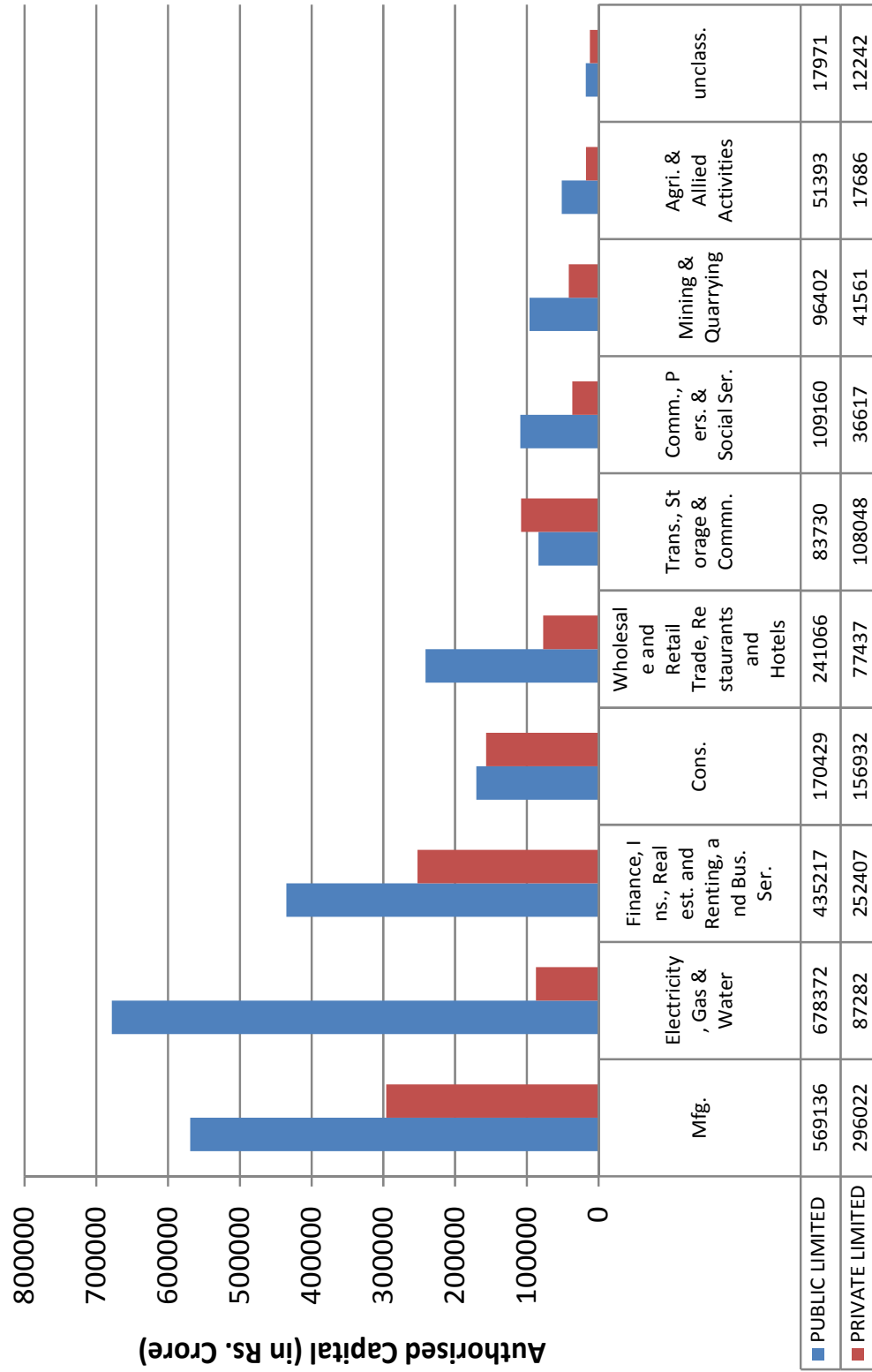
3.4.1. Under Section 620-A of the Act, certain special type of Non-Banking Financial Companies can be declared by the Central

Chart 3.1
No. of Companies At Work by Economic Activity as on 31.12.2012



Economic Activity

Chart 3.2
Authorised Capital of Companies At Work by Economic Activity as on 31.12.2012



Economic Activity

Government as “Nidhi companies” or “Mutual Benefit Societies”. Some specific provisions of the Act, as notified in Notification GSR No. 555(E) dated 26.07.2001, and modified by GSR No. 881(E) dated 03.11.2010 would not apply or stand modified in respect of such companies. With the issue of Notification GSR 679(E) dated 14.09.2011 declaring fourteen more companies as Nidhi companies, the total number of Nidhi companies stood at 382 as on 31.12.2011.

3.4.2. Eight applications under Section 620A of the Act, seeking declaration as “Nidhi companies” were pending as on 01.04.2011. During 2011-12, the Central Government received ten applications. Out of these eighteen applications, five applications were disposed of during 2011-12. In addition to the thirteen applications that were pending consideration as on 01.04.2012, seven applications were received during the current year (up to 31.12.2012). Out of the twenty applications, two applications were disposed of during the said period, and eighteen were pending as on 31.12.2012.

VANISHING COMPANIES

3.5.1. Pursuant to the Budget Speech of the then Finance Minister on 27.02.1999, a Central Coordination and Monitoring Committee (CMC), co-chaired by Secretary, Ministry of Corporate Affairs and Chairman, Securities and Exchange Board of India (SEBI) was set up to look into issues relating to companies that had come out with public issue and disappeared. Companies, which fulfill the following three criteria are considered as vanishing : (i) not-maintaining their registered offices; (ii) non-filing of statutory returns with the concerned Registrars of Companies (ROCs) and Stock

Exchanges as per listing agreements for a period of two years; and (iii) non-correspondence between the Stock Exchange and the company for a long time. The CMC was constituted with a view to monitor the progress of action taken against the Vanishing Companies.

3.5.2. Out of the companies which came out with Initial Public Offerings (IPOs) during 1992 to 2005, 238 companies were identified as ‘vanishing companies’. With the continuous efforts of the Ministry, 119 companies were traced, and another 32 vanishing companies are presently under liquidation, and as such, deleted from the list of vanishing companies. The total number of vanishing companies as on 31.12.2012 stood at 87.

3.5.3. Field offices of the Ministry have taken action against the vanishing companies for violations of the provisions of the Act by filing complaints u/s 159/220 of the Act, apart from filing of prosecutions u/s 62/ 63/68 and 628. These offices sought assistance of police authorities and general public to ascertain the whereabouts of such companies. Further, FIRs have also been lodged with police authorities against the 87 vanishing companies.

INVITATION AND ACCEPTANCE OF DEPOSITS

3.6.1. Invitation and acceptance of deposits by Non-Banking Non-Financial companies is regulated by Section 58A of the Act and the Companies (Acceptance of Deposits) Rules, 1975. The Rules prescribe the limits up to which, the manner in which, and the conditions subject to which, deposits may be invited or accepted by these companies, either from the public or from their members.

3.6.2. These Rules require every company, to publish at the time of inviting deposits, an advertisement showing a summarized financial position of the company, for the preceding financial years. The rules lay down the conditions governing the acceptance of deposits relating to the following aspects:

- (a) Ceiling limits of deposits with reference to the company's net worth.
- (b) Maximum period of 36 months for which the deposits can be accepted.
- (c) Maximum rate of brokerage, which can be paid by the company to brokers through whom the deposits are collected.
- (d) Maintenance of liquid assets to the extent of 15% of deposits maturing during the year to be invested in specified securities, in order to safeguard the interests of depositors.
- (e) Maximum rate of interest payable on deposits.

3.6.3. The Central Government has been empowered to exempt a class of companies from the restrictions imposed by the provisions of Section 58A, and to grant extension of time to comply with, or exempt them from complying with, the provisions. Exemptions can be granted only in consultation with the Reserve Bank of India. Non-Banking companies, fulfilling the conditions laid down in the Notification GSR No. 1075(E) dated 29.12.1989, have been allowed to accept deposits by issuing "Commercial Papers".

3.6.4. Two applications under Section 58A(8) of the Act, seeking exemption/

extension of time were pending as on 01.04.2011. During 2011-12, the Central Government received twelve applications. Out of these fourteen applications, three applications were disposed of during 2011-12. In addition to the eleven applications that were pending consideration as on 01.04.2012, one application was received during the current year (up to 31.12.2012). Out of the twelve applications, four applications were disposed of during the said period, and eight applications were pending as on 31.12.2012.

3.6.5. The Company Law Board (CLB) has been empowered to take cognizance of any case of non-repayment of deposits on maturity, and direct the company to repay such deposits under Section 58A (9). Non-compliance of the orders of the CLB may lead to imprisonment up to three years, and a monetary penalty.

3.6.6. The CLB had 194 pending applications under Section 58A(9) of the Act as on 01.04.2011. During 2011-12, the CLB received 253 applications. Out of a total of 447 applications, 409 applications were disposed of during 2011-12. In addition to the 38 applications that were pending consideration as on 01.04.2012, 373 applications were received during the current year (up to 31.12.2012). Out of the total of 411 applications, 31 applications were disposed of during the said period, and 380 applications were pending as on 31.12.2012.

PAYMENT OF DIVIDEND OUT OF RESERVES

3.7.1. If a company, for want of adequate profits in the corresponding year, proposes to declare dividend out of the accumulated profits of previous years, which had earlier

been transferred to the reserves, can do so only under the procedure prescribed by the Central Government. In case such a company does not comply with the procedure, the company has to obtain prior approval from the Central Government under Section 205A (3) of the Act.

3.7.2. The Central Government had two pending applications under Section 205A (3) of the Act as on 01.04.2011. During 2011-12, the Central Government received four applications. Out of these six applications, four were disposed of during 2011-12. In addition to the two applications that were pending consideration as on 01.04.2012, two more were received during the current year (up to 31.12.2012). Out of the four applications, two were disposed of during the said period, and two were pending as on 31.12.2012.

CHANGE IN RATE OF DEPRECIATION

3.7.3. Under Section 205 of the Act, companies can pay dividend out of the profits of the corresponding year or the previous years' profits, only after providing for depreciation. If the depreciation involves writing off of 95% of the original cost, the company has to obtain prior approval from the Central Government under Section 205(2)(c) of the Act. As on 01.04.2011, eight applications were pending under Section 205(2)(c) of the Act. During 2011-12, five applications were received. Out of these thirteen applications, ten were disposed of during 2011-12. In addition to the three applications pending consideration as on 01.04.2012, five were received during the current year (up to 31.12.2012). Out of the eight applications, four were disposed of during the said period, and four were pending as on 31.12.2012.

AMALGAMATION/ MERGER/ ARRANGEMENT BETWEEN GOVERNMENT COMPANIES

3.7.4. As on 01.04.2011, five applications were pending under Sections 391-394 of the Act. During 2011-12, one application was received. Out of these six applications, five were considered and approved. In addition to the one application that was pending consideration as on 01.04.2012, two more were received during the current year (up to 31.12.2012). All three applications were pending as on 31.12.2012.

AMALGAMATION OF GOVERNMENT COMPANIES

3.7.5. As on 01.04.2011, two applications were pending under Section 396 of the Act. During 2011-12, two applications were received. Out of these four applications, one was disposed of. The remaining three applications were pending as on 31.03.2012. No applications were received during the current year (up to 31.12.2012). All three pending applications were disposed of during the said period and no applications were pending as on 31.12.2012.

REDUCTION OF SHARE CAPITAL

3.7.6. As on 01.04.2011, one application was pending under Section 101. During 2011-12, one more application was received. Out of these two cases, one was considered and approved and the other application was pending as on 31.03.2012. Another application was received during the current year (up to 31.12.2012). Out of the two applications, one application was disposed of during the said period and one application was pending as on 31.12.2012.

EXEMPTION FROM DISCLOSING QUANTITATIVE DETAILS IN PROFIT & LOSS ACCOUNT

3.7.7. As on 01.04.2011, three applications were pending under Section 211(4) of the Act. During 2011-12, five applications were received. The Ministry had granted general exemption vide Notification No. S.O. 301 (E) dated 08.02.2011 to the companies, and hence, approval of the Ministry was not necessary, provided the companies adhered to conditions laid down in the Notification. Out of eight applications, three were considered and disposed of. In addition to the five applications pending as on 01.04.2012, seven were received during the current year (up to 31.12.2012). All twelve applications were disposed of during the said period, and no application was pending as on 31.12.2012.

EXEMPTION FROM ANNEXING BALANCE SHEET OF SUBSIDIARY COMPANIES

3.7.8. As on 01.04.2011, three applications were pending under Section 212(8) of the Act. During 2011-12, one application was received. However, the Ministry had granted general exemption vide circular No. 8/2011 dated 08.02.2011 to the companies. In view of this, approval of the Ministry was not necessary provided the companies adhered to conditions laid down in the circular. Out of four applications, three were considered and disposed of. One application was under consideration and pending as on 31.03.2012. Seven more applications were received during the current year (up to 31.12.2012). All eight applications were disposed of during the said period, and no application was pending as on 31.12.2012.

APPOINTMENT OF SOLE SELLING AGENTS

3.8.1. The Central Government is empowered under Section 294AA(1) of the Act to declare that no “Sole Selling Agent” shall be appointed by a company to create a market for the sale of such goods for which the demand is substantially in excess of the production or supply. Such a restriction is in effect for a period of three years starting from 16.07.2010 only in respect of *‘Bulk drugs, Drugs and Formulations’*.

3.8.2. Under sub-sections (2) & (3) of Section 294AA of the Act, in cases where the Sole Selling Agents or their relatives hold paid-up-capital of Rs. 5 lakhs, or 5 per cent of the paid-up-capital of the company, whichever is less, and where the company has a paid-up capital of Rs. 50 lakhs or more, approval of Central Government for appointment of Sole Selling Agents is necessary.

3.8.3. The Central Government had two pending applications under Sub-sections (2) & (3) of Section 294AA of the Act as on 01.04.2011. During 2011-12, the Central Government received five applications. Out of these seven applications, four were disposed of during 2011-12. In addition to the three applications pending consideration as on 01.04.2012, four were received during the current year (up to 31.12.2012). Out of the seven applications, four were disposed of during the said period, and three were pending as on 31.12.2012.

LOANS TO DIRECTORS, GIVING GUARANTEE OR PROVIDING SECURITY IN CONNECTION WITH A LOAN

3.9.1. Prior approval of the Central Government under Section 295 of the Act is

mandatory if a Public Limited Company or its subsidiary wishes to advance any loan to its Directors, their relatives or firms or private companies in which they are interested, or to give any guarantee or security to enable them to obtain a loan.

3.9.2. The Central Government had 26 pending applications under Section 295 of the Act as on 01.04.2011. During 2011-12, the Central Government received 149 applications. Out of these 175 applications, 74 were disposed of during 2011-12. In addition to the 101 applications pending consideration as on 01.04.2012, 69 were received during the current year (up to 31.12.2012). Out of the 170 applications, 92 were disposed of during the said period, and 78 were pending as on 31.12.2012.

RESTRICTION ON ACQUISITION OF SHARES

3.10.1. Under Section 108-A of the Act, prior approval of the Central Government is required to be obtained for acquisition/transfer of shares by or to, an individual, firm, group, constituent of a group, body corporate or bodies corporate under the same management in relation to dominant undertaking provided there is any increase in dominance as a result of such an acquisition or transfer of shares.

3.10.2. The Central Government had one application under Section 108A of the Act pending as on 01.04.2011. During 2011-12, the Central Government received no application, and disposed of the only pending application. During the current year (up to 31.12.2012), no application was received, and thus there was no pendency as on 31.12.2012.

APPOINTMENT OF MANAGERIAL PERSONNEL

3.11.1. It is permissible for a Public Limited or Private Limited company, being a subsidiary of a Public Limited company, to appoint its managerial personnel and to remunerate them, except in the following cases, when it has to seek the approval of the Central Government for the terms of such appointment:

- 1) In case there is loss/inadequacy of profits in the company and the proposed remuneration is in excess of the limit, as prescribed under Schedule XIII.
- 2) In case of a profit making company, the remuneration proposed to be paid is exceeding 5% of the net profit in case of single managerial appointment, and 10% of the net profit in case of multiple appointments.
- 3) In case where the company has defaulted in making payment of its debts (including public deposits) and interest thereon.
- 4) Where the company does not have any remuneration committee.
- 5) Where the appointee is a NRI.
- 6) In case of non-executive Directors the remuneration proposed to be paid is in excess of 1% of the net profit of the company where there are any managerial personnel, and 3% where there is no managerial personnel appointed by the company.
- 7) In case where the company has made any violation of the Act as specified in Part I of Schedule XIII of the Act and the proposed managerial personnel have been

awarded any punishment or the authority concerned has imposed penalty for such violation.

3.11.2. Under Sections 259, 268, 269/Schedule XIII, 309(1B) / 309(4)(5B), 310 and 314(1B) of the Act, approval of the Central Government is required for the appointment of, and payment of remuneration to, Managing Directors, Whole Time Directors and Managers of Public Limited Companies and Private Limited Companies which are subsidiaries of Public Limited Companies.

3.11.3. The Central Government had 451 pending applications under Sections 259, 268, 269/Schedule XIII, 309(1B) / 309(4)/ 309(5B), 310 and 314(1B) of the Act as on 01.04.2011. During 2011-12, the Central Government received 1,042 applications. Out of these 1,493 applications, 1,019 were disposed of during 2011-12. In addition to the 474 applications pending consideration as on 01.04.2012, 761 were received during the current year (up to 31.12.2012). Out of the 1,235 applications, 707 were disposed of during the said period, and 528 applications were pending as on 31.12.2012.

3.11.4. In the interest of greater transparency, the process of submission of applications has been made online. Companies can also track the status of their application on the Website. It is however observed that due to several deficiencies in applications made, the process of according approvals has become time-consuming, as it entails further communications.

APPLICATIONS FOR CONDONATION OF DELAY UNDER SECTION 637B(b)

3.11.5. The Central Government had 28 pending applications under Section 637B(b) of the Act as on 01.04.2011. During

2011-12, the Central Government received 311 applications. Out of these 339 applications, 80 were disposed of during 2011-12. In addition to the 259 applications pending consideration as on 01.04.2012, 233 were received during the current year (up to 31.12.2012). Out of the 492 applications, 353 were disposed of during the said period, and 139 were pending as on 31.12.2012.

CHANGE OF VENUE OF ANNUAL GENERAL MEETING UNDER SECTION 166

3.12.1. The Central Government has powers under Section 166(2) of the Act to grant approval for change of venue of Annual General Meeting to a place other than where registered office is situated.

3.12.2. The Central Government received twenty-one applications under Section 166(2) of the Act during 2011-12 and all of them were disposed of during 2011-12. Twenty-four applications were received during the current year (up to 31.12.2012), and as all of them were found to be in order, they were approved. No application is pending as on 31.12.2012.

APPROVAL FOR GRANTING CONTRACTS UNDER SECTION 297(1)

3.13.1. Section 297(1) of the Act, makes it obligatory for companies having paid-up share capital of not less than Rs. 1 crore to seek prior approval of the Central Government in respect of any contract to be entered into (a) for sale, purchase or supply of goods, material or service, or (b) for underwriting the subscription of any share or debentures of the company with a Director of the company or his relatives, with a

firm or a company in which such a Director has interest. The powers of Central Government to accord approval under Section 297(1) of the Act have been delegated to Regional Directors with effect from 19.08.1993. This has been done with the twin purposes of decentralization and expeditious disposal.

3.13.2. The Regional Directors had 516 pending applications under Sections 297(1) of the Act as on 01.04.2011, and received 2,027 applications during 2011-12. Out of these 2,543 applications, 2,020 applications were disposed of during 2011-12. In addition to the 523 applications pending consideration as on 01.04.2012, 1,362 were received during the current year (up to 31.12.2012). Out of the 1,885 applications, 1,461 were disposed of during the said period, and 424 were pending as on 31.12.2012.

LIQUIDATION OF COMPANIES (BY OFFICIAL LIQUIDATORS)

3.14.1. As on 01.04.2011, there were 6,031 companies under liquidation. During 2011-12, 371 companies were ordered for liquidation. Out of 6,402 cases, 675 companies were finally wound up, and 5,727 companies were under liquidation as on 31.03.2012. Out of 4,837 companies to be wound up by the Court, 319 companies were finally wound up. Number of companies under voluntary winding up by Members and Creditors were 1,511 and 98 respectively, of which 379 companies were finally wound up by the Members voluntarily, and 21 were finally wound up by the creditors voluntarily during the said period.

3.14.2. During the current year (up to 31.12.2012), 253 companies were ordered for liquidation. Out of 5,980 cases, 256

companies were finally wound up, and 5,724 companies were under liquidation as on 31.12.2012. Out of 4,721 companies to be wound up by Court, 162 companies were finally wound up by the Court. The number of companies under voluntary winding up by Members and Creditors were 1,174 and 85 respectively, of which 94 companies were finally wound up by the Members voluntarily during the said period.

INSPECTION AND INVESTIGATION

3.15.1. The Act empowers the Central Government to inspect the books of accounts of a company, to direct special audit, to order investigation into the affairs of a company and to launch prosecution for violations of the Act. Books of accounts and other documents of companies are inspected by officers of the Directorate of Inspection and Investigation, and the Registrar of Companies, to ascertain whether they are resorting to illegal/ fraudulent practices that may adversely affect the interest of shareholders, creditors, employees and others. Wherever inspection reports disclose any information that may be of interest to other Departments, or agencies, such as, the Ministry of Commerce and Industry, Central Board of Direct Taxes, Enforcement Directorate, State Governments or Provident Fund Authorities, such information is shared with them. If an inspection discloses a *prima facie* case of fraud or cheating, action is initiated for investigation under provisions of the Act.

INSPECTIONS

3.15.2. Section 209A of the Act empowers the Registrar of Companies, or Officers duly authorized by the Central Government, to

undertake inspection of the books of accounts and other records of companies. Several officers of the Ministry have been authorized under this section from time to time to undertake inspections. Inspections are undertaken with a view to ascertaining, *inter alia*, whether the company's funds have been siphoned off, applied or diverted in a manner violative of the provisions of the Act, and whether the company management has misused its fiduciary position for any personal advantage in violation of the Act, or whether there are acts of mismanagement or oppression that adversely affect the interests of company stakeholders, or which may adversely prejudice such interests, which may merit the company to be wound up on just and equitable grounds, and to examine the need for legal action if the company is in default of the provisions of the Act.

3.15.3. Inspections of the books of accounts of the company are generally ordered on the basis of complaints received in the Ministry, or in its field offices, about mismanagement in respect of maintenance of books of accounts, delay in transfer of shares/debentures, delay in payment of dividend, non-payment of deposits or interest thereon etc., upon noticing of violations/irregularities during scrutiny of documents including Auditors remarks filed in the office of the Registrar of Companies, and upon receipt of references from other Government Departments/Agencies pointing out violations of the provisions of the Act or other irregularities.

3.15.4. During 2011-12, the Ministry received 80 inspection reports from its field offices. During the current year (up to 31.12.2012), 81 inspection reports have been received.

PROSECUTIONS

3.15.5. As on 01.04.2011, 60,258 cases of prosecution were pending. During 2011-12,

6,815 prosecutions were launched and pursued in various courts under the Act. During this period, 17,123 prosecutions were disposed of. As on 31.03.2012, the number of pending cases stood at 49,950.

3.15.6. During the current year (up to 31.12.2012), 4,361 prosecutions were launched and pursued in various courts under the Act. During this period, 5,196 prosecution cases were disposed of. As on 31.12.2012, the number of pending cases stood at 49,115.

SERIOUS FRAUD INVESTIGATION OFFICE

3.16.1. The Serious Fraud Investigation Office (SFIO) was set up by the Central Government by a resolution dated 02.07.2003. The SFIO is a multi-disciplinary Investigating Agency, wherein experts from the fields of Banking, Capital Market, Company Law, Law, Forensic Audit, Taxation, Information Technology etc. work together to unravel a corporate fraud. SFIO takes recourse to the provisions of Sections 235 to 247 of the Act.

3.16.2. After submission of the reports by the team of investigating officers, prosecutions are sanctioned by the Ministry. Thereafter prosecutions are filed by SFIO in the competent courts.

3.16.3. Since its inception, 133 cases have been referred to SFIO for investigation. As on 01.04.2011, two cases ordered for investigation during previous years were pending with SFIO. During 2011-12, 13 cases and during the current year (up to 31.12.2012), 42 cases were ordered for investigation under Section 235/237 of the Act by the Central Government under separate orders. Out of 133 cases, SFIO

has submitted investigation reports in 100 cases till 31.12.2012 [including 20 submitted in 2011-12, and 18 during the current year (up to 31.12.2012)]. Five cases have been either stayed or dismissed by Courts. As on 31.12.2012, 28 cases are under investigation by SFIO.

3.16.4. As on 01.04.2012, 914 cases of prosecution were launched in different Courts against the persons involved in fraudulent activities. During the current year (up to 31.12.2012), 74 cases of prosecution were launched, taking the total number of prosecutions as on 31.12.2012 to 988 (including 878 offences under the Company Law, and 110 under the Indian Penal Code).

COMPANY LAW BOARD

3.17.1. The Company Law Board (CLB) is an independent quasi-judicial body, exercising equitable jurisdiction. While matters under Sections 250, 269, 388B of the Act are being dealt with by the Principal Bench, other matters under the Act and those under Section 45QA of the Reserve Bank of India Act, 1934 are dealt with by Regional Benches according to their territorial jurisdiction. The CLB has powers to enforce its own orders. Appeals against decisions of the CLB lie to the High Court.

Company Petitions before CLB

3.17.2. As on 01.04.2011, 2,664 applications/cases were pending with the CLB. During 2011-12, 13,352 applications/cases were filed, under various Sections of the Act. Out of 16,016 applications/cases, the CLB disposed of 13,606 applications/cases, leaving 2,410 applications/cases pending as on 31.03.2012. During the said period, filing fees received by the CLB was

Rs. 69,39,401/-, and compounding fees realized during the same period was Rs. 3,47,85,596/-.

3.17.3. During the current year (up to 31.12.2012), 9,798 applications/cases were considered under various sections of the Act by CLB, of which 6,769 applications/ cases were disposed of by the CLB. During the said period, filing fees received by the CLB was Rs. 42,91,219/- and compounding fees realized during the same period was Rs. 4,24,79,780/-.

3.17.4. Taking into consideration the hardships faced by small and needy depositors who have deposited amounts in fixed deposits with companies which have defaulted in refunding the same, the CLB has constituted Hardship Committees. Meetings of the Hardship Committee were held at CLB, New Delhi to consider applications for refund of deposit on hardship grounds in respect of eight companies. During 2011-12, a sum of Rs. 1,45,04,800/- was disbursed to 1,311 depositors. A sum of Rs. 81,03,789/- was disbursed to 648 depositors during the current year (up to 31.12.2012).

3.17.5. A total of 2,410 applications/petitions under various Sections of the Act filed by companies were pending as on 31.03.2012, and during the current year (up to 31.12.2012), a total of 7,388 such applications/petitions were received. Out of the 9,798 cases, 6,769 cases were disposed of, and 3,029 applications/petitions were pending with the CLB as on 31.12.2012.

Cost Audit

3.18.1. Cost Accounting Record Rules prescribe the manner in which cost records are to be maintained by companies. Cost

records help the companies to maintain a cost database for their own use and for improving their performance. These records are also used by various Government agencies, like price-fixation authorities, regulatory bodies, WTO implementation and monitoring agencies, Competition Commission of India, revenue authorities, and other institutions. During 2011-12, in supersession of all the existing 44 Cost Accounting Record Rules, the Central Government notified Companies (Cost Accounting Records) Rules, 2011, and also six industries-specific revised Cost Accounting Records Rules for regulated industries.

3.18.2. These newly notified Rules apply to every company engaged in the production, processing, manufacturing, or mining activities and wherein aggregate value of net worth, as on the last date of the immediately preceding financial year, exceeds Rs. 5 crore, or aggregate value of turnover from all products or activities during immediately preceding the financial year exceeds Rs. 20 crore or the company's equity or debt securities are listed, or are in the process of listing on any stock exchange, whether in India or outside India. These Rules do not apply to a body corporate governed by any special Act.

3.18.3. Cost Audit Report Rules prescribe the manner of submission and form of the cost audit report to be submitted by companies. During 2011-12, Cost Audit Report Rules, 2001 were also repealed and in its place, the Companies (Cost Audit Report) Rules, 2011 were notified on 03.06.2011. These rules apply to those companies in respect of which Cost Audit Orders have been issued under Section 233B(1) of the Act.

3.18.4. The Ministry vide notification No. G.S.R. 617(E) dated 07.08.2012, amended

the Companies (Fees on Applications) Rules, 1999 and imposed additional fee on delayed filing of e-form 23C for seeking prior approval of the Central Government for appointment of cost auditors by the company. However, in the case of change of cost auditor caused by the death of the existing cost auditor, companies are allowed to file fresh e-form 23C, without any additional fee, within 90 days of the date of death. Further, the Ministry vide notification No. S.O. 1747(E) dated 07.08.2012, issued the Product or Activity Group classification of the activity undertaken by the companies to be used by all companies in filing of the cost audit report and compliance report.

3.18.5. Consequent to the notification of product/activity group classification, and to remove any confusion among companies regarding applicability of cost audit, and in supersession of earlier orders issued on 02.05.2011, 03.05.2011, 30.06.2011 and 24.01.2012, the Ministry issued revised cost audit orders on 06.11.2012 linking the coverage of cost audit with the notified product/activity groups. These orders are effective from the financial year commencing on or after the 01.01.2013.

3.18.6. Online approval and filling of reports have resulted in reduction of processing time (including time consumed in communication of formal orders, queries etc.), and space for storage of paper-reports. During 2012, the Ministry mandated filing of cost audit reports and compliance reports by all eligible companies in the eXtensible Business Reporting Language (XBRL) mode. In furtherance thereof, Notification No. G.S.R. 869 (E) dated 30.11.2012 has been issued.

3.18.7. The Ministry received 2,959 applications during 2011-12 and 5,416

applications during the current year (up to 31.12.2012) for appointment of cost auditors. All these applications have been disposed of. During 2011-12, the Ministry has received 3,080 cost audit reports in electronic form.

3.18.8. During 2011-12, the Ministry shared 216 cost audit reports with other departments, such as, Anti-dumping Directorate, Tariff Commission, National Pharmaceuticals Pricing Authority, Competition Commission of India, and Central Vigilance Commission. The number of cost audit reports so shared during the current year (up to 31.12.2012) stood at 208.

3.18.9. The Ministry received 116 applications during 2011-12 and another 11 during the current year (up to 31.12.2012), seeking exemption from filing of cost audit reports on the grounds of temporary closure, negligible production/activity, etc. Such applications are entertained on a year-to-year basis. All the applications were processed.

REDRESSAL OF INVESTORS' GRIEVANCES

3.19.1. As on 01.04.2011, the number of backlog complaints was 1,320 received through the complaint module of the MCA21 portal. During 2011-12, 5,114 more complaints were received. Out of a total of 6,434 complaints received through the MCA portal, 5,923 complaints were resolved and 511 complaints were pending as on 31.03.2012. Further, the Ministry also received 254 off-line complaints pertaining to other agencies such as SEBI, Ministry of Finance etc. which were forwarded to them for further necessary action.

3.19.2. In addition to the pending 511 complaints through the MCA portal, 3,437

complaints were received during the current year (up to 31.12.2012). Out of a total of 3,948 complaints through the MCA portal, 2,923 complaints were resolved and 1,025 complaints were pending as on 31.12.2012. Further, the Ministry received another 116 complaints pertaining to other agencies such as SEBI, Ministry of Finance etc. which were forwarded to them for further necessary action.

COMPANIES BILL 2012 - TOWARDS AN ENLIGHTENED REGULATION

3.20.1. Keeping in view the developments taking place nationally as well as internationally, and with the objective of modernizing the structure for corporate regulation in India, and promote the development of the Indian corporate sector through enlightened regulation and good corporate governance practices, it was decided to revise the existing Companies Act, 1956 comprehensively. Various stakeholders viz. Industry Chambers, Professional Institutes, Government Departments, Legal Experts and Professionals etc. were consulted in the process. Thereafter, the new Companies Bill which seeks to replace the existing Companies Act, 1956, was introduced in the Lok Sabha on 14.12.2011 and was referred to Hon'ble Parliamentary Standing Committee on Finance for examination and report, which submitted its report to Parliament on 13.08.2012. Keeping in view the recommendations made by the Committee, and consultations held with concerned Ministries/Departments, official amendments to the Companies Bill, 2011 were moved in Parliament. The Companies Bill, 2011 (along with official amendments) has been passed by the Lok Sabha on 18.12.2012 and has been rechristened as the Companies Bill,

2012. The Bill is likely to be considered by the Rajya Sabha in the ensuing Budget Session of Parliament. The Bill is available on the website of Ministry at www.mca.gov.in. Salient features of the Companies Bill, 2012 are given in **Box 3.1**.

3.20.2. The Companies Bill, 2012 divided into 29 chapters, has 470 clauses and 7

Schedules as against 658 Sections and 15 Schedules in the existing Companies Act, 1956. New Chapters on Registered Valuers (Chapter 17); Government companies (Chapter 23); Companies to furnish information or statistics (Chapter 25); Nidhi companies (Chapter 26); National Company Law Tribunal and Appellate Tribunal (Chapter 27); and Special Courts (Chapter 28) have been included.

Box 3.1

SALIENT FEATURES OF THE COMPANIES BILL, 2012

- (i) **E-Governance:** Maintenance and allowing inspection of documents by companies in electronic form statutorily allowed for the first time.
- (ii) Concept of **Corporate Social Responsibility** and disclosure norms introduced.
- (iii) **Enhanced Accountability on the part of Companies:**
 - (a) Concept of Independent Directors (IDs) introduced, and provisions for their tenure and liability etc. made. Code for IDs provided in a separate Schedule to the Bill. Databank for IDs proposed to be maintained by a body/institute notified by the Central Government to facilitate appointment of IDs.
 - (b) Corporate Social Responsibility (CSR) Committee of the Board of Directors proposed in addition to other Committees viz. Audit, Nomination and Remuneration, and Stakeholders Relationship. These committees shall have IDs/non executive directors to bring more independence in Board functioning and for protection of interests of minority shareholders.
 - (c) Definition of ‘promoter’ also included along with his liability in certain cases.
 - (d) Provisions in respect of vigil mechanism (whistle blowing) proposed to encourage ethical corporate behavior, to reward employees for their integrity and to provide valuable information to the management on deviant practices.
 - (e) Central Government empowered to prescribe restrictions about layers of subsidiaries for any class of companies.
 - (f) New provisions and safeguards for allowing re-opening of accounts in certain cases.
- (iv) **Additional Disclosure Norms:**
 - (a) New disclosures like development and implementation of risk management policy, Corporate Social Responsibility Policy, manner of formal evaluation of

performance of Board of directors and individual directors included in the Board's Report.

- (b) Accounts of foreign subsidiaries to be attached for filing them with the Registrar. 'Subsidiary' to include 'associate' and 'joint venture' for the purpose of consolidation.
- (c) Listed companies required to file a return with the Registrar regarding change in the shareholding position of promoters and top ten shareholders.

(v) Facilitating raising of capital by companies:

- (a) Provisions for offer or invitation for subscription of securities on private placement basis revised to bring in more transparency and accountability.
- (b) Companies allowed to issue equity shares with differential voting rights.
- (c) Companies, subject to certain conditions, may formulate schemes allowing their employees to purchase shares. If such employees do not exercise voting rights, it should be disclosed in Board's Report.

(vi) Audit Accountability:

- (a) Rotation of auditors and audit firms being provided for.
- (b) Stricter and more accountable role for Auditor. Auditors not to perform non-audit services to ensure independence and accountability.
- (c) National Advisory Committee on Accounting and Auditing Standards (NACAAS) to be renamed as National Financial Reporting Authority (NFRA) with a mandate to ensure monitoring and compliance of accounting and auditing standards and to oversee quality of service of professionals associated with compliance.

NFRA to consider the International Financial Reporting Standards and other internationally accepted accounting and auditing policies and standards while making recommendations to the Central Government so as to improve the competitiveness of Indian companies with other companies. NFRA empowered with quasi judicial powers to ensure independent oversight over professionals.

- (d) Cost records to be maintained by companies engaged in production of certain goods and services. 'Cost Auditing Standards' being mandated.
- (e) Certain class of companies required to attach a Secretarial Audit Report given by the company secretary along with the Board's Report.

(vii) Managerial Remuneration:

- (a) Existing limits on remuneration (11% of net profits) retained.

- (b) New Schedule of Remuneration to regulate remuneration payable by companies with no/inadequate profits. Deviation from the Schedule is subject to approval by Central Government. Individual limits for remuneration enhanced vis-à-vis existing limits. Concept of payment of ‘periodic fees’ (including sitting fees to Directors) included.
- (c) IDs not to get stock option but may get payment of fees and profit-linked commission.

(viii) Facilitating Mergers/ Acquisitions:

Simplified procedure for compromise or arrangement including merger or amalgamation of holding companies and wholly owned subsidiary(ies), between two or more small companies and for certain other class of companies. This would result in faster decisions on approvals for mergers and amalgamations and help in effective restructuring in companies and growth in the economy. For other companies, such matters would need approval by NCLT.

(ix) Protection for Minority Shareholders:

- (a) Exit option to shareholders in case of dissent to change in object for which public issue was made.
- (b) Norms for specific disclosure regarding effect of merger on creditors, key managerial personnel, promoters and non-promoter shareholders. NCLT empowered to provide for exit offer to dissenting shareholders in case of compromise or arrangement.
- (c) The Board may have an elected Director representing small shareholders.

(x) Investor Protection:

- (a) Acceptance of deposits from public under a more stringent regime.
- (b) No proxies allowed in certain class of companies.
- (c) Limits on number of shares/members for representation by a proxy.
- (d) Provisions for Class Action Suits revised to provide minimum number of persons who may apply for such suits, subject to safeguards against its misuse.

(xi) Serious Fraud Investigation Office:

- (a) Statutory status to Serious Fraud Investigation Office (SFIO).
- (b) Investigation report of SFIO filed with the Court for framing of charges to be treated as Police Report.
- (c) Fraud defined. Stringent penalty for fraud related offences. Such offences made cognizable. Bail procedure made strict.

- (d) SFIO empowered to arrest in respect of certain offences which attract the punishment for fraud.
- (xii) **Woman Director:** In certain class of companies, at least one Director should be a woman.
- (xiii) **National Company Law Tribunal:** Keeping in view the Supreme Court's Judgment, dated 11.05.2010 on the composition and constitution of the National Company Law Tribunal (NCLT), qualification and experience etc., of the members of the NCLT have been laid down. Appeals against decisions of NCLT lie to National Company Law Appellate Tribunal.
- (xiv) **Mediation and Conciliation Panel:** A Panel to be created and maintained for facilitating mediation and conciliation between parties during any proceeding before the Central Government or NCLT.
- (xv) **Powers to Relax:** Central Government empowered to exempt/modify provisions of the Act for a class of companies in public interest. Relevant notification shall be required to be laid in draft form in Parliament for a period of thirty days.

Innovative Features

- ◆ Introduction of the concept of 'One Person Company'.
- ◆ Introduction of the concept of 'Key Managerial Personnel' for enhanced accountability.
- ◆ Promoters/directors to make detailed disclosures at the time of incorporation of the company. This would act as check against Vanishing Companies.
- ◆ A 'Not for Profit Company' can be converted into an ordinary company.
- ◆ Central Government empowered to require greater disclosures in annual return of the companies. Would enable shareholders to view disclosures in respect of ownership pattern and changes therein, etc. on regular basis.
- ◆ Separation of the offices of Chairman and Managing Director provided for.
- ◆ Appointment of auditors for five years, subject to ratification by members at every Annual General Meeting.
- ◆ No person may be appointed as auditor in more than twenty companies.
- ◆ Recognition of both accounting and auditing standards.
- ◆ NCLT empowered to order change in company's auditors in the event of fraud by auditor.

- ◆ No person to be Director in more than 20 companies, of which not more than 10 can be public limited companies.
- ◆ “Related Party Transactions” i.e. transactions by a company with directors, or relatives of directors, or KMPs, or associate companies regulated.
- ◆ Effective Enforcement:
 - ❖ Disgorgement of ill-gotten gains provided for.
 - ❖ Central Government empowered to enter into agreement with foreign Governments for assistance with regard to investigations, etc.
 - ❖ Central Government empowered to order investigation, suo moto, in public interest.
 - ❖ Inspector empowered to search and seize documents without Court order.
 - ❖ Freezing of assets during investigation with consent of NCLT.
 - ❖ Central and State Government officers mandated to assist investigating inspectors.
- ◆ Specific disclosure regarding effect of merger on creditors, Key managerial personnel, promoters and non-promoter shareholders.
- ◆ Situations of mismanagement and oppression against minority shareholders and company to be addressed effectively. Retains powers of Central Government to apply to NCLT seeking orders for protection of rights of minority shareholders, in public interest.
- ◆ Introduction of professional valuers for enabling fair valuation.
- ◆ Revival and rehabilitation of sick companies.
- ◆ Recognising private professional liquidators for the first time in liquidation process.
- ◆ Rehabilitation and Insolvency Fund.
- ◆ Preferential payment to workers of liquidated companies.
- ◆ Special Court to be set up to adjudicate offences.
- ◆ In house mechanism for levying penalties (by ROCs) proposed, so as to help reduce burden on courts.
- ◆ Introduction of concept of ‘Dormant Companies’ to facilitate inactive companies to have minimal compliance requirements and to keep track of vanishing companies.
- ◆ Dissolution of the CLB upon constitution of NCLT.

NOTIFICATIONS ISSUED DURING 2011-12

Sr. No.	Notification Number	Date	Subject
1.	G.S.R. 303(E)	06.04.2011	Amendment in Director's Relatives (Office or Place of Profit) Rules, 2003.
2.	G.S.R. 304(E)	06.04.2011	Amendment in Companies Regulations, 1956.
3.	G.S.R. 326(E)	08.04.2011	Amendment in Notification No. GSR 517(E) dated 31.08.2006.
4.	G.S.R. 351(E)	29.04.2011	Companies (Central Government's) General Rules & Forms (Amendment) Rules, 2011.
5.	G.S.R. 357(E)	02.05.2011	Director's Relative (Office or Place of Profit) Rules, 2011.
6.	G.S.R. 368(E)	09.05.2011	Companies (Amendment) Regulations, 2011.
7.	G.S.R. 378(E)	11.05.2011	AS-11 extended up to 31.03.2011.
8.	S.O. 1152(E)	23.05.2011	LLP declared as a Body corporate for the limited purpose of Section 226(3)(a) of the Companies Act, 1956.
9.	G.S.R. 396(E)	23.05.2011	Amendment in Schedule XIII of the Act.
10.	G.S.R. 407(E)	26.05.2011	Companies (Central Government's) General Rules and Forms (Second Amendment) Rules, 2011 - Form No. 23D inserted w.e.f. 29.05.2011.
11.	G.S.R. 408(E)	26.05.2011	Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2011 - Form No. 8 & 17 substituted w.e.f. 29.05.2011.
12.	G.S.R. 419(E)	30.05.2011	Companies (Passing of the resolution by postal Ballot) Rules, 2011.
13.	G.S.R. 427(E)	02.06.2011	Companies Director Identification Number (Second Amendment) Rules, 2011.
14.	S.O. 1355(E)	10.06.2011	S.O. 1329(E) dated 08.05.1978 amended.
15.	GSR 453(E)	14.06.2011	Companies (Amendment) Regulations, 2011 regarding six Regional Directors.
16.	G.S.R. 506(E)	05.07.2011	Limited Liability Partnership (Amendment) Rules, 2011.
17.	G.S.R. 507(E)	05.07.2011	Companies Director Identification Number (Third Amendment) Rules, 2011.
18.	G.S.R. 514(E)	07.07.2011	Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2011 - Rule 10C amended.
19.	G.S.R. 533(E)	14.07.2011	Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2011.

Sr. No.	Notification Number	Date	Subject
20.	G.S.R. 534(E)	14.07.2011	Amendment in Schedule XIII of the Act.
21.	G.S.R. 618(E)	11.08.2011	Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2011.
22.	G.S.R.(E)	22.09.2011	Companies (Amendment) Regulations, 2011 - Regulation 17 amended.
23.	G.S.R.716(E)	23.09.2011	Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2011.
24.	G.S.R. 749(E)	05.10.2011	The Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2011.
25.	S.O. 2569(E)	13.11.2011	Establishment of offices of Registrar of Companies-cum-Official Liquidators.
26.	G.S.R. 880(E)	14.12.2011	Amendment in Schedule XIV.
27.	G.S.R. 879(E)	14.12.2011	Unlisted Public Companies (Preferential Allotment) Rules, 2011.
28.	G.S.R. 887(E)	16.12.2011	Companies (Amendment) Regulations, 2011 - Offices of Regional Directors specified for respective regions.
29.	G.S.R. 913(E)	29.12.2011	Companies (Accounting Standards) Amendment Rules, 2011 - In Accounting Standard-11 Para 46, Implementation date extended up to 31.03.2020.
30.	G.S.R. 914(E)	29.12.2011	Insertion of Para 46A in Accounting Standard-11.

NOTIFICATIONS ISSUED DURING CURRENT YEAR (UP TO 31.12.2012)

Sr. No.	Notification Number	Date	Subject
1.	S.O.733(E)	04.04.2012	Companies (Central Government's) General Rules & Forms Rules,1956- Assistant Commissioner of Income Tax, Guwahati appointed as prescribed authority for the purposes of Section 108(1A)(a) of the Act.
2.	S.O.804(E)	11.04.2012	National Advisory Committee on Accounting Standards reconstituted.
3.	G.S.R.298(E)	17.04.2012	Schedule XIV amended for intangible assets created under Build, Operate, and Transfer, Build, Own, Operate and Transfer or any other form of Public Private Partnership Route.

Sr. No.	Notification Number	Date	Subject
4.	G.S.R.395(E)	28.05.2012	Companies (Director Identification Number) Amendment Rules, 2012 - Notification No. G.S.R. 352(E) dated 10.05.2012 Clarified.
5.	G.S.R.411(E)	31.05.2012	Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2012.
6.	G.S.R.429(E)	05.06.2012	Companies Director Identification Number (Second Amendment) Rules, 2012.
7.	G.S.R.430(E)	05.06.2012	The Limited Liability Partnership (Amendment) Rules, 2012.
8.	G.S.R.485(E)	21.06.2012	Corrigendum to Notification GSR 430(E) dated 05.06.2012.
9.	S.O.1538(E)	10.07.2012	Delegation of certain powers of Central Government to Registrar of Companies.
10.	S.O.1539(E)	10.07.2012	Delegation of certain powers of Central Government to Regional Directors.
11.	S.O.1540(E)	10.07.2012	Notifying certain sections of Companies (Second Amendment) Act, 2002.
12.	G.S.R.547(E)	10.07.2012	CLB (Fees on Application and Petitions) (Amendment) Rules, 2012.
13.	G.S.R.548(E)	10.07.2012	Companies (Central Government's) General Rules and Forms, 2012 - New Form 24AAA.
14.	G.S.R.549(E)	10.07.2012	Sections 51, 63-65 of Limited Liability Partnership Act, 2008.
15.	G.S.R.550(E)	10.07.2012	Limited Liability Partnership (Winding up and Dissolution) Rules, 2012.
16.	G.S.R.577(E)	19.07.2012	Companies (Central Government's) General Rules and Forms (Fourth Amendment) Rules, 2012 - Forms 8, 10 & 17.
17.	G.S.R.588(E)	26.07.2012	Companies (Central Government's) General Rules and Forms (Fifth Amendment) Rules, 2012 - Forms 21 & 23.
18.	G.S.R.664(E)	03.09.2012	Amendment in Notification GSR 715(E) dated 23.09.2011.
19.	G.S.R.692(E)	14.09.2012	Limited Liability Partnership (Second Amendment) Rules, 2012.
20.	G.S.R.705(E)	21.09.2012	Companies (Central Government's) General Rules and Forms (Sixth Amendment) Rules, 2012 - Form 23AC and 23ACA.
21.	G.S.R.736(E)	01.10.2012	Companies (Issue of Indian Depository Receipt) Amendment Rules, 2012.
22.	S.O.2345(E)	01.10.2012	Amendment to SRO 355 dated 17.01.1957, w.r.t. Government Companies.

Sr. No.	Notification Number	Date	Subject
23.	G.S.R.750(E)	05.10.2012	Corrigendum to Companies (Central Government's) General Rules and Forms (Sixth Amendment) Rules, 2012.
24.	G.S.R.(E)	12.10.2012	Companies (Filing of Documents and Forms in Extensible Business Reporting Language) Amendment Rules, 2012.
25.	G.S.R.763(E)	15.10.2012	Amendment in Company Regulations and RD - North Eastern Region created.
26.	S.O.2500(E)	15.10.2012	Amendment in NACAS Constitution.
27.	S.O.2977(E)	21.12.2012	Recognition of MCX Stock Exchange Ltd.
28.	S.O.2978(E)	21.12.2012	Delegation of Powers u/s 388B, 388C, 388E to RBI (Banking Regulation Act).
29.	G.S.R. (E)	24.12.2012	The Companies (Central Government's) General Rules and Forms (Seventh Amendment) Rules, 2012.
30.	G.S.R. (E)	24.12.2012	The Companies Directors Identification Number (Third Amendment) Rules, 2012 - DIN4.
31.	G.S.R. (E)	24.12.2012	The Companies Directors Identification Number (Third Amendment) Rules, 2012 - DIN1.

GENERAL CIRCULARS ISSUED DURING 2011-12

Sr. No.	Circular Number	Date	Subject
1.	11/2011	07.04.2011	Allotment of Director Identification Number (DIN).
2.	12/2011	07.04.2011	Clarification regarding Easy Exit Scheme (EES).
3.	13/2011	08.04.2011	Notification of Companies Amendment Act.
4.	14/2011	08.04.2011	Certification of e-forms by Practicing professionals.
5.	15/2011	11.04.2011	Appointment of Cost Auditors by Companies.
6.	17/2011	21.04.2011	Green Initiatives in Corporate Sector - clarification regarding service of documents by e-mode instead of Under Postal certificate.
7.	18/2011	29.04.2011	Green Initiative in Corporate Governance - Clarification regarding sending copies of Balance Sheets and Auditors Report etc., to the members of the company as required under Section 219 through electronic mode.
8.	19/2011	02.05.2011	Marking a company as having management dispute by Registrar of Companies under MCA-21 system.

Sr. No.	Circular Number	Date	Subject
9.	20/2011	02.05.2011	E-Form No. 32 - Intimation to ROC regarding particulars of appointment of Directors etc. and changes therein, in the company pursuant to Section 303(2) of the Companies Act, 1956 - filing of conflicting return by contesting parties.
10.	21/2011	02.05.2011	Green Initiative in Corporate Governance - Approval of Ministry of Corporate Affairs for appointment of agency for providing electronic platform for electronic voting under the Act.
11.	23/2011	03.05.2011	Clarification regarding effective date of Companies (Particulars of employees) Amendment Rules, 2011.
12.	25/2011	12.05.2011	Corrigendum to Circular No. 09/2011 dated 31.03.2011.
13.	26/2011	18.05.2011	Certification of e-Forms by practicing professionals.
14.	27/2011	20.05.2011	Green Initiative in Corporate Governance - Participation by shareholders in general meetings under the Act through electronic mode.
15.	28/2011	20.05.2011	Green Initiative in Corporate Governance - Participation by directors in meetings of Board/ Committee of Directors through electronic mode.
16.	29/2011	20.05.2011	Green Initiative in the Corporate Governance - Issue of Certificate by Digital Signature.
17.	30A/2011	26.05.2011	Clarification regarding 'Body Corporate' for the purpose of Section 226(3)(a) of the Companies Act, 1956.
18.	32/2011	31.05.2011	Allotment of Director Identification Number under Companies Act, 1956.
19.	33/2011	01.06.2011	Compliance of provisions of the Act and Rules made there under.
20.	34/2011	02.06.2011	Guidelines for declaring financial institution as Public Financial Institution under Section 4A of the Act.
21.	35/2011	06.06.2011	Green Initiatives in Corporate Governance - Clarification regarding participation by shareholders or Directors in meetings through Electronic mode.
22.	36/2011	07.06.2011	Guidelines for Fast Track Exit mode for defunct companies under Section 560 of the Act.
23.	37/2011	07.06.2011	Filing of Balance Sheet and Profit & Loss Account in extensible Business Reporting Language (XBRL) mode.
24.	38/2011	20.06.2011	Clarification on Circular No. 33/2011 dated 01.06.2011 with regard to compliance of provisions of the Act and Rules made there under.

Sr. No.	Circular Number	Date	Subject
25.	39/2011	21.06.2011	Green Initiative in Corporate Governance - Issue of Certificates by Digital Signature.
26.	41/2011	06.07.2011	E-filing of Income Tax return in respect of companies under liquidation.
27.	44/2011	08.07.2011	Integration of Director's Identification Number (DIN) issued under Companies Act, 1956 with Designated Partnership Identification Number (DPIN) issued under Limited Liability Partnership (LLP) Act, 2008.
28.	45/2011	08.07.2011	Name Availability Guidelines, 2011.
29.	46/2011	14.07.2011	Payment of remuneration to professional managerial person by companies having no profits or inadequate profits.
30.	47/2011	14.07.2011	Prosecution of Directors.
31.	48/2011	22.07.2011	Name Availability Guidelines, 2011.
32.	49/2011	23.07.2011	Online incorporation of companies within 24 hours.
33.	50/2011	25.07.2011	Simplified procedure for obtaining confirmation of shifting of registered office from one State to another State under Section 17 of the Act.
34.	51/2011	25.07.2011	Simplified procedure for rectification of register of charges under Section 141 of the Act.
35.	52/2011	25.07.2011	Simplified procedure for obtaining online approval of Central Government under Section 297 of the Act.
36.	59/2011	05.08.2011	Company Law Settlement Scheme, 2011.
37.	60/2011	10.08.2011	Corrigendum to Company Law Settlement Scheme, 2011.
38.	61/2011	05.09.2011	Online incorporation of companies within 24 hours.
39.	62/2011	05.09.2011	Clarification on Notification No. S.O. 447 (E) dated 28.02.2011 on Revised Schedule VI (w.e.f. 01.04.2011).
40.	63/2011	06.09.2011	Compliance of the provisions of the Act and Rules made thereunder.
41.	64/2011	20.09.2011	Compliance of provisions of the Act and Rules made thereunder (Corrigendum).
42.	65/2011	04.10.2011	Company Law Settlement Scheme, 2011.
43.	66/2011	04.10.2011	Allotment of Director's Identification Number (DIN).
44.	F. No. 17/165/2011-CL-V (Pt.)	10.10.2011	Registration of Companies and LLPs with objective to do business of 'Architect'.

Sr. No.	Circular Number	Date	Subject
45.	70/2011	15.12.2011	Allotment of Director's Identification Number (DIN).
46.	71/2011	15.12.2011	Company Law Settlement Scheme, 2011.
47.	72/2011	27.12.2011	Green Initiatives in Corporate Governance - Clarification regarding participation by Shareholders or Directors in meetings under the Act through electronic mode-authorization regarding e-voting.
48.	1/2012	10.02.2012	Filing of conflicting returns by contesting parties - Clarification.
49.	2/2012	01.03.2012	Registration of Companies or LLPs which have one of their objects is to carry on the profession of Chartered Accountant, Cost Accountant, Architect, Company Secretary etc.
50.	3/2012	07.03.2012	Constitution of a Committee to formulate a Policy Document on Corporate Governance.
51.	4/2012	09.03.2012	Allotment of Director's Identification Number (DIN).
52.	5/2012	19.03.2012	Constitution of a Committee to formulate a Policy Document on Corporate Governance.
53.	6/2012	21.03.2012	Constitution of a Committee to formulate a Policy Document on Corporate Governance.

GENERAL CIRCULARS ISSUED DURING CURRENT YEAR
(UP TO 31.12.2012)

Sr. No.	Circular Number	Date	Subject
1.	7/2012	25.04.2012	Name Availability Guidelines, 2011.
2.	9/2012	15.05.2012	Compliance of provisions of the Act and the Rules made there under.
3.	10/2012	21.05.2012	Guidelines for declaring a Financial Institution as Public Financial Institution under Section 4A of the Act.
4.	13/2012	06.06.2012	Extension of time in Filing Annual Return by Limited Liability Partnerships.
5.	14/2012	21.06.2012	Imposing fees on certain e-forms filed with ROC, RD or MCA (HQ) under MCA-21 where at present no fee is prescribed.
6.	15/2012	29.06.2012	Extension of time in Filing of annual return by Limited Liability Partnerships (LLPs).

Sr. No.	Circular Number	Date	Subject
7.	16/2012	06.07.2012	Filing of Balance Sheet and Profit & Loss Account in Extensible Business Reporting Language (XBRL) mode for financial year commencing on or after 01.04.2011.
8.	—	29.06.2012	Constitution of a Committee to formulate a Policy Document on Corporate Governance.
9.	19/2012	27.07.2012	Imposing fees on certain e-forms filed with ROC, RD or MCA(HQ) under MCA-21 where at present no fee is prescribed.
10.	21/2012	02.08.2012	Filing of Balance Sheet and Profit & Loss Account by companies in Non-XBRL mode for accounting year commencing on or after 01.04.2011.
11.	22/2012	03.08.2012	Imposing fees on certain e-forms filed with ROC, RD or MCA (HQ) under MCA-21 where at present no fee is prescribed.
12.	23/2012	06.08.2012	Company Law Settlement Scheme (Jammu & Kashmir), 2012.
13.	25/2012	09.08.2012	Clarification on Para 46A of notification number G.S.R. 914(E) dated 29.12.2011 on Accounting Standard 11 relating to the effects of Changes in Foreign Exchange Rates.
14.	26/2012	23.08.2012	Constitution of a Committee for Reforming the Regulatory Environment for doing Business in India.
15.	27/2012	29.08.2012	Constitution of a Committee for Reforming the Regulatory Environment for doing Business in India.
16.	28/2012	03.09.2012	Filing of Balance Sheet and Profit & Loss Account by companies in Non-XBRL mode for accounting year commencing on or after 01.04.2011.
17.	29/2012	10.09.2012	Condition for conversion of ordinary Society into Producer Company, Part-IX A of the Act.
18.	30/2012	28.09.2012	Filing of Balance Sheet and Profit & Loss Account by companies in Non-XBRL mode for the accounting year commencing on or after 01.04.2011.
19.	31/2012	28.09.2012	Filing of form 23B by statutory auditor for 2012-13.
20.	32/2012	15.10.2012	Constitution of a committee for reforming the regulatory environment for doing business in India.
21.	34/2012	25.10.2012	Filing of Balance Sheet and Profit & Loss Account in eXtensible Business Reporting Language (XBRL) mode for the financial year commencing on or after 01.04.2011.
22.	38/2012	23.11.2012	Filing of Balance Sheet and Profit & Loss Account by companies in Non - XBRL mode for the accounting year commencing on or after 01.04.2011.

Sr. No.	Circular Number	Date	Subject
23.	39/2012	12.12.2012	Filing of Balance Sheet and Profit & Loss Account in eXtensible Business Reporting Language (XBRL) mode for the financial year commencing on or after 01.04.2011.
24.	40/2012	17.12.2012	NOC from the concerned regulator / Institute for LLP Name approval / incorporation.
25.	41/2012	18.12.2012	Filing of Balance Sheet and Profit & Loss Account in eXtensible Business Reporting Language (XBRL) mode for the financial year commencing on or after 01.04.2011-Corrigendum to General Circular No. 39/2012.
26.	42/2012	21.12.2012	Filing of Form 68 for rectification of mistakes in Form 1, Form 1A and Form 44.

DEPARTMENTAL CIRCULARS

A Departmental Circular No 3/2011 was issued on 14.12.2011 for Regulation of Private Placements made by Companies.

MASTER CIRCULARS

Sr. No.	Master Circular Number	Date	Subject
1.	1/2011	29.07.2011	Master Circular on Prosecution of Directors.
2.	2/2011	11.11.2011	Master Circular on Cost Accounting Records and Cost Audit.

CHAPTER - IV

THE COMPETITION ACT, 2002 :

POLICY, PROVISIONS AND PERFORMANCE

4.1.1. The dynamics of the global economic scenario and liberalization of the Indian economy necessitated enactment of new economic laws. In this pursuit, Parliament enacted the Competition Act, 2002 to promote and sustain competition in Indian markets.

4.1.2. 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 the consumers 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.

4.1.3. The provisions of the Competition Act relating to anti-competitive agreements and abuse of dominant position have been brought into force with effect from 20.05.2009, while those relating to combination came into force with effect from 01.06.2011.

I. Competition Commission of India

4.1.4. The Competition Act, 2002, provides for setting up of the Competition Commission of India (CCI) consisting of a Chairperson, and a minimum of two and maximum of six Members. The Competition 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 CCI and itself. CCI was constituted in March 2009 for the administration, implementation and enforcement of the Competition Act. The objectives of the CCI are:

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

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

4.1.6. All the provisions of the Competition Act, 2002 have been notified. The latest

Notification relates to provisions on Regulation of Combinations requiring prior clearance from CCI. The Competition (Amendment) Act, 2007 has mandated pre-merger clearances from CCI to ascertain whether a ‘Combination’ has an ‘appreciable adverse effect’ on competition within India.

4.1.7. The present composition of CCI is as under:

- Shri Ashok Chawla - Chairperson
- Shri H.C. Gupta - Member
- Shri R. Prasad - Member
- Smt. Geeta Gauri - Member
- Shri Anurag Goel - Member

Shri M.L. Tayal - Member

Shri S.N. Dhingra - Member

II. Activities of the Commission

4.2.1. Various activities undertaken by CCI during 2011-12 and the current year (up to 31.12.2012) are elaborated as under.

(A) Enforcement Activities:

4.2.2. CCI has received a total of 311 cases, and initiated eight cases on its own motion (suo-moto). It has disposed of 242 cases, including five suo-moto cases, leaving a total of 77 cases pending on its board. A brief picture about the status of number of cases as on 31.12.2012 is presented in **Table 4.1**.

Table 4.1
Position of cases received in CCI from 20.05.2009 to 31.12.2012 (Position as on 31.12.2012)

S. No.	Type of case	No. of Cases	Reference to DG for Investigation			No. of Cases Closed/ Disposed of			No. of Pending Cases
			Total	report received	report awaited	upon DG's report	Closed u/s 26(2)	Total	
1.	Suo-Moto	08	08	05	03	05	-	05	03
2.	u/s 19(1)(a)	254	112	87	25	67	117	184	70
3.	u/s 19(1)(b)	06	03	03	-	01	03	04	02
4.	u/s 21	01	-	-	-	-	01	01	-
5.	MRTPC Cases transferred u/s 66	50	29	28	01	27	21	48	02
	Total	319	152	123	29	100	142	242	77

(B) Combination Regulations:

(i) Developments during 2011-12

4.2.3. The provisions relating to regulations of combinations (mergers and acquisitions) in the Competition Act, 2002 were notified by the Government of India on 04.03.2011 (w.e.f. 01.06.2011). Simultaneously, by Notification(s) issued on 04.03.2011, and 27.05.2011 the Government also enhanced the thresholds, in terms of value of assets and turnover, for filing mandatory notifications with CCI by 50 per cent and also exempted acquisitions where the enterprise whose control, shares, voting rights or assets is being acquired, has turnover less than Rs. 750 crore in India or has assets less than Rs. 250 crore in India.

4.2.4. For executing the mandate given under the Competition Act, CCI notified “The Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011” (hereinafter known as ‘Combination Regulations’) on 11.05.2011.

4.2.5. During the period 01.06.2011 to 31.03.2012, CCI received forty eight notices under sub-section (2) of section 6 of the Act. Out of these forty eight notices, CCI made its final decision on forty one notices till 31.03.2012 and seven notices were cleared later. Decisions on all 48 notices were made within a period of 30 days as per Regulation 19 (1) of Combination Regulations, 2011.

(ii) Amendment of Combination Regulations

4.2.6. CCI, based on its experience and after due consultation with various stakeholders, amended the Combinations Regulations vide

notification dated 23.02.2012. The amendment was aimed at providing relief to corporate entities from making filings for combinations which are unlikely to raise adverse competition concerns, reduce their compliance requirements, make filings simpler, and to move towards certainty in the application of the Act and the Combination Regulations.

(iii) Developments during current year (up to 31.12.2012)

4.2.7. CCI received fifty three notices under sub-section (2) of section 6 of the Act. Out of these, the CCI made its final decision on forty five notices till 25.12.2012, within the prescribed period of 30 days.

(C) Investigation

4.2.8. A large number of complaints are received by CCI about competition issues, besides cases filed under section 19(1)(a) of the Competition Act. These complaints are processed to identify substantial and valid competition concerns. CCI has also initiated pro-active measures to send advisories to those organizations that are not sensitive to competition concerns.

4.2.9. CCI is empowered to initiate suo-moto proceedings under Section 19(1)(a) of the Act, based on information gathered from various sources, including special studies (in-house and otherwise), news reports, articles and reports, journals etc. which might reflect anti-competitive conduct affecting consumers at large. About thirty such suo-moto cases, pertaining to Dairy, Pharmaceuticals, Asbestos Cement Manufacturers, Aviation, Insurance, Banking, Tele-communication, Shipping sectors and some public procurement cases involving bid rigging / collusive bidding etc. have been

instituted by CCI. Six cases have been sent to the Director General, CCI for Investigation. Other matters are under a preliminary inquiry.

(D) Market Studies

4.2.10. Since the inception of the research study programme in 2003-04, 21 studies were commissioned and completed by the Economic Division of CCI. An in-house market study on *‘Petrol price and competition issues’* was conducted. A presentation was made to the full Commission on 10.09.2012.

(E) Enhancing Research Capacity

4.2.11. CCI entered into an agreement with the India Development Foundation (IDF), Gurgaon on 22.10.2012 for setting up a Dedicated Research Unit (DRU) at the IDF, Gurgaon, as part of its Economic Research Programme. The DRU would enhance research capacity in economics, and help cohesive and systematic integration of economic analysis into the enforcement of the Competition law. The DRU has prepared a *“Primer on Assessment of Market Power in Differentiated Product Markets”*.

(F) Competition Advocacy

4.2.12. Under Section 49(3) of the Competition Act, CCI is required to promote competition advocacy, create awareness and impart training about competition issues. Accordingly, CCI organizes interactive meetings, workshops and seminars etc. with PSUs, Trade/Industry Associations, Regulatory Bodies, Central and State Governments, Audit bodies of Government of India (including C&AG), Consumer Associations, Students of Schools and Universities and public at large.

4.2.13. CCI organised interactive meetings, workshops, and conferences on competition advocacy. Twenty-seven such programmes were conducted/ attended during 2011-12, which covered issues of Competition Law in relation to Businesses, Trade Associations, Public Procurement, Consumer Welfare, Cross Media Ownership, Public Policy, and jurisdictions of CCI and other regulators etc. In fifteen such programmes conducted during the current year (up to 31.12.2012), issues of Audit of Procurement Transactions, Combination Regulations, Mergers and Acquisitions, Economic Policy, Fighting Corruption, Role of Chartered Accountants, Unfair Market Practices, Enforcement etc. were covered. In addition, Members and Senior Officers of CCI have also addressed various seminars/ workshops held on competition issues for various stakeholders.

(G) Internship

4.2.14. With a view to familiarize and enable students of various streams viz. Economics, Management, Law, and Finance about competition law and policy, CCI has developed well designed internship programmes for eligible and interested students from these subjects. During 2011-12, 49 students, and during the current year (up to 31.12.2012), 54 students, have undergone internship in CCI on various competition related issues.

(H) Capacity Building

4.2.15. CCI has organised workshops, seminars and conferences for capacity building of its professionals. Ten such programmes were conducted/ attended during 2011-12, which covered issues of Mergers, Inferring Agreement and Trade Associations, Public

Private Partnerships, Investigation of alleged Abuse of Dominance, Intellectual Property and Competition Policy. In six such programmes conducted during the current year (up to 31.12.2012), issues of In-depth Investigations and Analysis of Merger cases, analysis of Anticompetitive Agreements and Competition Law and State-owned Enterprises were covered.

4.2.16. In addition, for capacity building of its establishment staff, CCI organised various trainings on pay fixation, record management, right to information, establishment rules, public finance management, knowledge management, noting and drafting, and presentation skills at the Institute of Secretariat Training and Management during 2011-12.

(I) International Co-operation

4.2.17. The Chairperson, Members, and Secretary, CCI participated at various conferences and other fora during the current year (up to 31.12.2012) :

- (i) Delegation headed by Chairperson, CCI attended the 11th Annual Conference of International Competition Network (ICN) in Rio de Janeiro, Brazil during April 17-20, 2012.
- (ii) Delegation headed by Chairperson, CCI attended the 12th Inter-governmental Group of Experts session on Competition Law and Policy in Geneva, Switzerland during July 9-13, 2012.
- (iii) Chairperson, CCI participated in the 9th Annual India Investment Forum held in New York, USA during September 24-October 15, 2012.

- (iv) Chairperson, CCI participated in the Annual International Bar Association Conference 2012 in Dublin, Ireland during September 30-October 2, 2012.
- (v) Secretary CCI, participated in OECD's Working Party 3 Competition Committee Meeting and ICN Advocacy Workshop 2012 in Paris, France during October 24-27, 2012.

4.2.18. Various conferences and other fora in which Chairperson, Members, and Secretary, CCI participated during 2011-12 are :

- (i) Member, CCI participated in the Competition Meeting (Competition Committee & Working Parties) organized by OECD in Paris during June 27-30, 2011.
- (ii) Chairperson, CCI participated in the 11th Global Forum on Competition organized by OECD in Paris during February 16-17, 2012.
- (iii) Chairperson, CCI participated in ICN Round Table meeting and 60th Annual Spring Meeting of the American Bar Association (ABA) in Washington DC, USA during March 27-30, 2012.
- (iv) Secretary, CCI participated as resource person in workshop organized by UNCTAD for Malaysian Competition Authority in Kuala Lumpur, Malaysia during July 29-30, 2011.
- (v) Secretary, CCI participated in Competition Day and associated events organized by Federal Antimonopoly Service, Russia during September 5-9, 2011.

4.2.19. During 2011-12, CCI delegations attended 10th Annual Conference of ICN in the Hague, Netherlands during May 17-20, 2011, participated in the 11th Session of the Inter-Governmental Group of Experts on Competition Law & Policy, organized by UNCTAD at Geneva during July 18-22, 2011, and in 2nd BRICS International Competition Conference in Beijing during September 20-23, 2011. Further, a Memorandum of Understanding was signed between CCI and Federal Antimonopoly Service, Russian Federation on 16.12.2011 in Moscow during Prime Minister's visit to Russia.

4.2.20. During the current year (up to 31.12.2012), a Memorandum of Understanding on Antitrust Cooperation between U.S. and India was signed in Washington, USA on 27.09.2012.

III. Office of the Director General

4.3.1. CCI has its own Investigation Wing headed by a Director General. The office of Director General inquires into suspected cases of contravention of the Competition law and submits its Investigation Report to CCI. The Investigation Report forms a key input for CCI to decide the matter. Office of DG, CCI has a sanctioned strength of forty officers, of which only eighteen are in position.

4.3.2. DG, CCI was assigned 35 cases for investigation during the year 2011-12, and 21 cases during the current year (up to 31.12.2012), and as on 31.12.2012, only 29 cases are pending with the DG, CCI. Brief particulars about the number of cases referred to DG, CCI are given in **Table 4.2.**

Table 4.2.
Investigation by DG, CCI

S. No.	Particulars	2011-12	2012-13*
1.	Cases pending at the beginning of the year	29	24
2.	Cases received during the period	35	21
3.	Total Number of cases referred to DG, CCI	64	45
4.	Investigation Reports submitted to CCI	40	16
5.	No. of cases pending at the end of the period	24	29

* up to 31.12.2012

4.3.3. During the current year (up to 31.12.2012), CCI, acting on the basis of the Report of the DG, CCI has passed orders imposing penalty in Nine cases, particulars of which are given in **Table 4.3.**

Table 4.3
Decisions of CCI imposing penalty based on Investigation Reports of DG

S. No.	Title of the case	Penalty imposed (Rs. Crore)
1.	Coal India Vs. Gulf Oil Corporation	58.82
2.	Common Cause Vs. PES Installation Pvt. Ltd	3.00
3.	Aluminium Phosphide Tablets Manufacturers	317.91
4.	Varca Druggist & Chemists	0.02
5.	Builders Association Vs. Cement Manufacturers	6704.83

S. No.	Title of the case	Penalty imposed (Rs. Crore)
6.	Kansan News Vs. Fast Way Transmission Pvt. Ltd.	8.04
7.	Vedant Bio Science Vs. Chemist & Druggists Association	0.05
8.	Kapoor Glass Vs. Schott Glass India Pvt. Ltd	5.66
9.	Reliance Big Entertainment Vs. Film producers & distributors Assn.	0.48

IV. Eminent Persons Advisory Group for CCI

4.4. CCI has constituted an Eminent Persons Advisory Group (EPAG) on 08.05.2012. The EPAG will serve as a group of ‘wise persons’ to give broad inputs and advice on larger issues impacting markets and competition, good international practices, improved advocacy etc. to the Commission. The EPAG will have interaction/ meetings with CCI twice or thrice a year. The group has been constituted so as to enable CCI to benefit from the advice of eminent persons representing a wide arena from the Corporate Sector, Academics, NGOs, Regulatory Authorities, Reserve Bank of India, CAG etc.

V. Administrative Activities of CCI

Newsletter

4.5.1. CCI has started publishing a Quarterly Newsletter “Fair Play”, with its first issue covering the period April-June, 2012. It was released by Hon’ble Minister of Corporate

Affairs on 23.07.2012. The second issue for the quarter July-September, 2012 was published in the month of October, 2012, with a special focus on the competition issues pertaining to ‘Trade Associations’.

Appointments

4.5.2. During the year 2011-12, 20 officers (including nine in Professional stream) were appointed on direct recruitment/deputation basis in the CCI. In the office of the Director General, 17 officers (including six in Professional stream) were appointed on deputation basis. Further, contract appointments were made in respect of 27 persons including 15 Experts in Law, Economics, Financial Analysis and Management.

4.5.3. During the current year (up to 31.12.2012), six officers (including two in Professional stream) were appointed on direct recruitment/deputation basis in CCI. In the office of the Director General, five officers (including two in Professional stream) were appointed on deputation basis. Further, contract appointments were made in respect of 35 persons including 33 Experts in Law, Economics, Financial Analysis and Management.

4.5.4. During the current year (up to 31.12.2012), the process of recruitment is in progress for filling up 55 posts in the CCI and in the office of the Director General, and are expected to conclude shortly. Besides, applications have been invited to fill up 31 posts (Professional and Support Streams) in different grades on direct recruitment basis in the Commission.

Organisation Culture

4.5.5. CCI has engaged IIM Ahmedabad to study the present organization structure, Human

Resource Management practices of CCI, and to frame the Vision and Mission Statements of CCI.

Funds and Budget

4.5.6. A Competition Fund has been established on 01.05.2009 under Section 51 of the Competition Act read with Notification GSR No. 204(E) dated 27.03.2009. The Competition Fund comprises all grants received by CCI from the Government, and all fees received by CCI and interest accruing thereon. The Fund is administered by a Fund

Administering Committee (FAC), which also reviews the actual expenditure and requirement of funds for CCI at monthly intervals. The accounts of CCI for the year 2011-12 were prepared as per the 'the Competition Commission of India (Form of Annual Statement of Accounts) Rules, 2009 and have been certified by the Comptroller and Auditor General of India.

4.5.7. The Budget and actual expenditure of CCI for the year 2011-12 and 2012-13 (up to 31.12.2012) are given in **Table 4.4.** below:

Table 4.4.
Budget and Actual Expenditures of CCI

(Amount in Rs. Crore)

Year	Budget Estimate	Revised Estimate	Grants released by the Ministry	Actual expenditure
(1)	(2)	(3)	(4)	(5)
2011-12	37.92	37.92	37.92	36.61
2012-13	38.77	-	36.18	30.90*

* up to 31.12.2012

VI. Competition Appellate Tribunal

4.6.1. The Competition Appellate Tribunal (COMPAT) is a quasi-judicial body constituted under the provisions of the Competition Act, 2002, as amended by Competition (Amendment) Act, 2007. COMPAT 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.

4.6.2. COMPAT 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 CCI or itself.

4.6.3. The present composition of the COMPAT is as under:

Hon'ble Shri Justice V.S. Sirpurkar, former Supreme Court Judge - *Chairperson*

Shri Rahul Sarin, former Secretary to Government of India - *Member*

Smt. Pravin Tripathi, former Deputy Comptroller and Auditor General - *Member*

4.6.4. There is also a post of Registrar in COMPAT, of the rank of Joint Secretary to the

Government of India. Presently, the post is held by Shri Ashok Menon.

4.6.5. After the dissolution of the erstwhile Monopolies and Restrictive Trade Practices (MRTP) Commission, the Government of India vide Ordinance dated 14.10.2010, vested the COMPAT with powers to hear and dispose of pending cases, dealt with by the-then MRTP Commission. About 1,825 pending cases were transferred to COMPAT, out of which 1,583 cases have been disposed of by the end of December, 2012.

4.6.6. COMPAT has so far received 184 appeals against the decisions of Competition Commission of India, including 118 appeals

during the current year (up to 31.12.2012). 52 appeals have so far been disposed of by COMPAT [32 during 2011-12 and 20 during the current year (up to 31.12.2012)]. Of the 20 appeals disposed of during the current year, two were allowed (*Kingfisher Airlines Ltd.* case by Order dated 29.08.2012 and *Eastern India Motion Picture Association* case by Order dated 14.12.2012). As on 31.12.2012, 132 appeals against the orders of CCI are pending for adjudication in COMPAT.

4.6.7. The Budget allotment to COMPAT made by the Ministry of Corporate Affairs during the year 2011-12 and 2012-13 and the expenditure incurred are given in **Table 4.5**.

Table 4.5.
Budget and Actual Expenditures of COMPAT

(Amount in Rs. Crore)

Year	Budget Estimate	Revised Estimate	Actual expenditure
(1)	(2)	(3)	(4)
2011-12	7.67	6.37	4.83
2012-13	7.47	6.39	3.87*

* up to 31.12.2012

4.6.8. COMPAT has been empowered to discharge the functions of Airports Economic Regulatory Authority Appellate Tribunal (AERAAT) w.e.f. 01.06.2010 by the Ministry of Civil Aviation, Government of India. The AERAAT is established under section 17 of the Airports Authority of India Act, 1994 (55 of 1994), to hear and dispose of appeals being filed against the decisions of the Airports Economic Regulatory Authority (AERA). So far 34 appeals have been filed against the decisions of AERA. Out of these, 18 appeals have been disposed of, and 16 appeals are under adjudication.

VII. National Competition Policy

4.7.1. With a view to achieving highest sustainable levels of economic growth, entrepreneurship, employment, higher standards of living for citizens, protect economic rights for just, equitable, inclusive and sustainable development, promote economic democracy and support good governance by restricting rent seeking practices, the Ministry appointed a Committee headed by Shri Dhanendra Kumar, former Chairperson of CCI, for framing a National Competition Policy.

4.7.2. Based on the recommendations of the Committee and in consultation with various stakeholders, State Governments, various Ministries and Departments of the Central Government, the Ministry has formulated a draft National Competition Policy that is presently under examination. It seeks to make the ‘culture of Competition’ an intrinsic part

of governance at each tier of administration – Centre, State or local body levels. Its other features include, familiarization of functionaries with the principles and practices of competition, and assessing the impact of existing and evolving policies from the perspective of competition.

CHAPTER - V

THE LIMITED LIABILITY PARTNERSHIP ACT, 2008

AND ITS PERFORMANCE

5.1. With the growth of the Indian economy, the role played by its entrepreneurs as well as its technical and professional manpower has been acknowledged internationally. It is felt opportune that entrepreneurship, knowledge and risk capital combine to provide a further impetus to India's economic growth.

5.2. 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 for 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.

5.3. 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.

5.4. 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.

5.5. LLP is an alternative corporate business vehicle that enables professional expertise and entrepreneurial initiative to combine and operate in a flexible, innovative and efficient manner, providing benefits of limited liability while allowing its members the flexibility for organizing their internal structure as a partnership based on an agreement. It 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 fulfill 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. Only LLPs with turnover exceeding Rs. 40 Lakh and contribution exceeding Rs. 25 Lakh have to get their accounts audited, providing for much greater flexibility. 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.

5.6. Under the Limited Liability Partnership Act, 2008, any two or more persons, by subscribing their names to the incorporating document and after filing it with the Registrar can form an LLP. 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. The LLP is liable to the full extent of its assets; the liability of the partners would be limited to their agreed contribution in the LLP. No partner

would be liable on account of the independent or unauthorized actions of other partners.

5.7. The mutual rights and duties of partners of an LLP inter se, and those of the LLP and its partners, shall be governed by an agreement between partners or between the LLP and the partners, subject to the provisions of the LLP Act 2008. An LLP does not have shareholders or directors, and is taxed like a partnership firm. A partner’s economic rights (i.e. rights of a partner to a share of the profits and losses of the LLP, and to receive distribution at the time of winding up) in the LLP is transferable. However, such transfer shall not entitle the transferee or assignee to participate in the management or conduct of the LLP’s activities. Therefore, the transferee would not be deemed to be a ‘partner’ of the LLP just because a partner has transferred him the ‘economic rights’.

5.8. As the partners can organize and operate in an innovative and efficient manner, this form of business is expected to give the strength of an organization to professionals like Company Secretaries, Chartered Accountants, Cost Accountants and Advocates, for effectively competing in the global market. Professionals may also form multi-disciplinary LLPs to meet the changing economic environment. Further, the Indian Partnership Act, 1932 shall not be applicable to the LLP and unlike traditional partnerships where maximum number of partners cannot exceed 20, there is no upper limit in the case of an LLP. 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.

5.9. 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. 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.

5.10. The LLP Act 2008 allows Foreign Nationals including Foreign Companies and LLPs to incorporate a LLP in India provided at least one designated partner is a resident of India, complying with Foreign Exchange Laws/ Rules/ Regulations/ Guidelines. Partner's contribution may consist of both tangible and/or intangible property, and any other benefit to the LLP. The monetary value of contribution of each partner shall be accounted for and disclosed in the accounts of the Limited Liability Partnership.

5.11. Since May 2011, the Government has permitted Foreign Direct Investment (FDI) in Limited Liability Partnerships in a calibrated manner, starting with the 'open' sectors through the Government route, i.e., Foreign Investment Promotion Board (FIPB) and only by cash inflow (i.e., through Non-Resident (External) Rupee Account Scheme [NRE] and Foreign Currency (Non-Resident) Account (Banks) Scheme [FCNR(B)] with authorized dealer/bank). FDI in LLPs will be allowed, through the Government approval route, in those sectors/activities where 100% FDI is allowed for companies, through the automatic route and there are no FDI-linked performance related conditions.

5.12. However, LLPs with FDI will not be allowed to operate in agricultural/ plantation activity, print media or real estate business. LLPs with FDI will also not be eligible to make any downstream investments. In addition, Foreign Institutional Investors (FIIs) and Foreign Venture Capital Investors (FVCIs) will not be permitted to invest in LLPs. Further, LLPs will also not be permitted to avail External Commercial Borrowings (ECBs).

5.13. Earlier, regulation of LLPs was handled centrally by the Registrar of LLPs, New Delhi. Through notifications GSR No.430(E) dated 05.06.2012 and GSR No. 485(E) dated 21.06.2012, the office of Registrar of LLP has been decentralized with effect from 11.06.2012, and powers of the Registrar of LLPs were vested with 20 Registrars of Companies across the country. This is expected to enable direct promotion of the new form of the corporate entity in their region.

5.14. Sections 51, 63 to 65 of LLP Act, 2008 have been brought into operation vide Notification GSR No. 549(E) dated 10.07.2012. The LLP (Winding up and Dissolution) Rules, 2012 were notified vide GSR No. 550(E) dated 10.07.2012.

5.15. In order to enhance and extend operational convenience to, stakeholders and grouping of all registry related functions on a single platform, Limited Liability Partnership (LLP), e-governance 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.

5.16. A total of 12,448 LLPs had been registered in the country, as on 31.12.2012. They comprise 11,448 fresh entities registered as LLPs, and 1000 companies and partnership firms that have been converted into LLPs. During the period from 01.04.2012 to 31.12.2012, 3813 LLPs have been registered, compared to the previous year's figure of 3172 for the corresponding period (01.04.2011 to 31.12.2011).

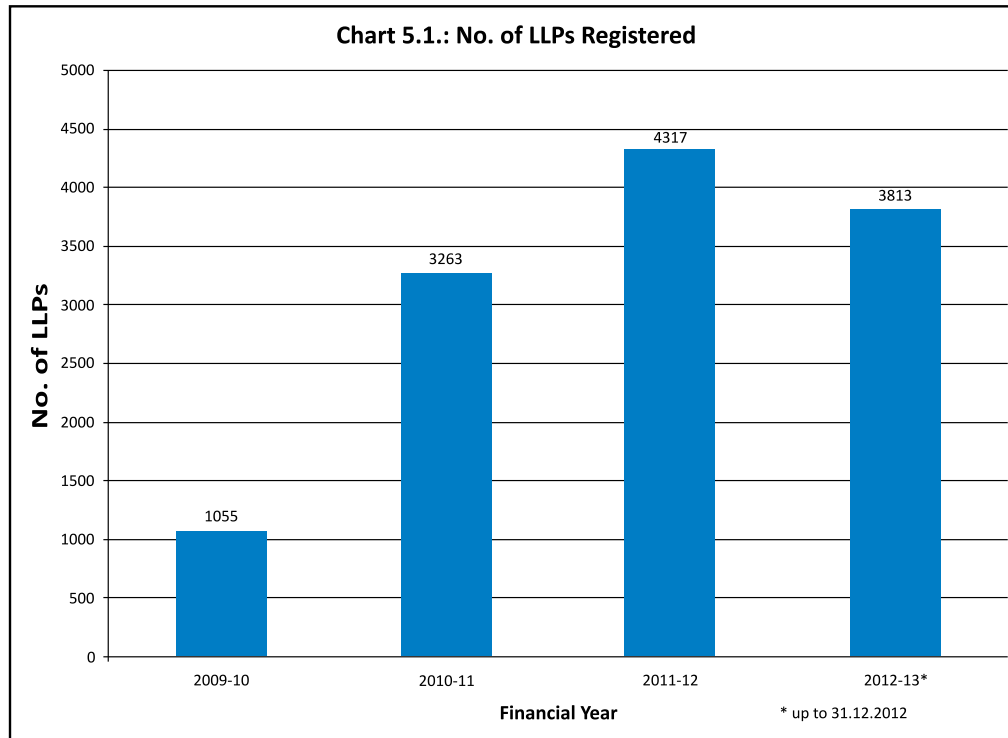
5.17. The year wise registration figures are given in **Table 5.1** and **Chart 5.1** depicts the

number of LLPs registered (including conversion) during the last four years, i.e., since the Act was notified:

Table 5.1.
No. of LLPs Registered during past four years

Year	No. of LLPs
2009-10	1055
2010-11	3263
2011-12	4317
2012-13*	3813

* up to 31.12.2012



CHAPTER - VI

ALLIED LEGISLATIONS

The Chartered Accountants Act, 1949

6.1.1. 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 was accordingly established in July, 1949, in terms of the provisions of the Act.

6.1.2. 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.

6.1.3. 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 24 persons elected by the members of the Institute, and six persons nominated by the Central Government.

The Cost and Works Accountants Act, 1959

6.2.1. The Cost and Works Accountants Act was enacted in 1959 to regulate the profession of Cost and Works Accountants and for that purpose to establish the Institute of Cost and Works Accountants of India (ICWAI) which was accordingly established in May, 1959, in terms of the provisions of the Act. The name of the Institute has been changed through Cost and Works Accountants (Amendment) Act 2011 as the Institute of Cost Accountants of India.

6.2.2. The duties of carrying out the provisions of the Act are vested with the Council of the Institute of Cost Accountants of India constituted under Section 9 of the Cost and Works Accountants 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

6.3.1. 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.

6.3.2. The duties of carrying out the provisions of the Act are vested with the

Council of the Institute of Company Secretaries of India, constituted under Section 9 of the Company Secretaries 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.

Professional Services

6.4. The professional services are provided by the members of the Institute of Chartered Accountants of India, the Institute of Cost Accountants of India, and the Institute of Company Secretaries of India. To ensure that in the changing economic scenario, these professionals perform their job with due diligence, and are able to exploit new opportunities, necessary amendments are carried out from time to time in the respective Acts. The Chartered Accountants (Amendment) Act, 2011, the Cost and Works Accountants (Amendment) Act, 2011, and the Company Secretaries (Amendment) Act, 2011 have enabled members of three Institutes to form Limited Liability Partnership (LLP) firms in accordance with the Limited Liability Partnership Act, 2008.

Societies Registration Act, 1860

6.5.1. The Societies Registration Act, 1860, provides for the registration of Literary, Scientific and Charitable Societies, so as to improve the legal status of such Societies. The Act requires 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 was enacted by British

Parliament much before the bifurcation of powers between the States and Centre as specified in the Constitution of India. The subject is a State Subject and hence is administered by the States. 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.

6.5.2. An Expert Group constituted by the Ministry to study the legislative and regulatory architecture of the Societies Registration Act, 1860 has submitted its Report to the Ministry on 05.07.2012, proposing therein a Bill on ‘Multi-state Societies Registration’. Comments, views and suggestions on the Report and the Bill (both of which are available on the Ministry’s website: *mca.gov.in*) from various Individuals/ Experts/ Institutions/ Organizations are being considered.

Indian Partnership Act, 1932

6.6. 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

6.7. The Companies (Donations to National Funds) Act was enacted in 1951. The Act enables any company, irrespective of the provisions of the Companies Act or any other law, or their Memorandum and

Articles of Association to make donations to any fund established for a charitable purpose as approved by the Central Government. The *Gandhi National Memorial Fund* and the *Sardar Vallabhbhai Patel National Memorial Fund* as have been approved by the Central Government, making them eligible to receive donations.

CHAPTER - VII

TOWARDS INTERACTIVE AND RESPONSIVE ADMINISTRATION

7.1.1. The Ministry of Corporate Affairs (MCA) has undertaken several measures in the pursuit of providing an improved environment for corporate governance. MCA has established a pioneering first-of-its-kind state-of-the-art portal titled mca.gov.in. The first phase of its e-governance project MCA21 has completed its life on 16.01.2013, after achieving several feats. Speedy, cost-effective and hassle-free services are the hallmark of a responsive, transparent and dynamic governance structure in the Headquarters and in field offices, through innovative mechanisms.

MINISTRY'S WEB SITE

7.1.2. The Ministry has converged its regulatory activities on a single web-portal mca.gov.in through which the MCA21 e-Governance Project is implemented. The portal serves as a virtual window for authentic information pertaining to activities and programmes of the Ministry. It also serves as a virtual front office for availing all registry related MCA services.

7.1.3. There are seven tabs on the body of the homepage, below the logo of the Ministry. These are :

1. Home
2. Affiliated Offices
3. Acts, Bills & Rules
4. Investor Services
5. Information & Reports
6. Right to Information
7. FAQs

Home

The Tab refers to the homepage itself. It depicts the overall structure of the Ministry's website highlighting the name of the Ministry, its buzzwords, photographs of Hon'ble Minister and his profile, Hon'ble Prime Minister's Speech on inauguration of new campus for IICA at Manesar, and provides links to the related webpages.

Affiliated Offices

Details of Affiliated offices are available under this heading as a drop down menu. This list includes Office Liquidators (OL), Company Law Board (CLB), Serious Fraud Investigation Office (SFIO), Competition Commission of India (CCI), and Indian Institute of Corporate Affairs (IICA).

Acts, Bills & Rules

A new page opening on the same browser window, lists the links to Companies Act, 1956, Amendments, Bills, Rules, Master Circulars, Circulars and Notifications.

Investor Services

Links to "IEPF", "Watch Out Investors", "Public Grievances" and "Nodal Officers" are available under this heading as a drop down menu. As per DAR&PG's guidelines, a link to the Centralized grievance portal www.pgportal.gov.in is provided under the heading "Public Grievances".

Information & Reports

Several documents are available under this heading as a drop down menu. This list

includes Annual Reports, Concept Papers, Corporate Growth, Other Reports, Nidhi companies, Vanishing companies, Chit fund companies, NBFC companies, section 25 companies, Plantation companies, Monthly Summary of MCA, Monthly Newsletter, List of Disqualified Directors and Strategic Plan of MCA.

Right to Information

Orders and Manuals issued in compliance of the provisions of the Right to Information Act, 2005 are available under this heading as a drop down menu. The Right to Information Act, 2005 is a landmark legislation that has empowered citizens to access information relating to the working of the Government. Details such as name, address and contact nos. of Central Public Information Officers and Appellate Authority of the Ministry may be found under these links. Landmark orders of the Ministry and Central Information Commission (CIC) under RTI Act, 2005 pertaining to the Ministry are available under this section.

FAQs

New topics have been listed under this heading as a drop down menu. The list includes CLSS 2012, Hindi Website, XBRL and Fast Track Exit Mode.

7.1.4. At the next level, five icons may be found, which lead to different web-pages. These are :

- About MCA
- MCA21 (Companies)
- Limited Liability Partnership
- IEPF
- MCA Initiatives

About MCA: A brief background of the Ministry's functions are given here.

MCA21 (Companies) : A link to the MCA21 virtual front office for availing companies-related services. By clicking on the icon 'MCA21 services', one goes into the MCA21 portal, from where one can select the services required such as Digital Signature, e-filing, DIN etc. The right side of the MCA21 portal provides a facility for downloading the e-forms, tracking transaction/payment status, accessing public documents, investor grievances, regulatory services etc. Important links, such as, e-stamp, authorized banks, certified filing centers, facilitation centers, software for e-filing etc. are indicated on the right side of the portal, below Login & New User Registration.

Limited Liability Partnership: A link to the MCA21 virtual front office for availing LLP-related services.

IEPF : A link to the website "www.iepf.gov.in".

MCA Initiatives : Recent Initiatives of the Ministry such as legal reforms, Institutions and System building and people's issues are listed here.

The Ministry's vision is indicated on the left side of the home page of the website.

A map of India, with locations of Registrar of Companies is indicated on the left side of the home page, below the Vision Statement. By pointing the cursor at the desired location, one can immediately see locational details of ROCs, such as, address, phone nos., fax and email id.

Important links pertaining to the Institute of Chartered Accountants of India, Institute of



Ministry of Corporate Affairs
Government of India

Empowering Business, Protecting Investors
Regulator • Integrator • Facilitator • Educator

- Home | Affiliated Offices | Acts, Bills & Rules | Investor Services | Information & Reports | Right to Information | FAQs



About MCA



Company



Limited Liability Partnership



IEPF Website



MCA Initiatives

Ministry's Vision

"To facilitate corporate growth with enlightened regulation."



Sh. Sachin Pilot

Sh. Sachin Pilot has taken charge as Minister of State for Corporate Affairs (IC) from 28.10.2012.

[Profile](#)

Hon'ble Minister for Corporate Affairs
Sh. Sachin Pilot meets Industry leaders on CSR



MCA Guidelines 2011

National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business, 2011

[Archive...](#)

Unique Visitor Count

0049599958

Speech by Honorable Prime Minister Shri Manmohan Singh at the inauguration ceremony of Indian Institute of Corporate Affairs Campus (13th April 2012 at IMT Manesar)

We have gathered here today on a very auspicious day. Today happens to be Baisakhi. My very warm Baisakhi greetings to all of you and the people of Haryana.

This Indian Institute of Corporate Affairs has been conceived as a think-tank and research institute in the area of corporate law and allied disciplines, and also as a training organization for officers of the Indian Company Law Service. I compliment the Ministry of Corporate Affairs for this very important initiative. With such an auspicious beginning to its new campus, I am confident that the institute will live up to the expectations with which it has been established. [View Complete Speech](#)

[Speech by CM Haryana](#)



Stakeholders' Corner

- [News & Events](#)
- [Quotations & Tenders](#)
- [Press Release](#)
- [Prerequisite Softw are for e-filing](#)
- [RFD](#)
- [RSS Feeds](#)



Company Liquidators



Employees' Corner

Principal Accounts Office

Photo Galleries

Links Archive

- [Guidelines for 'Fast Track Exit' \(FTE\) mode](#)
- [India Investor Week 2010](#)
- [Name availability guidelines for Companies](#)

[More...](#)

मंत्रालय की हिन्दी पत्रिका "कारपोरेट प्रवाहिनी"

- मंत्रालय की हिन्दी पत्रिका "कारपोरेट प्रवाहिनी" के सातवें अंक का प्रकाशन।

The Companies Bill, 2012 as passed by Lok Sabha on 18th December, 2012

- [Download Companies Bill, 2012 as passed by Lok Sabha on 18th December, 2012](#)

Release of MCA XBRL Validation Tool (for Costing taxonomy)

MCA XBRL Validation Tool (for costing taxonomy) has been released and XBRL filings of Cost Audit report and Compliance report have been enabled on MCA website with effect from 02.12.2012. Stakeholders are also advised to refer to the 'Filing Manual for Costing Taxonomy' available on the XBRL portal for filing the Cost audit report and Compliance report in XBRL format.

- [Click here for Validation Tool for Costing Taxonomy Version 1.0](#)
- [Click here for Filing Manual for Costing Taxonomy](#)

Updated Costing Taxonomy and revised business rules

Based on the feedback received from various stakeholders, the Costing taxonomy has been updated. The business rules have also been revised based on the updated taxonomy. Further, MCA XBRL Validation Tool (for costing taxonomy) has been developed and is currently under testing. The tool shall be released on **2nd December, 2012**. Filing of the Cost Audit Report and Compliance report on the MCA portal shall also be enabled w.e.f. 2nd December, 2012.

- [Click here for Costing Taxonomy Version 1.0](#)
- [Click here for Revised business rules based on updated Costing taxonomy](#)

MCA XBRL Validation Tool (Final Version)

Final version of the MCA XBRL Validation Tool (for Financial Statements based upon new Schedule VI of the Companies Act, 1956) has been released. XBRL filings of

financial statements for accounting year commencing on or after 01.04.2011 have been enabled on MCA website with effect from 14.10.2012. Stakeholders are also advised to refer to the 'Filing Manual' available on the XBRL portal for filing the financial statements in XBRL format.

- [Click here for MCA XBRL Validation Tool V2.0.4](#)
- [List of Enhancements to MCA XBRL Validation Tool 2.0.4](#)
- [Click here for Filing Manual V2.0](#)

Updated Taxonomy & Business Rules for C & I Companies for FY 11-12 Filings

Based on the feedback received from various stakeholders, the C&I taxonomy has been updated. The business rules have also been revised based on the updated taxonomy.

- [Click here for the Updated C&I Taxonomy v1.1 dated 04.10.2012](#)
- [Click here for the list of changes in Updated C&I taxonomy v 1.1](#)
- [Click here for Revised Business Rules based on updated XBRL C&I taxonomy 2012 dated 06.10.2012](#)

Notice

Shipping Industry

Draft Notification regarding Grant of Exemption to Shipping Industry from the purview of Competition Act, 2002. Comments may be sent by mail at dirad4-mca@nic.in or by post to Shri J.B.Kaushish, Under Secretary, Ministry of Corporate Affairs, Shastri Bhawan, New Delhi.

Comments Invited

Comments of all stake holders are invited on the subject "Regulating cost audit fee and fixing limit on the number of compliance reports" by **25th November, 2012**.

By **03.10.2012** on Draft Notification regarding Grant of Exemption to Shipping Industry from the purview of Competition Act, 2002. Comments may be sent by mail at dirad4-mca@nic.in or by post to Shri J.B.Kaushish, Under Secretary, Ministry of Corporate Affairs, Shastri Bhawan, New Delhi.

[Archive...](#)

Important Links

[PHONE NUMBERS OF DIN CELL AND HELP DESK w.e.f. 17.01.2013](#)

[Public Notice for change of address of OL, Delhi to new premise at Khan market wef 1st January,2013](#)

[Voluntary guidelines for companies for providing general information on their websites](#)

[Carve Outs provided in Ind AS](#)

[35 Indian Accounting Standards](#)

[Revised Schedule VI \(shall be effective from 01.04.2011\)](#)

[Notifications](#)

[Registration of Voluntary Organizations and NGOs](#)

[Public Grievances](#)

Important Web Links

[CLB](#)

[CAT](#)

[ICAI](#)

[ICS](#)

[ICWAI](#)

[SFIO](#)

[CCI](#)

[ICA](#)

[NFCG](#)

[Invest India](#)

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Last Updated: 1/16/2013. Site is best view ed in 1024x768 resolution

Company Secretaries of India, Institute of Cost Accountants of India, Serious Frauds Investigation Office, Competition Commission of India, Indian Institute of Corporate Affairs, National Foundation for Corporate Governance, Watch out Investors, Investor Helpline etc. are indicated on the bottom of the homepage.

E-GOVERNANCE

7.2.1. MCA21 is an e-Governance Mission Mode Project implemented with a vision to facilitate business in India, by ensuring service delivery in a user friendly, efficient and economic manner.

7.2.2. The MCA21 project has adopted a service oriented approach in the design and delivery of Government services, whereby stakeholders have easy and secure access to MCA services, through the infrastructure setup for the purpose, at any time and from any place, and in a manner that best suits them. The system has brought a fine balance between stakeholder facilitation and control, through a blend of well-defined goals and performance metrics.

7.2.3. Although, MCA21 has been progressing at a steady rate in its pursuit of providing better services to citizens and corporates alike, the current year has been exceptional in terms of rolling out newer initiatives, including selection of a new Operator, and transitioning of operations from the incumbent to the new operator.

NEW INITIATIVES

◆ *Online Payments Using NEFT*

7.2.4. MCA 21 had been allowing three modes of payment by companies: Credit cards

Netbanking (6 designated banks) and Paper challans. All these modes of payment had limitations for companies having bank accounts in banks other than the 6 designated banks, and physical visits to branches of the designated banks for filing challans. With the introduction of National Electronic Funds Transfer mode of payment (NEFT), companies having a bank account in any bank can make e-payments by using the NEFT facility.

Key benefits of NEFT:

- Reduces Payee's effort (branch visit is not required)
- Reduces time for funds transfer (2-5 hours)
- Reduces dependency on limited number of banks

◆ *Integration of LLP with MCA21 System*

7.2.5. The Ministry has achieved another milestone in the integration of the e-Governance Project for Limited Liability Partnership (LLP), under the same platform of MCA21. After its integration with MCA-21, the filing and approval of LLP forms is done through the MCA-21 website (www.mca.gov.in).

◆ *DIN-DPIN Integration*

7.2.6. This is another major step undertaken by MCA, by integration of DIN (Director Identification Number) and DPIN (Director/ Partner Identification Number). It was felt that DIN/DPIN is an identification attached to an individual, and thus must be independent of the type of firm the individual is associated with, (partnership or limited company). Smooth integration was done to eliminate duplication

of identities in the system. This has helped all major regulators and companies to make an individual check through the MCA 21 system.

◆ *Online Issuance of DIN*

7.2.7. Director Identification Number is needed by a Director of a company authorised to file and issue documents. It is very important for companies to obtain DIN to file online, or place any online service request MCA21 system issues the DIN online with the verification and digital signature of practicing professionals (Company Secretary/ Chartered Accountant/ Cost Accountant). This has brought a great deal of dynamism in the corporate world. It has become very easy for companies to appoint a new Director or change a Director as soon as the decision comes into effect. Presently, one can get a DIN online in a few minutes. Integration with the PAN database has been established for online verification of identity details in the MCA21 system.

◆ *XBRL Filing*

7.2.8. In an effort to adopt global standards for filing and database updation, MCA has made it mandatory for companies of certain class, to file all documents in the XBRL (eXtensible Business Reporting Language) format. MCA has involved all stakeholders, viz. software companies, implementing agencies, professionals and companies, for ensuring the smooth implementation of this project. MCA directly, and through the three professional Institutes and IICA, has been conducting training and awareness programmes for effective implementation of XBRL filing.

7.2.9. With a view to improving discipline in corporate financial reporting, the Ministry implemented eXtensible Business Reporting

Language (XBRL) for filing of the Balance Sheet, Profit & Loss account, Director's & Auditors Report, etc for a select class of companies from 2010-11. With the application of the new Schedule VI of the Companies Act, 1956, the financial statements in XBRL for 2011-12 were mandated to be filed using a revised taxonomy and validation tool. Further, the filing of Cost Audit and Compliance Reports by companies in XBRL is being implemented from 2011-12.

7.2.10. Apart from improving regulation and compliance over companies by the government, XBRL also provides benefits to companies in terms of improving internal management, increasing stakeholder awareness, improving control over its subsidiaries and associates, etc. XBRL also offers significant benefits to corporate sector data users like investment banks and institutions, rating agencies, policy makers, etc.

Key benefits of XBRL filing:

- Relevant data has tags and selective information can be fetched for specific purposes by various government and regulatory agencies
- It is in conformity with *Global Reporting Standards*, that helps in improved data mining and relevant information search.

◆ *Company Registration within 24-48 hours*

7.2.11. For registering a company in India, the following steps are mandatory:-

- Getting a DIN
- Getting a unique name
- Getting the Registration certificate from the Registrar of Companies

7.2.12. To reduce the waiting time and make the whole system of registration of new company, getting the unique name and the registration certificate online, the Ministry through its MCA21 system has made it possible for companies to register in India within 24-48 hours. This system not only helps reduce the waiting time but also the instances of human error while issuing new names.

◆ *E-Stamping for Pan India*

7.2.13. Presently, all States and Union Territories of India are covered under the E-Stamping scheme of MCA services. With this addition, companies registered in all the States and Union Territories have the facility of availing online e-stamping for MCA services. This is a unique initiative of the Ministry where payments on behalf of various State Governments are collected online and deposited with respective States without any manual intervention. This initiative is also a green initiative reducing the need for paper stamps. The initiative has received appreciation from the World Bank, which has described it as a pioneering initiative in achieving e-Governance in a federal structure.

◆ *Electronic Mode of Payment*

7.2.14. With a view to improving the service delivery time, electronic mode of payments has been made mandatory up to Rs. 50,000. For payments of value above Rs. 50,000, stakeholders have the option to either make the payment in electronic mode, or through paper Challan.

◆ *Reversal and Refund Process*

7.2.15. A reversal and refund process has been introduced to deal with the cases of multiple, excess and incorrect payments

made via NEFT due to technical or systemic errors.

◆ *Transition to new Operator and continuation cycle of MCA21*

7.2.16. As the six year contract with the incumbent operator for MCA21 ends on 16.01.2013, the Ministry has successfully completed the selection of the new operator through fair and transparent bid process.

7.2.17. In the continuation cycle, that starts on 17.01.2013 there will be enhancements to the systems in respect of Network bandwidth, SAP CRM & workflow, hardware with updated technology and enhanced monitoring tools.

INTERNATIONAL COOPERATION

7.3. Indian business environment is getting increasingly integrated with the global business environment. To understand the developments taking place in the world, and also to showcase the initiatives of the Ministry in the areas of corporate governance, corporate social responsibility and the development of the accounting profession, interactions were undertaken by the Ministry with various International Organizations like Corporate Registers Forum (CRF), Accounting and Corporate Regulatory Authority (ACRA), US Business Leaders from American Chambers of Commerce, Global Reporting Initiatives (GRI), International Association of Insolvency Regulators (IAIR), Organization for Economic Co-operation and Development (OECD), Federal Trade Commission, USA, Department of Justice, USA, State Administration for Industry & Commerce (SAIC) of Japan. The Ministry is the nodal agency for ensuring convergence of Indian Accountancy Standards with

International Financial Reporting Standards (IFRS).

IMPROVEMENT IN OFFICE INFRASTRUCTURE

7.4. Infrastructure Section has been playing a pivotal role in providing improved infrastructure to field offices of the Ministry by acquiring land, constructing buildings on the purchased land, purchasing built up space and renovating and furnishing of these built up office space to give facelift. Achievements during 2011-12 and current year (up to 31.12.2012) are given as under:

Achievements during 2011-12:

- (i) Corporate Bhavan at Cuttack has become functional and the offices of ROC and OL, Odisha have started functioning from the new building.
- (ii) Work of renovation of B-1 Wing, 1st Floor, Paryavaran Bhawan was handed over to SFIO.
- (iii) R&A Division and Cost Audit Branch have shifted to B-1 Wing, 2nd Floor, Paryavaran Bhawan and NBCC has been engaged for renovation.
- (iv) NBCC has started the construction of Corporate Bhavan at Hyderabad.
- (v) The Ministry has got office space measuring 23,000 sqft. allotted by Directorate of Estates at Lok Nayak Bhawan.
- (vi) The Ministry is in the process of construction of additional floors on the ROC Bhawan at Goa for accommodating the proposed NCLT Bench.
- (vii) The Sale Deed of the property purchased by the Ministry at Rajaji Salai, Chennai has been registered with the concerned Sub-Registrar's office.

Achievements during current year (up to 31.12.2012):

- (i) The sale Deed of the property purchased at Raheja Towers, Bangalore has been registered with the concerned Sub-Registrar's office.
- (ii) After a prolonged effort, the Ministry has succeeded in getting 30,000 sq.ft. of space allotted by Directorate of Estates at Block-3, CGO Complex, New Delhi. The Ministry is considering relocation of the offices of RD (NR) and ROC, Delhi in the allotted space.
- (iii) Competition Appellate Tribunal has started functioning from a single location i.e., Kota House Annexe after the same has been allotted by Directorate of Estates to COMPAT. The rented premises of COMPAT at Jawahar Vyapar Bhawan has been vacated.
- (iv) The Ministry has undertaken renovation of newly allotted office premises of CLB at 5, Espanade Row (West), Kolkata through CPWD.
- (v) Renovation of office space of Official Liquidator, Delhi at 8th Floor, Lok Nayak Bhawan has been completed and OL's office has started functioning from the new location w.e.f. 01.01.2013.

- (vi) The Ministry is constantly monitoring the progress of construction of Corporate Bhavan at Hyderabad to ensure timely completion.

SETTLEMENT OF GRIEVANCES OF OFFICERS AND STAFF

7.5. Keeping in view the need for settlement of grievances of officers and staff, a Staff Council is in place in the Ministry, as an elected body. The Staff Council is headed by the Joint Secretary incharge of Administration. It meets at least once in 2 months and all the grievances and problems are discussed and solved in this forum. It has proved to be a very effective mechanism in creating a healthy working environment in the Ministry.

VIGILANCE

7.6. The Vigilance Wing in the Ministry is headed by a chief Vigilance Officer (CVO) of the rank of Additional Secretary, assisted by a Deputy Secretary, an Under Secretary and other support staff. The Vigilance Wing handles the following activities:-

- ◆ Compliance received from individuals and/or referred by other organisations like CBI/CVC/PMO etc. are examined by obtaining a factual report from the concerned administrative divisions/organisations. Preliminary inquiry is also ordered, in certain cases depending on the nature of allegations. If a prima facie case of substance is made out, then regular departmental action is initiated.
- ◆ Review and streamlining of procedures, where there is a scope of corruption. It

may be mentioned that MCA-21 project is a major initiative that has reduced the public interface and brought in transparency, thereby reducing possibilities of corruption.

- ◆ Furnishing of monthly report on vigilance activities of the CVC.
- ◆ Consideration of requests for grant of permission envisaged under the Central Civil Services (Conduct) Rules, 1964, issue of vigilance clearances, processing of property returns, and matters relating to Annual Performance Appraisal Reports of all officers, except ICLS, in the Ministry (Headquarters).
- ◆ During the current year (up to 31.12.2012), eleven departmental disciplinary proceedings were pending at various stages. In another case, a major penalty of dismissal from service has been imposed on an ICLS officer. In one case under the Prevention of Corruption Act, sanction for prosecution was issued in addition to initiation of regular departmental action. Out of eight complaints registered, two were disposed of.
- ◆ Vigilance Awareness Week was observed during 31.10.2012 to 05.11.2012 so as to create and promote awareness amongst officers and staff.

GENDER ISSUES

7.7. As work is allocated on the basis of designation, no cases of gender discrimination have been encountered, nor have any complaints/references been received in this regard during the period of this report.

INDIAN CORPORATE LAW SERVICE

7.8.1. The erstwhile Indian Company Law Service was rechristened in November, 2008 as the Indian Corporate Law Service (ICLS). ICLS is intended to provide human resources in corporate law, efficiently enforce corporate law, including incorporation, regulation, investor protection and corporate social responsibility, and to implement corporate governance in the country. ICLS is envisaged to be an important watchdog on the working of private sector in today's globalised era, and providing organizational efficiency and improved delivery of service.

7.8.2. A comprehensive cadre review was undertaken resulting in the cadre strength increasing from 231 to 291 by merging the Accounts and Legal Branches and creating 60 new posts at various levels, including one post Director General (Corporate Affairs) at the Higher Administrative Grade level and four posts at Senior Administrative Grade level. The Recruitment Rules have been revised and notified to provide for direct recruitment only at Junior Time Scale level through the Civil Services Examination conducted by the Union Public Service Commission. Lateral entry to the ICLS has been done away with. Officers will be trained in subjects like Management, Law, Accounting, Business Finance and Economics by the Indian Institute of Corporate Affairs, which is presently responsible for imparting induction training of new recruits, and in-service training of existing members of ICLS.

PROGRESSIVE USE OF HINDI

7.9. The Ministry 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. Some of the major activities undertaken during the year are as under:-

1. The First Sub-Committee of the Parliamentary Committee on Official Language inspected offices of the ROC, Jammu & Kashmir and ROC, Kochi on 10.07.2012 and 05.11.2012 respectively.
2. Correspondence under section 3(3) of the Official Language Act, 1963 is being done bilingually.
3. As per Rule 5 of the Official Language Rules, 1976, all letters received in Hindi are replied to in Hindi only.
4. A workshop was held on 03.05.2012 in the Ministry to impart training for progressive use of Hindi.
5. Sixth issue of the half yearly Hindi magazine of the Ministry titled "Corporate Pravahini" was published on 29.10.2012.
6. Two field offices were inspected and others offices are scheduled to be inspected by the end of the financial year.
7. Hindi fortnight was celebrated in the Ministry from 10.09.2012 to 24.09.2012. The Hon'ble Minister awarded prizes to the winners of various competitions at a function held on 26.09.2012. The field offices of the Ministry also organized similar activities in their respective offices.

PUBLICATIONS

7.10. The Ministry has published the following Reports/Publications during the current year (up to 31.12.2012):-

- (a) In pursuance of the provisions of Section 638 of the Companies Act, 1956, the Annual Report on the Working and Administration of the Companies Act, 1956 is required to be laid before both Houses of Parliament. The 55th Annual Report as on 31.03.2011 was laid on the Tables of both Houses of Parliament in 2012.
- (b) Third Annual Report of the Competition Commission of India for the year 2011-12 was laid on the Tables of both

Houses of Parliament in 2012, under Section 53 of the Competition Act, 2002.

REPRESENTATION OF SCHEDULED CASTES, SCHEDULED TRIBES AND OTHER BACKWARD CLASSES

7.11. The representation of Scheduled Castes (SCs), Scheduled Tribes (STs) and Other Backward Classes (OBCs) in the Ministry, is shown in **Table 7.1**.

Table 7.1
Number of Government servants and number of SCs, STs and OBCs amongst them (as on 31.12.2012)

Group	Total No. of employees	No. of employees out of total employees		
		SCs	STs	OBCs
Group A	279	41	23	39
Group B	409	67	25	33
Group C	489	112	52	62
Total	1,177	220	100	134

RESULTS FRAMEWORK DOCUMENT

7.12. The High Power Committee (HPC) on Government Performance has reviewed the performance of the MCA on the basis of information submitted by the Ministry. The HPC has assigned a score of 90.80 for 2011-12. The Performance Evaluation Report for 2011-12 showing the actual scores, along with the Results Framework Document for 2011-12 are given at **Annexure-VI** and

Annexure-VII respectively. The Results Framework Document for 2012-13 is also available at the website of the Ministry (mca.gov.in).

REVENUE RECEIPTS & EXPENDITURE

7.13. The details of the Revenue Receipts and Expenditure (Plan and Non Plan) of the Ministry are given below (**Tables 7.2 and 7.3**).

Table 7.2
Revenue Receipts

(Rs. Crore)

2009-10	2010-11	2011-12	2012-13*
(1)	(2)	(3)	(4)
1235.83	1494.05	1462.83	1113.34

* up to 31.12.2012.

Table 7.3
Expenditure (Plan & Non Plan)

(Rs. Crore)

Classification	Actual Expenditure 2011-12	2012-13			Budget Estimates 2013-14
		Budget Estimates	Revised Estimates	Actual Expenditure*	
(1)	(2)	(3)	(4)	(5)	(6)
Non-Plan	199.97	213.50	201.22	150.15	221.28
Plan	27.99	32.00	28.00	20.62	34.00
Total	227.96	245.50	229.22	170.77**	255.28

* up to 31.12.2012.

** Figures include an authorisation of Rs. 6.48 Crore.



ANNEXURES

ANNEXURE - I

Ministry of Corporate Affairs Telephone Directory

Name	Designation	Office phone/ fax	Residential phone
Minister of State (Independent Charge) of the Ministry of Corporate Affairs			
Hon'ble Shri Sachin Pilot	Minister of State (I/C)	23073804 23073805 23073806 (Fax)	23795060 23795070 23795080 (Fax)
Shri Aman Deep Singh	Private Secretary	-do-	-do-
Shri Aakash Tomar	Additional Private Secretary	-do-	-do-
Shri I. Joseph Manoharan	Additional Private Secretary	-do-	-do-
Secretary to the Government of India			
Shri Naved Masood	Secretary	23382324 23384017 23384257 (Fax)	23384252
Shri V. S. Manian	Senior Principal Private Secretary	-do-	23221762
Shri S.P.S. Rawat	Private Secretary	-do-	24621782
Additional Secretary to the Government of India			
Shri M.J. Joseph	Additional Secretary	23383180 23386068 (Fax)	23388342
Shri G. Swaminathan	Private Secretary	-do-	
Joint Secretaries to the Government of India			
Ms. Anjali Anand Srivastava	Joint Secretary & Financial Adviser	23384211 23387528 (Fax)	
Shri B.L.Chiber	Principal Private Secretary	-do-	
Ms. Renuka Kumar	Joint Secretary	23074056 23384380 23384391 (Fax)	
Ms. Shailaja Pillai	Principal Private Secretary	-do-	26181662
Shri Manoj Kumar	Joint Secretary	23383345 23074026 (Fax)	
Shri R.C. Sahu	Personal Assistant	-do-	

Name	Designation	Office phone/ fax	Residential phone
Shri Suresh Pal	Joint Secretary	23389602 23074212 (Fax)	24604613
Shri E. Natarajan	Principal Private Secretary	-do-	
Shri Mukhtiyar Singh	Private Secretary	-do-	26174815
Director of Inspection & Investigation			
Shri U. C. Nahta	Director of Inspection & Investigation	23381226 (Telefax)	24121585
Shri H. Srivastav	Private Secretary	-do-	
Economic Adviser			
Ms. Sibani Swain	Economic Adviser	23385010 (Telefax)	26898225
Shri S.M. Das	Private Secretary	-do-	
Directors			
Shri Alok Kumar	Director	23382386 (Telefax)	9868110201
Ms. Urvashi Kumar	Personal Assistant	-do-	
Shri Anil Kumar Bhardwaj	Director	23070954	
Ms. Namita Bakshi	Private Secretary	-do-	
Shri Pankaj Srivastava	Director	23389263	
Ms. Shailja Raturi	Personal Assistant	-do-	
Shri Navneet Chauhan	Director	23384470	
Ms. Santosh	Personal Assistant	-do-	
Shri B. Koteswara Rao	Director	23389403	
Ms. Rajni Maithani	Private Secretary	-do-	
Deputy Secretaries to the Government of India			
Shri J.S. Audhkhasi	Deputy Secretary	23381615	
Ms. Sushma Kataria	Deputy Secretary	23381664	
Ms. Rita Dogra	Deputy Secretary	23389227	
Shri B.P. Pant	Deputy Secretary	23389204	28052512
Shri Mohan Das M.	Personal Assistant	-do-	
Joint Directors			
Shri B.K.L. Srivastava	Joint Director (Legal)	23070728	0123-2255308
Ms. Sushma Sikri	Private Secretary	-do-	25490095
Shri P.K. Batta	Joint Director	23073230	
Shri Alok Samantrai	Joint Director	23385285	
Ms. Durgesh Nandni	Personal Assistant	-do-	

Name	Designation	Office phone/ fax	Residential phone
Shri J. N. Tikku	Joint Director	23384657	0123-2255388
Ms. Jaya S. Arora	Principal Private Secretary	-do-	
Shri L.R. Meena	Joint Director	23385285	
Ms. Manjeet Gupta	Private Secretary	-do-	
Shri Sanjay Shorey	Joint Director	23389622	
Deputy Directors			
Shri Vinod Sharma	Deputy Director	23385382	
Shri R.K. Bakshi	Deputy Director	23073230	
Shri Sanjay Sood	Deputy Director	23389745	
Shri Sanjay Gupta	Deputy Director	23384657	
Shri Shyam Sunder	Deputy Director	23384158	
Shri N.K. Dua	Deputy Director	23071190	
Shri M.S. Pachauri	Deputy Director	23386065	
Under Secretaries to the Government of India			
Shri Kshitish Kumar	Under Secretary	23389782 (Telefax)	
Shri R.C. Tully	Under Secretary	23073734	
Shri J.B. Kaushish	Under Secretary	23387939	95124-2333763
Shri L.K. Trivedi	Under Secretary	23389782 (Telefax)	
Shri Rakesh Kumar	Under Secretary	23389298	
Shri B.P. Bimal	Under Secretary	23073017	
Shri Ravi Vazirani	Under Secretary	23386065	
Shri R.K. Pandey	Under Secretary	23383507	
Shri G.P. Sarkar	Under Secretary	23381349	
Shri Anil Kumar	Under Secretary	23381243	9350356209
Shri Anil Parashar	Under Secretary	23381243	
Assistant Directors			
Shri Puneet Kumar Duggal	Assistant Director	23389745	
Shri Parvinder Singh	Assistant Director	23385382	
Shri Animesh Bose	Assistant Director	23071190	
Ms. Monika Gupta	Assistant Director	23387263	
Ms. Seema Rath	Assistant Director	23387263	
Ms. Reeta Sood	Assistant Director (OL)	23388512	
Shri Iqbal Hussain Ansari	Assistant Director	23381288	
Shri Manjit Singh	Assistant Director	23384479	
Ms. Anshu Tandon	Assistant Director	23389745	
Ms. Kamna Sharma	Assistant Director	23387263	
Shri A.K. Behl	Assistant Director	23387263	
Ms. Anu Singh	Assistant Director	23387263	
Shri K.M.S. Narayanan	Assistant Director	23387263	
Ms. Lata Sisodiya	Assistant Director	23387263	

Name	Designation	Office phone/ fax	Residential phone
Cost Audit Branch B-1, Wing, 2nd Floor, Paryavaran Bhawan, CGO Complex, Lodhi Road, New Delhi-110003			
Shri B.B. Goyal	Advisor (Cost)	24366005 24366284 (Telefax)	
Ms. Davinder Barara	Personal Assistant	-do-	
Shri V.K. Aggarwal	Director	24366686	
Ms. Bharti Sahai	Assistant Director	24366348	
Shri Nipun Gupta	Assistant Director	24366348	
Shri Rakesh Pandey	Assistant Director	24366348	
Shri Manoj Kumar	Assistant Director	24366348	
Research and Analysis Division B-1, Wing, 2nd Floor, Paryavaran Bhawan, CGO Complex, Lodhi Road, New Delhi-110003			
Shri Radhey Shyam	Director	24368972 (Telefax)	9971800715
Shri Rajender Kumar	Principal Private Secretary	24368970	22117476
Shri K.L. Kaushik	Joint Director	24368973 (Telefax)	8826846847
Shri Deepak Kumar	Personal Assistant	-do-	
Shri E. Nagachandran	Deputy Director	24368971	
Shri Ramswaroop Singh	Assistant Director	24368970	
Shri Sudaveni Satyanarayana	Assistant Director	24368970	
Serious Fraud Investigation Office Paryavaran Bhawan, CGO Complex, Lodhi Road, New Delhi			
Shri Nilimesh Baruah	Director	24365787 24365809 (Fax)	
Shri J.K. Golay	Principal Private Secretary	-do-	
Shri B.K. Gupta	Additional Director	24369254	
Shri V.S. Rana	Additional Director	24369247	
Shri R.C. Meena	Additional Director	24369592	
Shri P.R. Lakra	Additional Director	24369551	
Shri N.K. Chand	Additional Director	24369774	
Shri Vinod Kumar Sharma	Additional Director	24369505	
Shri Devi Sharan Singh	Additional Director	24366026	
Ms. Richa Kukreja	Joint Director	24369773	

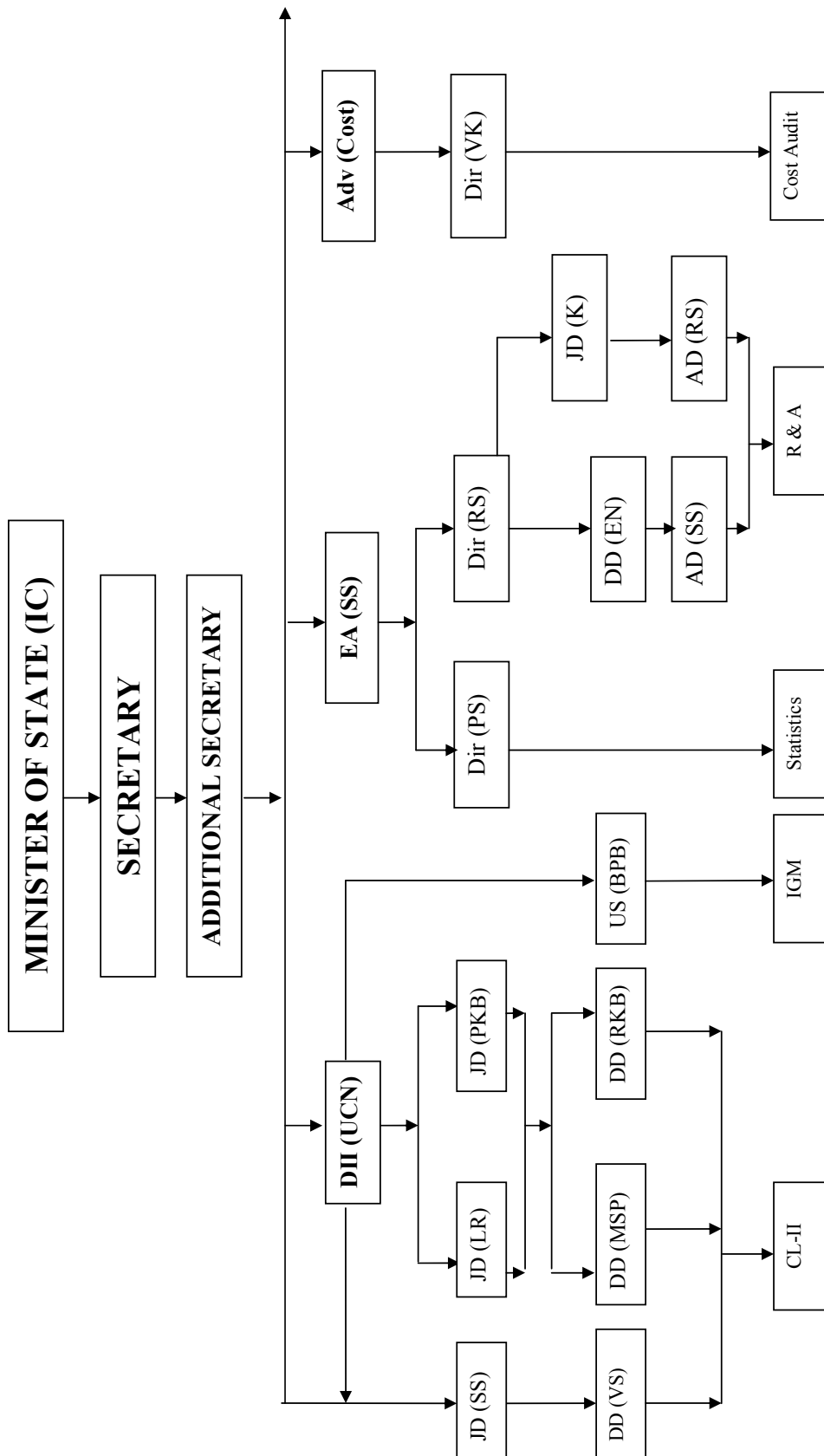
Name	Designation	Office phone/ fax	Residential phone
Serious Fraud Investigation Office, Mumbai 6th Floor, Everest Building, NS Road, Marine Derive, Mumbai			
Shri Sanjay Rai	Additional Director	022-22022240 022-22022241 (Fax)	
Ms. Sunita Langstieh	Senior Assistant Director	-do-	
Shri Amit A. Naiksatam	Senior Assistant Director	-do-	
Competition Commission of India Hindustan Times Building, 18-20, Kasturba Gandhi Marg, New Delhi-110001			
Shri Ashok Chawla	Chairman	23704647 23704649 23704605 (Fax)	
Shri H.C. Gupta	Member	23704630 23704631 (Fax)	
Shri R. Prasad	Member	23704633 23704632 (Fax)	
Ms. Geeta Gouri	Member	23704634 23704635 (Fax)	
Shri S.N. Dhingra	Member	23704638 23704639 (Fax)	
Shri Anurag Goel	Member	23704641 23704642 (Fax)	
Shri M.L. Tayal	Member	23704643 23704644 (Fax)	
Ms. Smita Jhingran	Secretary	23704651 23704652 (Fax)	
Competition Appellate Tribunal Kota House Annexe, 1, Shahjahan Road, New Delhi-110011			
Hon'ble Shri Justice V.S. Sirpurkar	Chairman	23385974 23701060 24105684(Fax)	24105683
Shri Rahul Sarin	Member	23385301 23388928(Fax)	26877173
Ms. Pravin Tripathi	Member	23385311 23386471 (Fax) 23701063	29531510
Shri Ashok Menon	Registrar	23385977	23073704

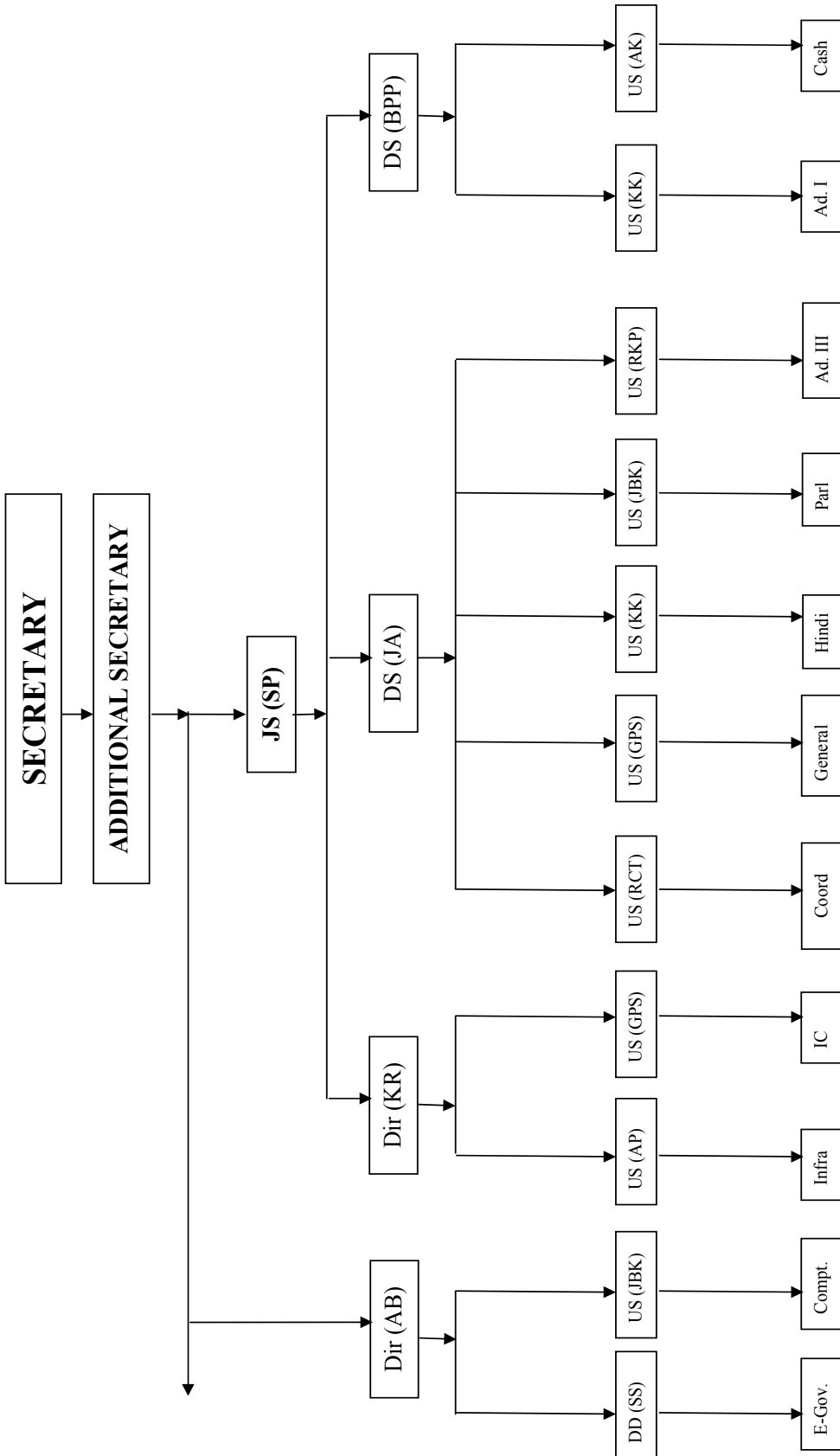
Name	Designation	Office phone/ fax	Residential phone
Company Law Board (Principal Bench) Paryavaran Bhawan, B-Block, CGO Complex, Lodhi Road, New Delhi			
Hon'ble Shri Justice Dilip Raosaheb Deshmukh	Chairman	24366126	
Ms. Vidya Shastri	Personal Assistant	24363667	
Shri Dhanraj	Member	24362324	
Shri B.S.V. Prakash Kumar	Member	24363671	
Shri P.K. Malhotra	Secretary	24363451	
Shri G.V. Subbaiah	Under Secretary	24363667	
Company Law Board (Mumbai Bench) 2nd Floor, NTC House, 15, N.M.Marg, Ballard Estate, Mumbai-400038			
Shri Ashok Kumar Tripathi	Member	022-22619636	
Ms. Vimla Yadav	Member	022-22611456	
Company Law Board (Southern Region Bench) 3rd Floor, Corporate Bhawan, UTI Building No. 29, Rajaji Salai, Chennai-600001			
Shri Kanthi Narhari	Member	044-25262791	
Ms. Mukuntan	Senior Private Secretary	-do-	
Company Law Board (Eastern Region Bench) 9, Old Post Office Street, 6th Floor, Kolkata-700001			
Shri Amalesh Bandopadhyay	Member	033-22486330 033-22621761	
Shri Tapas Kumar Mandal	Private Secretary	-do-	
Chief Controller of Accounts 3rd Floor, 'C' Wing, Lok Nayak Bhawan, Khan Market, New Delhi			
Ms. Vinita Barua	Chief Controller of Accounts	24698646 24693229 (Fax)	
Shri R.C. Paliwal	Principal Accounts Officer	24610148	
Office of Pay & Accounts Officer, New Delhi Paryavaran Bhawan, B-Block, CGO Complex, Lodhi Road, New Delhi			
Shri Krishan Gopal	Pay & Accounts Officer	24360660 24361569 (Fax)	
Office of Pay & Accounts Officer, Kolkata 4th Floor, 15, R.N. Mukherjee Road, Kolkata-700001			
Shri U.S. Chakraborty	Pay & Accounts Officer	033-2425076 (Telefax)	9051867951

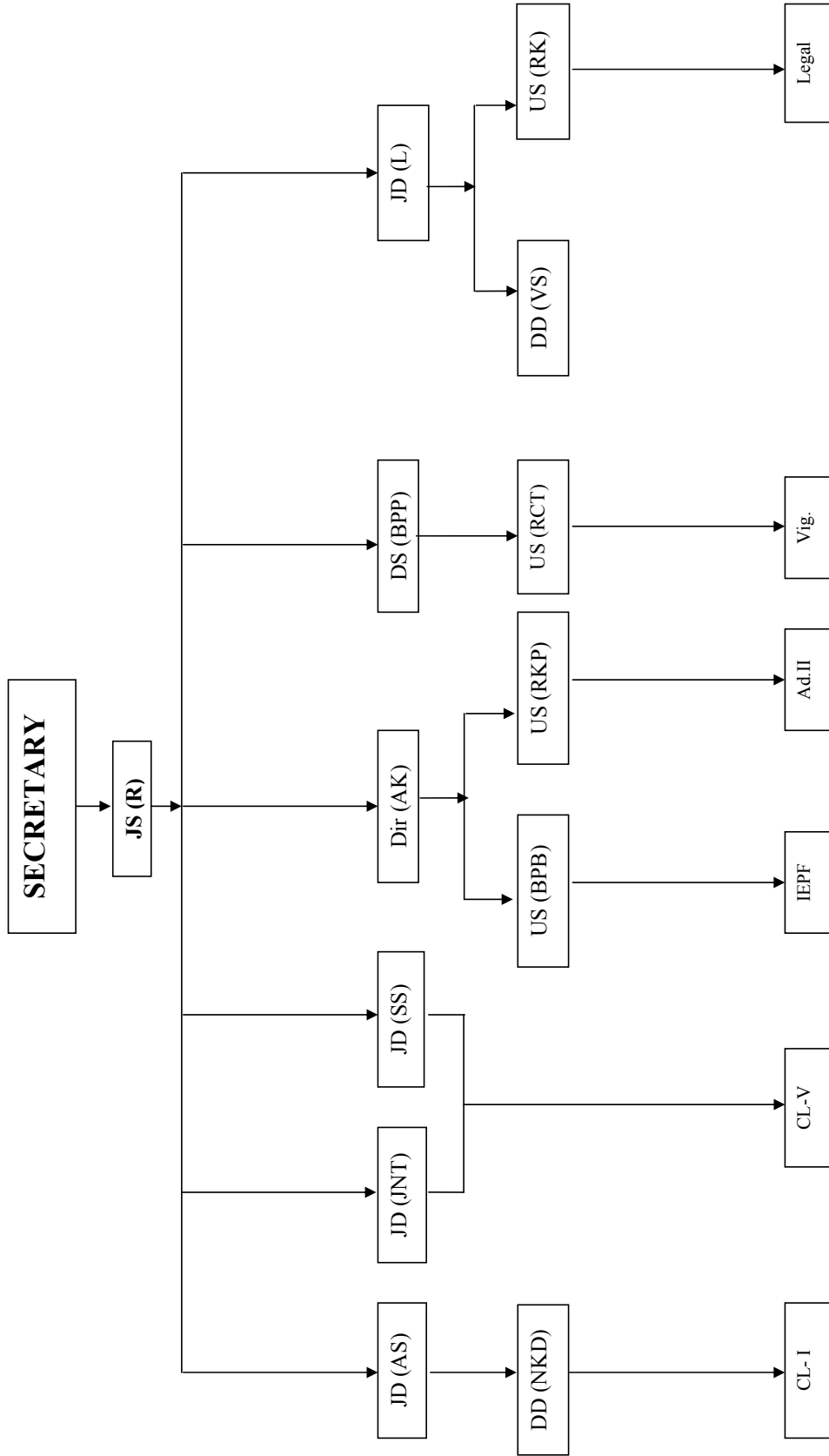
Name	Designation	Office phone/ fax	Residential phone
Office of Pay & Accounts Officer, Mumbai Exchange Building, Southern Wing, S.S. Ramgulam Marg, Ballard Estate, Mumbai-400001			
Ms. Lekha Nair	Pay & Accounts Officer	022-22670862 022-22656362 (Fax)	09833747692
Office of Pay & Accounts Officer, Chennai 5th Floor, Shastri Bhawan, 26, Haddows Road, Chennai-600006			
Shri G. Ramesh	Pay & Accounts Officer	044-28270399 044-28235949 (Fax)	09940817849
Institute of Company Secretaries of India ICSI House, 22, Institutional Area, Lodhi Road, New Delhi-110003			
Shri S. N. Ananthasubramanian	President	45341001	
Shri M.S. Sahoo	Secretary	45341002	28086507
Institute of Chartered Accountants of India ICAI Bhawan, Post Box No. 7100, Indraprastha Estate, New Delhi-110002			
Shri Jaydeep Narendra Shah	President	30110400 30110580	9822202575, 9371014819
Shri T. Karthikeyan	Secretary	30110402 30110581	93507 99930
Institute of Cost Accountants of India 12, Sudder Street, Kolkata – 700016			
Shri Rakesh Singh	President	033-22521031	
Shri Kaushik Banerjee	Secretary	033-64534121	
Indian Institute of Corporate Affairs B-1, Wing, 2nd Floor, Paryavaran Bhawan, CGO, Complex, New Delhi.			
Shri Bhaskar Chatterjee	Director-General and Chief Executive Officer	24369794 24362282 24362263 (Fax)	
Shri S.K. Agarwal	Director	0124-2290400 0124-2291036	

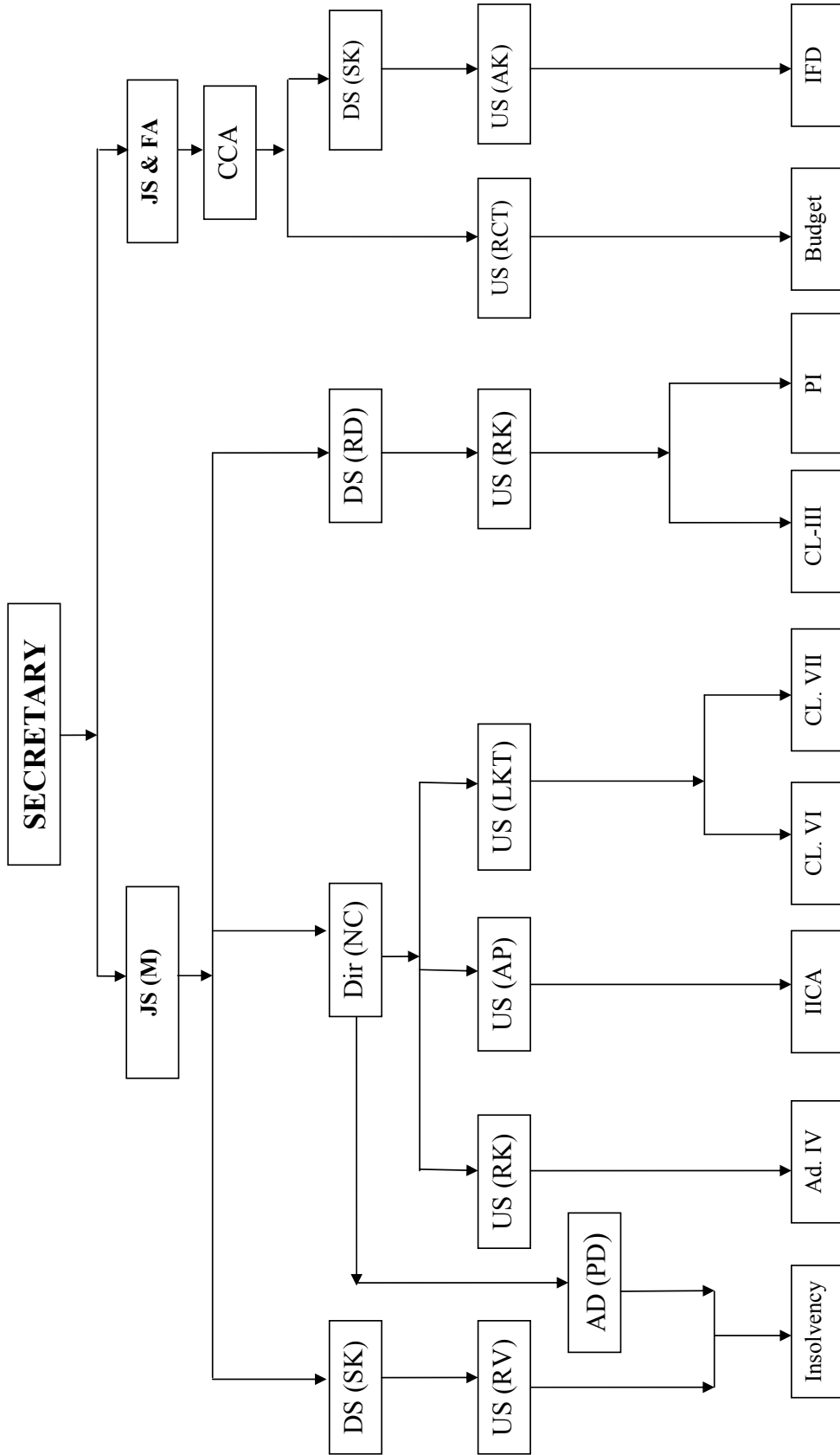
ANNEXURE-II

ORGANISATIONAL CHART OF THE MINISTRY OF CORPORATE AFFAIRS









Major Functionaries of the Ministry of Corporate Affairs

Minister of State (Independent Charge)			
Shri Sachin Pilot Secretary			
Shri Naved Masood Secretary			
Shri M.J. Joseph Additional Secretary			
Shri M.J. Joseph Additional Secretary DII (UCN)	Shri Suresh Pal Joint Secretary	Smt. Renuka Kumar Joint Secretary	Shri Manoj Kumar Joint Secretary
Dir (AB) JD (LR) JD (PKB) JD (SS) DD (MSP) DD (RKB) US (JBK) US (BPB) US (GPS) US (RCT) US (AP) AD (PS) AD (AT) AD (IH)	Dir(BKR) DS(BPP) DS(JSA) US(RCT) US (GPS) US(AK) US(KK) US(JBK) US (AP) US(RKP)	Dir (AK) DS (BPP) JD (AS) JD (L) JD (JNT) JD (SS) US (BPB) US (RKP) US (RCT) US (RK) DD (NKD) DD (VS) AD (SR) AD (MG) AD (KS) AD (SN)	Dir (NC) Dir (AB) DS (RD) DS(SK) US(LKT) US(RV) US(RK) US (AP) DD(SS) AD(Ins) AD(AT)
Dir (AB) L.R. Meena P.K. Batta Sanjay Shorey M.S. Pachouri R K Bakshi J.B.Kaushish B P Bimal G.P. Sarkar R. C. Tully Anil Parasher P. Singh Alok Tandon I.H. Ansari	B. K. Rao B.P. Pant J.S. Audhkhasi R.C. Tully G.P. Sarkar Anil Kumar Kshitish Kumar J.B. Kaushish Anil Parasher R.K. Pandey	Alok Kumar B.P. Pant Alok Samanta Rai B.K.L. Srivastava JN Tikku Sanjay Shorey B P Bimal R.K. Pandey R.C. Tully Rakesh Kumar N. K. Dua Vinod Sharma Seema Rath Monika Gupta Kamna Sharma Shankara Narayana	Navneet Chauhan Anil Bhardwaj Rita Dogra Sushma Kataria L.K. Trivedi Ravi Vazirani Rakesh Kumar Anil Parasher Shyam Sunder P.K. Duggal Anshu Tandon
			Smt. Sihani Swain Economic Adviser
			Dir(RS) Dir(PS) JD (KLK) DD(EN) AD(RS) AD(SS)
			Radhey Shyam Pankaj Srivastava K.L. Kaushik E. Nagechandran R. S. Singh S. Satyanarayana
			Shri B.B. Goyal Adviser (Cost)
			Dir(VK) AD(BS) AD(RP) AD(NG) AD(MK)
			V.K. Aggarwal Bharti Sahai Rakesh Pandey Nipun Gupta Manoj Kumar

Chief Vigilance Officer : Shri M.J. Joseph, Addl. Secy.
Web Master: Shri Anil Bhardwaj, Director
Welfare Officer: Shri L.K. Trivedi, US

Integrated Finance & Accounts Wing
 JS & FA : Smt. Anjali Anand Srivastava
 CCA : Smt. Vineeta Barwa
 DS (IFD): Smt. Sushma Kataria
 US (IFD): Shri Anil Kumar

Budget Section
 CCA: Smt. Vineeta Barwa
 US: Shri R. C. Tully
 SO: Shri S.L. Meghwal

ANNEXURE - IV

Names and Addresses of Regional Directors, Registrars of Companies, Official Liquidators and Registrars of Companies-cum-Official Liquidators

REGIONAL DIRECTORS

Name & E-mail Address	Telephone	Fax
Regional Director (Eastern Region), Kolkata Nizam Palace, 2nd MSO Building, 3rd Floor, 234/4, Acharya JC Bose Road, Kolkata-700020		
Shri Navrang Saini rd.east@mca.gov.in	033-2287-0383 033-22877390	033-2287-0958
Regional Director (Northern Region), NOIDA A-14, Sector-I, PDIL Bhawan, Noida, UP		
Shri Rakesh Chandra rd.north@mca.gov.in	0120-2445342 0120-2445341	0120-2425924
Regional Director (Southern Region), Chennai Shastri Bhawan, Block-I, 5th Floor, 'A' Wing, 26, Haddows Road, Chennai-600006		
Shri E. Selvaraj rd.south@mca.gov.in	044-28271737 044-28276682	044-28280436
Regional Director (Western Region), Mumbai Everest Building, 5th Floor, Netaji Subhash Marg, 100, Marine Drive, Mumbai-400002		
Shri S.M. Ameerul Millath rd.west@mca.gov.in	022-22872347 022-22817259	022-22812389
Regional Director (North Western Region), Ahmedabad ROC Bhavan, Opp. Rupal Park, Near Ankur Bus Stand, Naranpura, Ahmedabad-380013		
Shri K.L. Kamboj rd.northwest@mca.gov.in	079-27498725 079-27498726-27	079-27438371
Regional Director (South-East Region), Hyderabad 2nd Floor, CPWD Building, Kendriya Sadan, Sultan Bazar, Kothi, Hyderabad – 500095		
Shri M.A. Kuvadiah rd.ser@mca.gov.in	040-24657937 040-24656141	040-24652807 040-24657933
Regional Director (North-East Region), Guwahati Morello Building, Ground Floor, Shillong -793001		
Shri N.K. Bhola rd.northeast@mca.gov.in	0364-2223665	0364-2223665

REGISTRARS OF COMPANIES

Name & E-mail Address	Telephone	Fax
Registrar of Companies, Shillong, Morello Building, Ground Floor, Kachari Road, Shillong-793001		
Shri Gulab Chand Yadav roc.shillong@mca.gov.in	0364-2504093	0364-2211091
Registrar of Companies, Coimbatore Stock Exchange Building, 2nd Floor, 683, Trichy Road, Singanallur, Coimbatore-641005		
Shri M. Manuneethi Cholan roc.coimbatore@mca.gov.in	0422-2318170 0422-2319640	0422-2318089
Registrar of Companies, Kolkata “Nizam Palace”, 2nd MSO Building, 2nd Floor, 234/4, Acharya JC Bose Road, Kolkata-700020		
Shri Debashis Bandopadhyay roc.kolkata@mca.gov.in	033-2280-0409	033-2290-3795
Registrar of Companies, Delhi and Haryana IFCI Tower, 4th Floor, Nehru Place, New Delhi-110019		
Shri Man Mohan Juneja roc.delhi@mca.gov.in	011-26235704	011-26235702
Registrar of Companies, Bengaluru Kendriya Sadan, E-Wing, 2nd Floor, Koramangala, Bengaluru-560034		
Shri B.N. Harish roc.bengaluru@mca.gov.in	080-25633105 080-25537449	080-25538531
Registrar of Companies, Hyderabad 3-5-398, Kendriya Sadan, 2nd Floor, Sultan Bazar, Kothi, Hyderabad-500095		
Shri Krishnamurthy roc.hyderabad@mca.gov.in	040-24657937 040-24656114	040-24652807
Registrar of Companies, Ernakulam 1st Floor, Company Law Bhawan, BMC Road, Thrikkakara PO, Kochi-692021		
Shri K.G. Joseph Jackson roc.ernakulam@mca.gov.in	0484-2423749 0484-2421489	0484-2422327

REGISTRARS OF COMPANIES

Name & E-mail Address	Telephone	Fax
Registrar of Companies, Puducherry No.35, Elango Nagar, 1st Floor, 3rd Cross, Puducherry-605011		
Shri V. Swamidason roc.puducherry@mca.gov.in	0413-2244277 0413-2240129	0413-2244274
Registrar of Companies, Mumbai 100, Everest, Marine Drive, Mumbai-400002		
Shri M.R. Bhat roc.mumbai@mca.gov.in	022-22812639 022-22020295	022-22811977
Registrar of Companies, Ahmedabad ROC Bhawan, Opp. Rupal Park, Near Ankur Bus Stand Naranpura, Ahmedabad-380013		
Shri S.N. Mishra roc.ahmedabad@mca.gov.in	079-27437597 079-27473867	079-27438371
Registrar of Companies, Pune PMT Commercial Building, 3rd Floor, Deccan Gymkhana, Pune-411004		
Shri V.K. Khubchandani roc.pune@mca.gov.in	020-25530042 020-25521376	020-25530042
Registrar of Companies, Chennai Shastri Bhavan, 2nd floor, 26, Haddows Road, Chennai-600006		
Shri Henry Richard roc.chennai@mca.gov.in	044-28277182 044-28276381	044-28234298
Registrar of Companies, Gwalior Post Box No.2, A-Block, 3rd Floor, Sanjay Complex, Jayendra Ganj, Gwalior-474009		
Shri A.K. Chaturvedi roc.gwalior@mca.gov.in	0751-2321907 0751-2430012	0751-2631853
Registrar of Companies, Chandigarh Corporate Bhawan, Plot No. 4, 1st Floor, Sector-27B, Madhya Marg, Chandigarh-160019		
Shri Raj Singh roc.chandigarh@mca.gov.in	0172-2639415 0172-2637276	0172-2639416
Registrar of Companies, Kanpur 10/499-B, Allen Ganj, Khalasi Lines, Kanpur-208002		
Shri S.P. Kumar roc.kanpur@mca.gov.in	0512-2540423	0512-2550688

OFFICIAL LIQUIDATORS

Name & E-mail Address	Telephone	Fax
Official Liquidator (High Court of Kolkata) 9, Old Post Office Street, 5th Floor, Kolkata-700001		
Shri K. Ananda Rao ol-kolkata-mca@nic.in	033-22486501 033-22486067 033-22435073 033-22420708 09874264647 (M)	033-22482483
Official Liquidator (High Court of Guwahati) Morello Building, Ground Floor, Shillong-793001		
Shri Muktar Singh ol-shillong-mca@nic.in	0364-2501335	0364-2501335
Official Liquidator (High Court of Andhra Pradesh) 5-4-400, 2nd Floor, East Wing, Gagan Vihar, Nampally, Hyderabad-500095		
Shri S. Chandra Sekharan ol-hyderabad-mca@nic.in	040-24736883 040-24656780 040-24746363	040-24610514
Official Liquidator (High Court of Madras) “Corporate Bhawan”, 2nd Floor, No. 29, Rajaji Salai, Chennai-600001		
Shri Arvind Shukla ol-chennai-mca@nic.in ol-madras@gmail.com	044-25271150 044-25271151 044-25271149	044-255271152
Official Liquidator (High Court of Karnataka) 26-27 Corporate Bhawan, 12th Floor, Raheja Tower, MG Road, Bengaluru-560001		
Shri S. Ramakantha ol-bangalore-mca@nic.in	080-25598671 080-25598672 080-25598673	080-25598674
Official Liquidator (High Court of Mumbai) Bank of India Building, 5th Floor, MG Road, Mumbai-400023		
Shri T. Pandian ol-mumbai-mca@nic.in	022-22671851	022-22692307

OFFICIAL LIQUIDATORS

Name & E-mail Address	Telephone	Fax
Official Liquidator (High Court of Gujarat) Jivabhai Chamber, Ashram Road, Behind Post Office, Ashram Road, Navrangpura, Ahmedabad-380009		
Shri R.C. Meena ol-ahmedabad-mca@nic.in	079-26581903 079-26581912	079-26587837
Official Liquidator (High Court of Jaipur at Jodhpur) G/6-7, Corporate Bhawan, Residency Area, Civil Area, Jaipur - 302001		
Shri K.C. Meena	07597617867	
Official Liquidator (High Court of MP & Chhattisgarh) 1st Floor, Old CIA Building, Opp. GPO, Residency Area, Indore-452001		
Shri V.K. Sahoo ol-indore-mca@nic.in	0731-2710051	0731-2710568
Official Liquidator (High Court of Mumbai at Nagpur) 2nd Floor, East Wing, New Secretariat Building, Civil Lines, Nagpur-440001		
Shri R.K. Tiwari ol-nagpur-mca@nic.in	0712-2527512	0712-2522934
Official Liquidator (High Court of Delhi) 8th Floor, Lok Nayak Bhawan, Khan Market, New Delhi-110003		
Shri S.B. Gautam officialliquidatordelhi@yahoo.com	011-24693393 011-24693315	011-24693314
Official Liquidator (High Court of Punjab, Haryana & H.P.) Corporate Bhawan, Plot No. 4B, Sector 22B, Madhya Marg, Chandigarh		
Shri D.P. Ojha officialliquidatorchd@gmail.com	0172-2659874 0172-2659876	0172-2659875
Official Liquidator (High Court of UP & Uttarakhand) 33, Tashkant Marg, Civil Lines, Allahabad-211001		
Shri H.R. Patole olup.alld@yahoo.com.in	0532-2560312 0532-2560314	0532-2560162
Official Liquidator (High Court of Kerala) Company Law Bhawan, 3rd Floor, BMC Road, Thrikkakara PO, Kochi-682021		
Shri M.V. Chakranyan ol-cochin-mca@nic.in	0484-2422889	0484-2423172

REGISTRARS OF COMPANIES-CUM-OFFICIAL LIQUIDATORS

Name & E-mail Address	Telephone	Fax
Registrar of Companies-cum-Official Liquidator, Jammu		
Shri M. K. Bagri manoj.bagri@mca.gov.in ol-jammu-mca@nic.in	Hall No. 405 to 408, Bahu Plaza, 4th Floor, South Block, Rail Head Complex, Jammu-180012	
	0191-2470306 0191-2472504	0191-2470306
	SDA Office Complex, Ground Floor, Bemina Bye-Pass, Srinagar -190018	
	0194-2494995	0194-2494995
Registrar of Companies-cum-Official Liquidator, Patna Mauryalok Complex, 4th Floor, A-Block, Dak Bungalow Road, Patna-800001		
Shri S.K. Banerjee ol-patna-mca@nic.in roc.patna@mca.gov.in	0612-2222172 0612-2233990	0612-2222172 0612-2233990
Registrar of Companies-cum-Official Liquidator, Goa Company Law Bhawan, EDC Complex, Plot No.21, Patto, Panaji, Goa-403001		
P. Sridhar roc.goa@mca.gov.in	0832-2438617 0832-2438618	0832-2438617
Registrar of Companies-cum-Official Liquidator, Bilaspur Post Box No. 2, A-Block, Sanjay Complex, 3rd Floor, Jayendra Ganj, Gwalior-474009		
Shri A.K. Chaturvedi rocgwaliar@mca.gov.in	0751-2321907 0751-2430012	0751-2631853
Registrar of Companies-cum-Official Liquidator, Shimla SCO No. 9, 2nd Floor, Sector-26, Chandigarh-160019		
Shri D.P. Ojha roc.himachal@mca.gov.in	0172-2639415 0172-2637301	
Registrar of Companies-cum-Official Liquidator, Nainital 10/499-B, Allengaj, Khalasi Lines, Kanpur-208002		
Shri M.P. Saha roc.kanpur@mca.gov.in	0512-2550688 0512-2540383	0512-2540423

REGISTRARS OF COMPANIES-CUM-OFFICIAL LIQUIDATORS

Name & E-mail Address	Telephone	Fax
Registrar of Companies-cum-Official Liquidator, Cuttack Corporate Bhawan, Plot No. 9P, 2nd & 3rd Floor, Sector – 1, CDA, Cuttack-753014		
Shri Benudhar Mishra roc.cuttack@mca.gov.in ol-cuttack-mca@nic.in	0671-2365361 0671-2364959 0671-2366952	
Registrar of Companies-cum-Official Liquidator, Ranchi H. No. 239, Road No-4, Magistrate Colony, Doranda, Ranchi-834002		
Shri Sawadhin Barua ol-ranchi-mca@nic.in	0651-2482811	0651-2482811
Registrar of Companies-cum-Official Liquidator, Jaipur G/6-7, Corporate Bhawan, Residency Area, Civil Area, Jaipur - 302001		
Shri R.K. Meena roc.jaipur@mca.gov.in	0141-2222464 0141-2222466	0141-2222464

ANNEXURE-V

Audit Observations and Action Taken Report

Year	Para No.	Audit Objections	Action Taken Report
2006-07	5 & 6	Twenty sixth Report on Action Taken by the Government on the Observations/ Recommendations of the Public Accounts Committee contained in their 80th Report (14th Lok Sabha) on Excess over Voted Grants and Charged Appropriation (2006-07)	Final reply sent to the Lok Sabha Secretariat (vide O.M. No. 10/02/08-IFD dated 17.06.2011).
2007-08	-	No audit objection	
2008-09	-	No audit objection	
2009-10	-	No audit objection	
2010-11	-	No audit objection	

N.B:- No audit para/objection is pending in the Ministry as on date.



R F D

Results-Framework Document
for

(Ministry of Corporate Affairs)

(2011-2012)

Section 1: Vision, Mission, Objectives and Functions

Vision

To facilitate corporate growth with enlightened regulation.

Mission

To be responsive and sensitive to changes in the business environment and suitably formulate and modify corporate laws and regulations from time-to-time.

Objective

- 1 To provide simplified laws governing Corporate Sector to facilitate effective compliance and enlightened regulatory regime.
- 2 On line delivery of all registry related services with speed, certainty and transparency, access to public information and effectively monitoring of statutory compliance by the companies.
- 3 To promote investor education and awareness for creation of appropriate business environment that facilitate growth of corporate sector in the country.
- 4 To develop capacity building and secure policy advisory support through operationalizing IICA.
- 5 Administration of Companies Act and other Acts under the purview of Ministry including effective enforcement to prevent corporate frauds.
- 6 To promote competition

Functions

- 1 Administration of the Companies Act, 1956, other Acts and simplifying existing Act from time to time.
- 2 Convergence of Indian standards with IFRS.
- 3 Formulation of Rules and regulations under various Acts administered by the Ministry.
- 4 Implementation of Competition Act and to facilitate the working of Competition Commission.
- 5 Implementation of e-Governance in MCA.
- 6 Detection of irregularities in corporate functioning through Early Warning Systems.
- 7 Dissemination of official statistics related to Corporate sector.
- 8 Undertaking investor education and awareness programmes.
- 9 To undertake investigation of serious frauds through the Serious Fraud Investigation Office.
- 10 Administration of the ICLS Cadre and training through IICA.

Section 2: Inter se Priorities among Key Objectives, Success indicators and Targets

Objective	Weight	Action	Success	Unit	Weight	Target / Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
[1] To provide simplified laws governing Corporate Sector to facilitate effective compliance and enlightened regulatory regime.	26.00	[1.1] Change in the delegation of power u/s 166	[1.1.1] Issue of circular and notification	Date	2.90	15/05/2011	31/05/2011	15/06/2011	30/06/2011	--
		[1.2] Changes in the process of principle place of business in India in respect of Foreign Companies	[1.2.1] Issue of circular and notification.	Date	2.90	15/05/2011	31/05/2011	30/06/2011	31/07/2011	--
		[1.3] Amendment of the Companies Act, 1956	[1.3.1] Reintroduction of Companies Amendment Bill 2009 in the Cabinet	Date	17.30	30/11/2011	15/12/2011	31/12/2011	15/01/2012	--
		[1.4] Promotion of LLP Act through workshops	[1.4.1] Four number of workshops to be organised in different cities	Number	2.90	4	3	2	1	--
		[2.1] Implementation of XBRL	[2.1.1] Date of Introduction of XBRL	Date	3.25	01/09/2011	15/09/2011	01/10/2011	15/10/2011	--
		[2.2] Simplification of DIN process	[2.2.1] Integration of the new process with MCA21	Date	3.25	01/08/2011	15/08/2011	01/09/2011	30/09/2011	--
[2] On line delivery of all registry related services with speed, certainty and transparency, access to public information and effectively monitoring of statutory compliance by the companies.	25.00	[2.3] Simplification of Section 25	[2.3.1] Integration of the new process with MCA21	Date	3.25	01/08/2011	15/08/2011	01/09/2011	30/09/2011	--
		[2.4] Simplification of name availability	[2.4.1] Integration of the new process with MCA21	Date	3.25	15/09/2011	30/09/2011	15/10/2011	31/10/2011	--
		[2.5] Simplification of incorporation of a company	[2.5.1] Integration of the new process with MCA21	Date	5.00	15/09/2011	30/09/2011	15/10/2011	31/10/2011	--
		[2.6] Making activities of RD offices paperless (Except Court related)	[2.6.1] Integration of the new process with MCA21	Date	3.50	01/07/2011	31/07/2011	01/08/2011	15/08/2011	--

Section 2: Inter se Priorities among Key Objectives, Success indicators and Targets

Objective	Weight	Action	Success	Unit	Weight	Target / Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
[3] To promote investor education and awareness for creation of appropriate business environment that facilitate growth of corporate sector in the country.	6.00	[2.7] Making LLP Back office fully functional with 1. Linkage of eforms 2. View Public Document 3. Making Annual filing in STP mode	[2.7.1] Timeline	Date	3.50	15/09/2011	30/09/2011	15/10/2011	31/10/2011	--
		[3.1] Empowerment of investors by creating sub-sites for investor-wise details of unpaid dividend	[3.1.1] Launch of websites	Date	4.02	31/01/2012	15/02/2012	29/02/2012	15/03/2012	31/03/2012
		[3.2] Evaluation of investor awareness programs	[3.2.1] Conduct of five regional impact assessment	Date	1.98	01/12/2011	01/01/2012	01/03/2012	--	--
[4] To develop capacity building and security policy advisory support through operationalizing IICA.	10.00	[4.1] Completion of the IICA campus building	[4.1.1] Fully functional campus	Date	6.00	31/09/2011	30/09/2011	31/10/2011	30/11/2011	--
		[4.2] Establishment of national foundation for business responsibility (for promoting CSR & CG)	[4.2.1] NIFBR becomes functional with its separate structure and funds	Date	4.00	31/12/2011	31/01/2012	29/02/2012	31/03/2012	--
[5] Administration of Companies Act and other Acts under the purview of Ministry including effective enforcement to prevent corporate frauds.	15.00	[5.1] Processing of inspection reports received upto 31.03.2011 and issue of follow up instructions regarding filing of prosecution.	[5.1.1] Disposal of inspection reports	Date	3.00	15/02/2012	29/02/2012	15/03/2012	31/03/2012	--
		[5.2] Processing of investigation reports received upto 31.03.2011 and issue of follow up instructions regarding filing of prosecution.	[5.2.1] Disposal of investigation reports	Date	3.00	15/02/2012	29/02/2012	15/03/2012	31/03/2012	--
		[5.3] Processing of technical scrutiny reports received upto 31.03.2011 and issue of follow up instructions regarding filing of	[5.3.1] Disposal of technical scrutiny reports	Date	3.00	15/02/2012	29/02/2012	15/03/2012	31/03/2012	--

Section 2: Inter se Priorities among Key Objectives, Success indicators and Targets

Objective	Weight	Action	Success	Unit	Weight	Target / Criteria Value							
						Excellent 100%	Very Good 90%	Good 80%	Fair 70%	Poor 60%			
		prosecution.											
		[5.4] Scrutiny of 150 cases under Early Warning System and issue of follow up instructions regarding filing of prosecution.	[5.4.1] Disposal of cases	Date	3.00	01/12/2011	01/01/2012	01/02/2012	01/03/2012				--
		[5.5] Development of Crisis Management Plan for quick response to frauds/serious violation of the Companies Act, 1956	[5.5.1] Finalization of plan	Date	3.00	01/10/2011	01/11/2011	01/12/2011	01/01/2012				--
[6] To promote competition	3.00	[6.1] Notification of remaining provisions of Competition Act	[6.1.1] Issue of notification for sections 43A and 44	Date	1.50	30/06/2011	30/09/2011	31/12/2011	31/03/2012				--
		[6.2] Implementation of advocacy functionalities on Competition	[6.2.1] Organizing seminars/workshops /conferences	Number	1.50	6	6	6	6				6
* Efficient Functioning of the RFD System	3.00	Timely submission of Draft for Approval	On-time submission	Date	2.0	07/03/2011	08/03/2011	09/03/2011	10/03/2011				11/03/2011
		Timely submission of Results	On- time submission	Date	1.0	01/05/2012	03/05/2012	04/05/2012	05/05/2012				06/05/2012
* Improving Internal Efficiency / Responsiveness / Service delivery of Ministry / Department	10.00	Implementation of Sevottam	Resubmission of revised draft of Citizens' / Clients Charter	Date	2.0	15/12/2011	20/12/2011	25/12/2011	28/12/2011				31/12/2011
		Independent Audit of Implementation of Grievance Redress Mechanism	Independent Audit of Implementation of Grievance Redress Mechanism	%	2.0	100	95	90	85				80
		Ensure compliance with Section 4(1) (b) of the RTI Act, 2005	No. of items on which information is uploaded by February 10, 2012	No	2.0	16	15	14	13				12

* Mandatory Objective(s)

Section 2: Inter se Priorities among Key Objectives, Success indicators and Targets

Objective	Weight	Action	Success	Unit	Weight	Target / Criteria Value					
						Excellent 100%	10/02/2012	15/02/2012	20/02/2012	24/02/2012	29/02/2012
* Ensuring compliance to the Financial Accountability Framework	2.00	Identify potential areas of corruption related to departmental activities and develop an action plan to mitigate them	Finalize an action plan to mitigate potential areas of corruption.	Date	2.0	100%	10/02/2012	15/02/2012	20/02/2012	24/02/2012	29/02/2012
		Develop an action plan to implement ISO 9001 certification	Finalize an action plan to implement ISO 9001 certification	Date	2.0	100%	10/02/2012	15/02/2012	20/02/2012	24/02/2012	29/02/2012
		Timely submission of ATNS on Audit Paras of C&G	Percentage of ATNS submitted within due date (4 months) from date of presentation of Report to Parliament by C&G during the year.	%	0.5	100	90	80	70	60	
		Timely submission of ATRs to the PAC Sect. on PAC Reports.	Percentage of ATRs submitted within due date (6 months) from date of presentation of Report to Parliament by PAC during the year.	%	0.5	100	90	80	70	60	
* Mandatory Objective(s)		Early disposal of pending ATNs on Audit Paras of C&G Reports presented to Parliament before 31.3.2011.	Percentage of outstanding ATNs disposed off during the year.	%	0.5	100	90	80	70	60	
		Early disposal of pending ATRs on PAC Reports presented to Parliament before 31.3.2011	Percentage of outstanding ATRs disposed off during the year.	%	0.5	100	90	80	70	60	

* Mandatory Objective(s)

Section 3: Trend Values of the Success Indicators

Objective	Action	Success	Unit	Actual Value FY 09/10	Actual Value FY 10/11	Target Value FY 11/12	Projected Value for FY 12/13	Projected Value for FY 13/14
1] To provide simplified laws governing Corporate Sector to facilitate effective compliance and enlightened regulatory regime.	[1.1] Change in the delegation of power u/s 166	[1.1.1] Issue of circular and notification	Date	--	--	31/05/2011	--	--
	[1.2] Changes in the process of principle place of business in India in respect of Foreign Companies	[1.2.1] Issue of circular and notification.	Date	--	--	31/05/2011	--	--
	[1.3] Amendment of the Companies Act, 1956	[1.3.1] Reintroduction of Companies Amendment Bill 2009 in the Cabinet	Date	--	--	15/12/2011	--	--
	[1.4] Promotion of LLP Act through workshops	[1.4.1] Four number of workshops to be organised in different cities	Number	--	--	3	--	--
	2] On line delivery of all registry related services with speed, certainty and transparency, access to public information and effectively monitoring of statutory compliance by the companies.	[2.1] Implementation of XBRL	[2.1.1] Date of Introduction of XBRL	Date	--	--	15/09/2011	--
[2.2] Simplification of DIN process		[2.2.1] Integration of the new process with MCA21	Date	--	--	15/08/2011	--	--
[2.3] Simplification of Section 25		[2.3.1] Integration of the new process with MCA21	Date	--	--	15/08/2011	--	--
[2.4] Simplification of name availability		[2.4.1] Integration of the new process with MCA21	Date	--	--	30/09/2011	--	--
[2.5] Simplification of incorporation of a company		[2.5.1] Integration of the new process with MCA21	Date	--	--	30/09/2011	--	--

Section 3: Trend Values of the Success Indicators

Objective	Action	Success	Unit	Actual Value FY 09/10	Actual Value FY 10/11	Target Value FY 11/12	Projected Value for FY 12/13	Projected Value for FY 13/14
	[2.6] Making activities of RD offices paperless (Except Court related)	[2.6.1] Integration of the new process with MCA21	Date	--	--	31/07/2011	--	--
	[2.7] Making LLP Back office fully functional with 1. Linkage of eforms 2. View Public Document 3. Making Annual filing in SIP mode	[2.7.1] Timeline	Date	--	--	30/09/2011	--	--
[3] To promote investor education and awareness for creation of appropriate business environment that facilitate growth of corporate sector in the country.	[3.1] Empowerment of investors by creating sub-sites for investor-wise details of unliad dividend	[3.1.1] Launch of websites	Date	--	--	15/02/2012	--	--
	[3.2] Evaluation of investor awareness programmes	[3.2.1] Conduct of five regional impact assessment	Date	--	--	01/12/2011	--	--
[4] To develop capacity building and security policy advisory support through operationalizing IICA.	[4.1] Completion of the IICA campus building	[4.1.1] Fully functional campus	Date	--	--	30/09/2011	--	--
	[4.2] Establishment of national foundation for business responsibility (for promoting CSR & CG)	[4.2.1] NFRB becomes functional with its separate structure and funds	Date	--	--	31/01/2012	--	--
[5] Administration of Companies Act and other Acts under the purview of Ministry including effective enforcement to prevent corporate frauds.	[5.1] Processing of inspection reports received upto 31.03.2011 and issue of follow up instructions regarding filing of prosecution.	[5.1.1] Disposal of inspection reports	Date	--	--	29/02/2012	--	--
	[5.2] Processing of inspection reports received upto	[5.2.1] Disposal of investigation reports	Date	--	--	29/02/2012	--	--

Section 3: Trend Values of the Success Indicators

Objective	Action	Success	Unit	Actual Value FY 09/10	Actual Value FY 10/11	Target Value FY 11/12	Projected Value for FY 12/13	Projected Value for FY 13/14
	31.03.2011 and issue of follow up instructions regarding filing of prosecution.							
	[5.3] Processing of technical scrutiny reports received upto 31.03.2011 and issue of follow up instructions regarding filing of prosecution.	[5.3.1] Disposal of technical scrutiny reports	Date	--	--	29/02/2012	--	--
	[5.4] Scrutiny of 150 cases under Early Warning System and issue of follow up instructions regarding filing of prosecution.	[5.4.1] Disposal of cases	Date	--	--	01/01/2012	--	--
	[5.5] Development of Crisis Management Plan for quick response to frauds/serious violation of the Companies Act, 1956	[5.5.1] Finalization of plan	Date	--	--	01/11/2011	--	--
	[6] To promote competition	[6.1] Notification of remaining provisions of Competition Act [6.2] Implementation of advocacy functionalities on Competition	[6.1.1] Issue of notification for sections 43A and 44 [6.2.1] Organizing seminars/workshops/c onferences	Date Number	-- --	-- --	-- --	-- --
* Efficient Functioning of the RFD System	Timely submission of Draft for Approval	On-time submission	Date	30/11/2009	06/04/2010	08/03/2011	--	--
	Timely submission of Results	On-time submission	Date	30/04/2010	--	03/05/2011	--	--

* Mandatory Objective(s)

Section 3: Trend Values of the Success Indicators

Objective	Action	Success	Unit	Actual Value FY 09/10	Actual Value FY 10/11	Target Value FY 11/12	Projected Value for FY 12/13	Projected Value for FY 13/14
* Improving Internal Efficiency / Responsiveness / Service delivery of Ministry / Department	Implementation of Sevottam	Resubmission of revised draft of Citizens' / Clients' Charter	Date	--	--	20/12/2011	--	--
		Independent Audit of Implementation of Grievance Redress Mechanism	%	--	--	95	--	--
	Ensure compliance with Section 4(1) (b) of the RTI Act, 2005	No. of items on which information is uploaded by February 10, 2012	No	--	--	15/12/2011	--	--
	Identify potential areas of corruption related to departmental activities and develop an action plan to mitigate them	Finalize an action plan to mitigate potential areas of corruption.	Date	--	--	15/12/2011	--	--
* Ensuring compliance to the Financial Accountability Framework	Develop an action plan to implement ISO 9001 certification	Finalize an action plan to implement ISO 9001 certification	Date	--	--	15/12/2011	--	--
	Timely submission of ATNS on Audit Paras of C&AG	Percentage of ATNS submitted within due date (4 months) from date of presentation of Report to Parliament by CAG during the year.	%	--	100	90	--	--
	Timely submission of ATRs to the PAC Sectt. on PAC Reports.	Percentage of ATRs submitted within due date (6 months) from date of presentation of Report to Parliament by PAC during the year.	%	--	100	90	--	--
	Early disposal of pending ATNs on Audit Paras of C&AG Reports presented to Parliament before 31.3.2011.	Percentage of outstanding ATNs disposed off during the year.	%	--	100	90	--	--

* Mandatory Objective(s)

Section 3: Trend Values of the Success Indicators

Objective	Action	Success	Unit	Actual Value FY 09/10	Actual Value FY 10/11	Target Value FY 11/12	Projected Value for FY 12/13	Projected Value for FY 13/14
	Early disposal of pending ATRs on PAC Reports presented to Parliament before 31.3.2011	Percentage of outstanding ATRs disposed off during the year.	%	--	100	90	--	--

* Mandatory Objective(s)

Section 4: Description and Definition of Success Indicators

1. Organising workshops :

Group of investors/NGOs are invited to attend well structured workshops for dissemination of information relating to their rights under various statutes.

2. Exit Management Plan :

MCA21 is a PPP Project with TCS as partner-operator. Exit Management plan has to be in place in case of premature termination of contract etc. Hence this action item impacts service delivery to citizens. This year there would be further progress on this plan and it is likely to be finalized.

3. Fully Functional Campus:

This includes setting up of all infrastructure relating to civil and electrical works, public health, IT services, conduct of training, workshops, seminars, starting of e-learning, certificate courses etc. Operationalizing of boarding/lodging facilities. Outsourcing of secretarial, housekeeping, transport and catering services including appointments.

4.. Time of Publication in Gazette:

If the notifications are published by 31.3.2012, it will be considered as timely published in Gazette.

5. Media Campaign for Investor Education:

Completion of media campaign for investor education means release of all relevant print/TV spots in the media.

6. Making RD offices paperless:

There are several activities happening in offices of Regional Directors (at 6 locations) where paper documents were hitherto being received. This year it is proposed to modify the processes with respect to three major services being offered by RDs, viz.:-

- (i) Compounding application under section 621 of Companies Act
- (ii) Rectification of name under section 22 of Companies Act
- (iii) Related party transactions under section 297 of Companies Act

Section 5:
Specific Performance Requirements from other Departments

Department	Relevant Success Indicator	What do You Need ?	Why do you need it ?	How much you need?	What happens if you do not get it ?
M/o Law	i) Introduction of Bills in Parliament ii) Issue of Notifications iii) Revision of Forms prescribed under Companies Act and rules; LLP Act and rules.	Legal vetting and Hindi translation	Legislative requirements	Cannot be quantified	Objective cannot be achieved.
M/o Finance	No. of advertisement under IEPF	Budget	Meeting Expenses	Rs. 5 crore	Objective cannot be achieved
Committee on IEPF/ Sub-Committee on IEPF	Examination of proposals	Timely approvals	For initiation of work	Not quantifiable	May lead to delay in initiation of work

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**Section 6:
OutCome/Impact of Department/Ministry**

OutCome/Impact of Department/Minist	Jointly responsible for influencing this outcome / impact with the following department (s) /	Success Indicator	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14

Performance Evaluation Report : RFD for 2011-12
Ministry of Corporate Affairs

S. No.	Objective	Wt.	Actions	Success Indicator	Unit	Wt.	Target/Criteria/Value					Performance		As approved by HPC	
							Excellent 100%	Very Good 90%	Good 80%	Fair 70%	Poor 60%	Achievement	Raw Score		Wtd. Score
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
1.	To provide simplified laws governing Corporate Sector to facilitate effective compliance and enlightened regulatory regime.	26	[1.1] Change in the delegation of power u/s 166 [1.2] Changes in the process of principle place of business in India in respect of Foreign Companies [1.3] Amendment of the Companies Act, 1956 [1.4] Promotion of LLP Act through workshops	[1.1.1] Issue of circular and notification [1.2.1] Issue of circular and notification. [1.3.1] Reintroduction of Companies Amendment Bill 2009 in the Cabinet [1.4.1] Four number of workshops to be organised in different cities	Date Date Date No.	2.90 2.90 17.30 2.90	15/05/11 15/05/11 30/11/11 4	31/05/11 31/05/11 15/12/11 3	15/06/11 30/06/11 31/12/11 2	30/06/11 31/07/11 15/01/12 1		15/05/11 15/05/11 30/11/11 4	100.0 100.0 100.0 100.0	2.9 2.9 17.3 2.9	
2.	On line delivery of all registry related services with speed, certainty and transparency, access to public information and effectively monitoring of statutory compliance by the companies.	25	[2.1] Implementation of XBRL [2.2] Simplification of DIN process [2.3] Simplification of Section 25 [2.4] Simplification of name availability [2.5] Simplification of incorporation of a company [2.6] Making activities of RD offices paperless (Except Court related) [2.7] Making LLP Back office fully functional with linkage of eforms 2. View Public Document 3. Making Annual filing in STP mode	[2.1.1] Date of Introduction of XBRL [2.2.1] Integration of the new process with MCA21 [2.3.1] Integration of the new process with MCA21 [2.4.1] Integration of the new process with MCA21 [2.5.1] Integration of the new process with MCA21 [2.6.1] Integration of the new process with MCA21 [2.7.1] Timeline	Date Date Date Date Date Date Date	3.25 3.25 3.25 3.25 5.00 3.50 3.50	01/09/11 01/08/11 01/08/11 15/09/11 15/09/11 01/07/11 15/09/11	15/09/11 15/08/11 15/08/11 30/09/11 30/09/11 31/07/11 30/09/11	01/10/11 01/09/11 01/09/11 15/10/11 15/10/11 01/08/11 15/10/11	15/10/11 30/09/11 30/09/11 31/10/11 31/10/11 15/08/11 31/10/11		01/09/11 01/08/11 01/08/11 15/09/11 15/09/11 01/07/11 15/09/11	100.0 100.0 100.0 100.0 100.0 100.0 100.0	3.25 3.25 3.25 3.25 5.0 3.5 3.5	

S. No.	Objective	Wt.	Actions	Success Indicator	Unit	Wt.	Target/Criteria Value						Performance		As approved by HPC
							Excellent 100%	Very Good 90%	Good 80%	Fair 70%	Poor 60%	Achievement	Raw Score	Wtd. Score	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
3.	To promote investor education and awareness for creation of appropriate business environment that facilitate growth of corporate sector in the country.	6	[3.1] Empowerment of investors by creating sub-sites for investor-wise details of unpaid dividend [3.2] Evaluation of investor awareness programmes	[3.1.1] Launch of websites [3.2.1] Conduct of five regional impact assessment	Date	4.02	31/01/12	15/02/12	29/02/12	15/03/12	31/03/12	20/03/12	66.88	2.69	
4.	To develop capacity building and secure policy advisory support through operationalizing ICA.	10	[4.1] Completion of the IICA campus building [4.2] Establishment of national foundation for business responsibility (for promoting CSR & CG)	[4.1.1] Fully functional campus [4.2.1] NFBR becomes functional with its separate structure and funds	Date	6.00	31/08/11	30/09/11	31/10/11	30/11/11		31/08/11	100.0	6.0	
5.	Administration of Companies Act and other Acts under the purview of Ministry including effective enforcement to prevent corporate frauds.	15	[5.1] Processing of inspection reports received upto 31.03.11 and issue of follow up instructions regarding filing of prosecution. [5.2] Processing of investigation reports received upto 31.03.11 and issue of follow up instructions regarding filing of prosecution. [5.3] Processing of technical scrutiny reports received upto 31.03.11 and issue of follow up instructions regarding filing of prosecution. [5.4] Scrutiny of 150 cases under Early Warning System and issue of follow up instructions regarding filing of prosecution. [5.5] Development of Crisis Management Plan for quick response to frauds/serious violation of the Companies Act, 1956	[5.1.1] Disposal of inspection reports [5.2.1] Disposal of investigation reports [5.3.1] Disposal of technical scrutiny reports [5.4.1] Disposal of cases [5.5.1] Finalization of plan	Date	3.00	15/02/12	29/02/12	15/03/12	31/03/12		15/02/12	100.0	3.0	
					Date	3.00	15/02/12	29/02/12	15/03/12	31/03/12		15/02/12	100.0	3.0	
					Date	3.00	01/12/11	01/01/12	01/02/12	01/03/12		01/12/11	100.0	3.0	
					Date	3.00	01/10/11	01/11/11	01/12/11	01/01/12		31/03/12	0.0	0.0	

S. No.	Objective	Wt.	Actions	Success Indicator	Unit	Wt.	Target/Criteria Value						Performance		As approved by HPC (16)
							Excellent 100% (8)	Very Good 90% (9)	Good 80% (10)	Fair 70% (11)	Poor 60% (12)	Achievement (13)	Raw Score (14)	Wtd. Score (15)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
6.	To promote competition	3	[6.1] Notification of remaining provisions of Competition Act. [6.2] Implementation of advocacy functionalities on Competition	[6.1.1] Issue of notification for Sections 43A and 44 [6.2.1] Organizing seminars/ workshops/conferences	Date	1.50	30/06/11	30/09/11	31/12/11	31/03/12		30/06/11	100.0	1.5	
*	Efficient Functioning of the RFD System	3	Timely submission of Draft for Approval Timely submission of Results	On-time submission On-time submission	Date	2.00	07/03/11	08/03/11	09/03/11	10/03/11	11/03/11	07/03/11	100.0	2.0	
*	Improving Internal Efficiency / Responsiveness / Service delivery of Ministry / Department	10	Implementation of Sevottam	Resubmission of revised draft of Citizens' / Clients' Charter Independent Audit of Implementation of Grievance Redress Mechanism	Date	2.00	16/01/12	18/01/12	20/01/12	23/01/12	25/01/12	16/01/12	100.0	2.0	
					%	2.00	100	90	80	70	60	1.41	0.0	0.0	
			Ensure compliance with Section 4(1) (b) of the RTI Act, 2005	No. of items on which information is uploaded by February 10, 12	No.	2.00	16	15	14	13	12	16	100.0	2.0	
			Identify potential areas of corruption related to departmental activities and develop an action plan to mitigate them	Finalize an action plan to mitigate potential areas of corruption.	Date	2.00	26/03/12	27/03/12	28/03/12	29/03/12	30/03/12	26/03/12	100.0	2.0	
8	Ensuring compliance to the Financial Accountability Framework	2	Develop an action plan to implement ISO 9001 certification Timely submission of ATNS on Audit Paras of C&AG	Finalize an action plan to implement ISO 9001 certification Percentage of ATNS submitted within due date (4 months) from date of presentation of Report to Parliament by CAG during the year.	Date	2.00	16/04/12	17/04/12	18/04/12	19/04/12	20/04/12		N/A	N/A	
			Timely submission of ATRs to the PAC Sectt. on PAC Reports.	Percentage of ATRs submitted within due date (6 months) from date of presentation of Report to Parliament by PAC during the year.	%	0.50	100	90	80	70	60	100	100.0	0.5	
			Early disposal of pending ATNs on Audit Paras of C&AG Reports presented to Parliament before 31.3.11.	Percentage of outstanding ATNs disposed off during the year.	%	0.50	100	90	80	70	60	100	100.0	0.5	
			Early disposal of pending ATRs on PAC Reports presented to Parliament before 31.3.11	Percentage of outstanding ATRs disposed off during the year.	%	0.50	100	90	80	70	60	100	100.0	0.5	
Total Composite Score :														90.80	



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