



# Monthly Newsletter

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Secretary, MCA

## Secretary's Desk

MCA-21 portal is the electronic backbone for dissemination of information to all stakeholders, including the regulator, corporates and investors. It allows electronic filings of various documents under Companies Act, 2013 and has

fully automated all processes related to enforcement and compliance monitoring under the Act. While the first phase of the e-governance initiative of MCA was implemented by Tata Consultancy Services, the second phase is being implemented by Infosys for the period January 2013-July 2021. MCA will look to introduce Artificial Intelligence (AI) in MCA-21 when version 3 of the portal is rolled out in about a year's time. It will look to rationalise all the forms, follow the principle of single source of truth so that one is not required to fill in known details again (as it will get filled automatically) and also interlink databases so that routine enforcement is done 24x7 on autopilot basis.

The Government had reconstituted Insolvency Law Committee as a Standing Committee under the Chairmanship of Secretary, MCA in March, 2019 to analyze the functioning and implementation of the Code, identifying issues impacting the efficiency of the insolvency resolution and liquidation framework for corporates, individuals and partnership firms prescribed under the Code and make suitable recommendations to address such issues. In this regard, MCA had invited comments from stakeholders on the Insolvency Resolution of Group Companies, Prepackaged Insolvency Resolution and any other issue relating to the Insolvency and Bankruptcy Code, 2016 (Code) and the Insolvency and Bankruptcy

(Application to Adjudicating Authority) Rules, 2016 (AA Rules) on 16th April, 2019. Pre-packaged insolvency resolution scheme allows creditors and shareholders to approach bankruptcy courts with a pre-negotiated corporate reorganisation plan. Such a step will aid the existing insolvency framework in India and cut costs as well as time taken by the resolution process.

The Investor Education and Protection Fund (IEPF) Authority has been able to enforce Peerless General Finance and Investment Company to transfer deposits worth Rs 1,514 crore to IEPF. This money belonged to depositors and was pending with the company for the last 15 years. In order to make all such companies and other entities comply with the provisions of the Companies Act, 2013, IEPF Authority is in the process of commissioning an online facility to collect primary information directly from retail investors about the deposits, which have matured and are still pending with various entities for repayment or payment of interests. The authority has also acted against companies which have transferred the unpaid dividend amount to IEPF but failed to transfer shares in accordance with Section 124 (6) of the Companies Act.

The Competition Law Review Committee (CLRC) has completed its deliberations on amendments to the Competition Act, 2002. The Committee constituted four Working Groups to look into Structural issues, Loan related issues, New economy related issues, and Advocacy issues. The CLRC is likely to submit its report within a month.

***“MCA will look to introduce Artificial Intelligence (AI) in MCA-21 when Version 3 of the portal is rolled out.”***

## Review of Corporate Sector:

As on 31st March 2019, the number of companies registered under the Companies Act was 18,73,044. Of these, 6,70,018 companies were closed, 6,327 companies were under liquidation, 38,610 companies are in the process of being struck-off from the register, 100 companies were in the process of being re-activated and 1,615 companies have so far obtained the "dormant" status according to Section 455 of the Companies Act, 2013. There are 11,56,374 active companies, including 1,76,595 companies, which were incorporated within the preceding eighteen months (not due for Annual Statutory Filings).

A total of 10,570 companies, including 600 One Person Companies (OPCs), were registered under the Companies Act, 2013 during March, 2019 with authorized capital of Rs. 19.32 Crore. The breakup of the newly incorporated companies by type is as follows:

Type of Company	No. of Companies registered in March, 2019	Total Authorized Capital (In Rs. in Crores)
-1	-2	-3
Company limited by shares	10,523	5,350.62
Of which,		
(a)Private	10,255	4,112.85

Of which,		
One Person Companies	600	19.32
(b)Public	268	1,237.77
Company limited by Guarantee	47	0.05
Of which,		
(a)Private	45	0
(b)Public	2	-
Unlimited Company	-	0.00
<b>Grand Total</b>	<b>10,570</b>	<b>5,350.67</b>

During the Month of March 2019, Maharashtra had maximum number of company registrations (1,960) followed by Delhi (1,259) and Uttar Pradesh (1,037). "Business Services" topped the economic activity-wise classification (4,198) of newly registered companies.

During March 2019, 10,523 (out of 10,570) companies were registered as companies limited by shares with authorized capital of Rs. 5,350.62 crores. For more statistical details about the growth of the corporate sector, the reader is invited to the 'Monthly Information Bulletin on Corporate Sector', at URL: [mca.gov.in/MinistryV2/InformationBulletin.html](http://mca.gov.in/MinistryV2/InformationBulletin.html).

## MONTHLY MIS REPORT FROM COMPETITION COMMISSION OF INDIA

(As on April-2019)

S. No.	Sections	Cases pending as on last day of previous month (A)	Cases received during the month (B)	Total Cases (A+B)	Net Cases pending with CCI for final disposal	Remarks
1.	19	19(1)	88	-	88	#
2.		19(1)(a)	87	02	89	@
3.		19(1)(b)	13	-	13	
4.	5 & 6	12	4	16	7	*
<b>Total</b>		<b>200</b>	<b>6</b>	<b>206</b>	<b>195</b>	

### Cases remanded by COMPAT

5.	Remanded	10	-	10	10
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### Cases regarding contravention of orders of Commission

6.	Causing fresh inquiry	01	-	01	01
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1. [#] Split cases:

(a) Suo-Moto Case No. 07/2014 is segregated in to 02 sub cases w.e.f. August 2016 to facilitate exploration of investigation by DG.

(b) Suo-Moto Case No. 02/2015 is segregated in to 66 sub cases w.e.f. July 2016 to facilitate exploration of investigation by DG.

2. [@] Details of three oldest cases are attached as per Annexure-1.

3. [\*] Combination Cases filed u/s 5 & 6.

4. [ ] Out of 188 anti-trust cases 88 cases are pending with DG and 100 cases (19 cases are at prima facie stage and 81 cases for hearing) are pending with CCI.



## Events:-

### IICA Conducts 17th core course of South Asian Forum of Infrastructure Regulation (SAFIR)

IICA's School of Competition Law & Market Regulation conducted a high-level course under the aegis of SAFIR during 5 - 8 April 2019 at Manesar for 16 officials from regulatory authorities from South Asian countries. The participants from India, Bangladesh, Bhutan and Sri Lanka represented power, telecommunications, port, utilities sectors. In-class sessions of the programme included current challenges facing infrastructure sectors such as insolvency, regional infrastructure in South Asia, infusing competition and analysing antitrust issues in infrastructure sectors, dispute resolution, digital transformation of infrastructure sector including Smart Cities, financing infrastructure, etc.

## Notifications:-

- (i) The Ministry, with the objective of reducing the number of procedures required to start a business in the Country, has introduced a new eform namely AGILE (INC-35) (Application for Goods and Services Tax Identification Number, employees state Insurance corporation registration Plus employees provident fund organization registration) by inserting Rule 38A in Companies (Incorporation) Rules, 2014 vide Notification no. G.S.R. 275(E) dated 29th March, 2019 enabling submission of an Application for registration of the Goods and Service Tax Identification Number (GSTIN), Employees' State Insurance Corporation (ESIC) registration and Employees' Provident Fund Organisation (EPFO) registration along with the Integrated company Incorporation Form SPICE. This eform is required to be filed along with application for incorporation of a company under rule 38 of the Companies (Incorporation) Rules, 2014.
- (ii) Vide G.S.R. 329(E) dated 25th April, 2019, the Ministry extended the last date of filing of eform ACTIVE (Active Company Tagging Identities and Verification) from 25th April, 2019 to 15th June, 2019 without fee by amendment in item VIII-FEE FOR FILING e- Form ACTIVE under rule 25A of the Companies (Incorporation) Rules, 2014 in the Annexure of Companies (Registration Offices and Fees) Rules, 2014.
- (iii) Vide G.S.R. 332(E) dated 25th April, 2019, the Ministry extended the last date for filing of eform ACTIVE (Active Company Tagging Identities and Verification) from 25th

April, 2019 to 15th June, 2019 by amendment in sub rule (1) and sub rule (2) of rule 25A of Companies (Incorporation) Rules, 2014.

- (iv) Vide G.S.R. 339(E) dated 30th April, 2019, the Ministry extended the last date of filing eform DIR-3 – KYC from 30th April of immediate next financial year to 30th June of immediate next financial year by amending Rule 12A of the Companies (Appointment and Qualification of Directors) Rules, 2014.
- (v) Vide G.S.R. 340(E) dated 30th April, 2019, the Ministry prescribed the additional/advaleem fees for filing charge documents by companies by inserting sub-item “E. Fees for filing charge documents” in Companies (Registration Offices and Fees) Rules, 2014.
- (vi) Vide G.S.R. 341(E) dated 30th April, 2019, the Ministry has modified the time period for filing the return on deposits in form DPT-3 by making it applicable from 1st April, 2014 to 31st March, 2019 by amending Companies (Acceptance of Deposits) Rules, 2014 The date within which the DPT-3 was required to be filed has also been extended by substituting the words, figures and letters “ninety days from 31st March, 2019” in place of the words “ninety days from the date of said publication of this notification” in the said amendment.

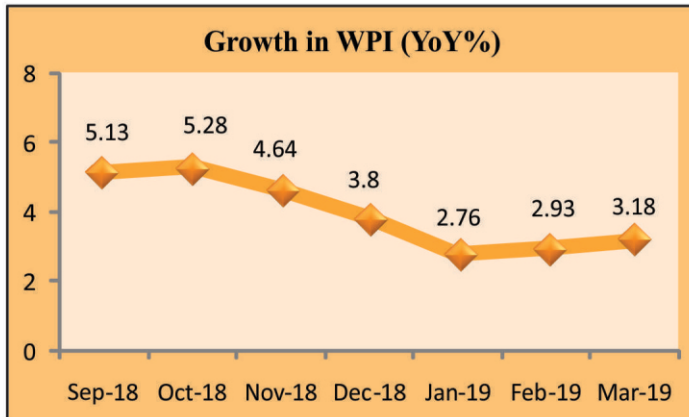
## Circulars:-

- (a) The Ministry vide General Circular No. 04/2019 dated 04th April, 2019 has extended the last date for filing e-form CRA-2 without additional fees upto 31st May, 2019 where the company has been mandated to get its cost records audited for the first time under Companies Act, 2013 on account of Companies (Cost Records and Audit) Amendment Rules, 2018 as notified vide G.S.R. I 157(E) dated 03.12.2018.
- (b) The Ministry vide General Circular No. 05/2019 dated 12th April, 2019 stated that DPT-3 should be filed to cover the data on deposits upto 31st March, 2019 (as opposed to 22nd January, 2019 which was originally indicated in the said Rule). Further, pending the deployment of DPT-3 Form on MCA 21 portal and in order to avoid inconvenience to stakeholders on account of various factors, it is stated that the additional fee, as provided under the Companies (Registration Offices and Fees) Rules, 2014, shall be levied after 30 days from the date of deployment of the DPT-3 form on MCA 21 portal.

## Some Macro Indicators

### Wholesale Price Index (WPI)

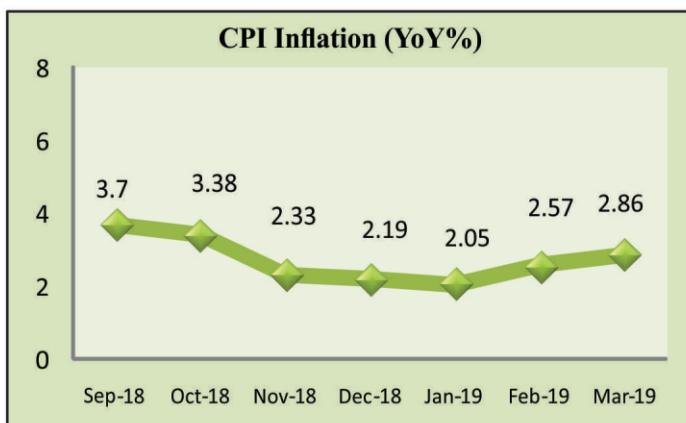
The annual rate of inflation, based on monthly WPI, stood at 3.18% (provisional) for the month of March, 2019 (over March, 2018) as compared to 2.93% (provisional) for the previous month and 2.74% during the corresponding month of the previous year.



Source: DIPP

### Consumer Price Index (CPI)

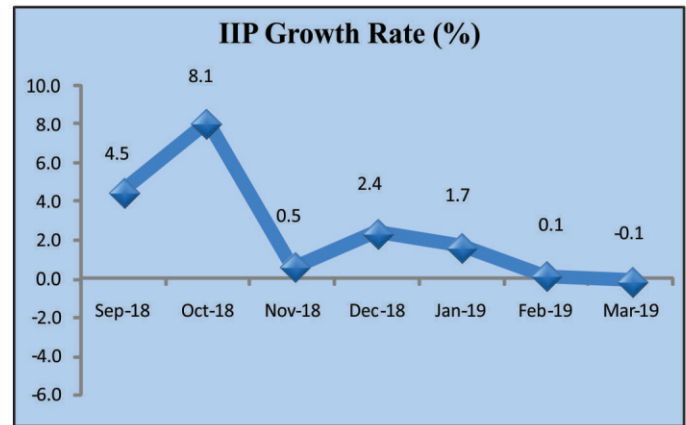
The CPI (Combined) on Base 2012=100 is being released for the month of March 2019. All India Inflation rates (on point to point basis i.e. current month over same month of last year, i.e., March 2019 over March 2018) given below:



Source: MOSPI

### Index of Industrial Production

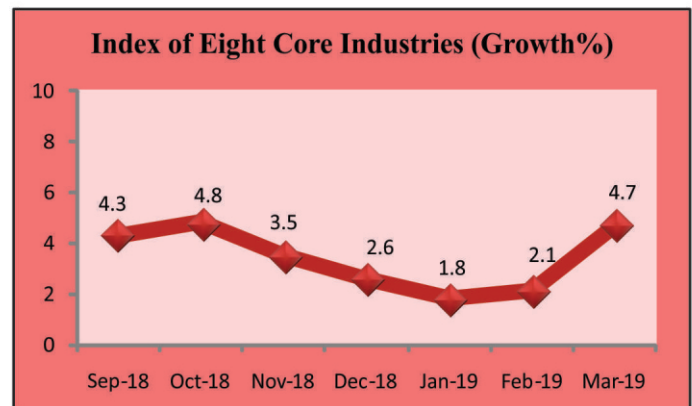
The Quick Estimates of Index of Industrial Production (IIP) with base 2011-12 for the month of March 2019 stands at 140.2, which is 0.1 percent lower as compared to the level in the month of March 2018.



Source: MOSPI

### Index of Eight Core Industries

The combined Index of Eight Core Industries stood at 145.0 in March, 2019, which was 4.7 per cent higher as compared to the index of March, 2018.



Source: DIPP

### Yearly Performance of Listed Non-Government Non-financial Companies (in Percent)

Trends in the selected corporate performance indicators published by RBI of a sample of non-government non-financial listed companies for the year 2017-18 as below:

Yearly: Performance of Listed Non-Govt. Non-Financial Companies: 2017-18		
Indicator	Amt. in billion	Y-o-Y Growth in Per cent
No. of Companies	3096	
Sales	33,973	9.8
Value of Production	34,071	9.4
Expenditure	28,866	10.1
Operating Profit	5,205	5.2
Net Profit	2291	-0.3

Source: RBI