

No.I-27011/2/2011-Coord
Government of India
Ministry of Corporate Affairs

5th Floor, A Wing, Shastri Bhavan,

Dr. R.P. Road, New Delhi.
Dated the 1 November, 2011

Subject:- Monthly Summary for the Council of Ministers for the month of September, 2011.

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Information on important developments relating to the Ministry of Corporate Affairs during the month of September, 2011 is as under:

(i) Companies Bill, 2009

This Ministry has on 2nd September, 2011, forwarded the Cabinet Note on Companies Bill, 2011 (alongwith proposed Companies Bill, 2011) to the Cabinet Secretariat for placing the same before Cabinet for its approval to enable its introduction and consideration in the winter session of the Parliament.

(ii) Initiatives to simplify procedures under Companies Act, 1956 and LLP Act, 2008

To improve service delivery to the Corporates, the following initiatives to further simplify procedures under the Companies Act, 1956 and the Limited Liability Partnership Act, 2008 were taken during the month under reference.

- (a) **Company Law Settlement Scheme, 2011:** The scheme was initially notified w.e.f. 12.8. 2011 to enable the companies failing to file their annual returns and financial statements to file the same. This measure has elicited a good response and so far 61875 documents have been filed yielding revenue of Rs. 7.71 crore. As the demand for availing of this concession is persistent, a decision has been taken to extend this one time measure till 15.12.2011.
- (b) **Integration of Director's Identification Number (DIN) with PAN data base:** Ministry has already simplified the procedure for online allotment of (DIN) on the basis of verification with PAN data through a practicing professional. To remove duplicate DINs, the existing DIN holders have been called upon to update their PAN details, and the time limit for the purpose has been extended till 15th December, 2011.
- (c) **Reducing delay in approval of e-forms by Registrar of Companies:** Earlier, the Registrar of Companies (ROCs) were allowed a period of 120 days for approval of the e-forms, inclusive of time taken, if any, for seeking clarifications from the company concerned. To reduce the pendency and to expedite approvals, the time limit has been reduced to 60 days.

(d) **Improvements in LLP e-Governance Service:** Filing of annual statement of accounts by Limited Liability Partnerships (LLP) has now been brought under the 'Straight Through Process' (STP) procedure. Further, documents filed by LLPs are now available for public viewing.

(iii) **Investor Awareness:**

During the month of September, 2011, 75 programmes were conducted in various cities, bringing the total number of programmes conducted during the year so far to 338.

(iv) **International Cooperation**

- (a) Hon'ble Minister for Corporate Affairs visited Mauritius as the Chief Guest at the International Conference on Corporate Governance jointly organized by Mauritius Institute of Directors (MIOD) and National Committee for Corporate Governance (NCCG) held on 15th and 16th September, 2011.
- (b) The Second BRICS (Brazil, Russia, India, China and South Africa) Conference hosted by State Administration for Industry & Commerce (SAIC), People's Republic of China (PRC) was held during September 20-22, 2011 in Beijing (China) on the theme "Competition Enforcement under Economic Globalization" which was attended by officials from this Ministry and Competition Commission of India (CCI) There is also a proposal for hosting 3rd BRICS International Competition Conference in New Delhi in 2013.
- (c) Mr. Koos Richelle, Director General, European Commission's Employment, Social Affairs & Inclusion met Secretary, MCA on 19th September, 2011 along with a delegation of European Union officials to discuss possible areas of cooperation in the field of sustainable business and corporate social responsibility.
- (d) Mr. Peter Varghese A.O., High Commissioner of Australia in India had a meeting with Secretary, MCA on 20th September, 2011 to discuss – how Australian corporates and academic institutions in management and corporate affairs in that country can participate in the process of improvement of corporate governance in India.
- (e) In the Meeting held on 26th September, 2011 between Hon'ble Minister for Corporate Affairs and RT Hon'ble Kenneth Harry Clarke QC MP, Lord Chancellor and Secretary of State for Justice, UK, India-UK Cooperation on Corporate Governance and the proposed Companies Bill were discussed.

(v) Competition Commission of India:

The Central Government has constituted a Committee under the Chairmanship of Shri Dhanendra Kumar, Ex-Chairperson, Competition Commission of India (CCI) to draft 'National Competition Policy'. The Hon'ble Minister, Corporate Affairs held two rounds of consultations – one in Mumbai and another in New Delhi on 12.09.2011 and 22.09.2011 respectively - jointly organized by Indian Institute of Corporate Affairs (IICA), Indian Merchant's Chamber (IMC) and FICCI.

(vi) MCA21 e-Governance:

- (a) **Introduction of Extensible Business Reporting Language (XBRL):** The Ministry has mandated filing of balance sheet and profit and loss accounts by select class of companies in XBRL format. Extensive preparations have been undertaken to enable XBRL filings. The XBRL taxonomy (dictionary of accounting elements) was published six months back; necessary changes in the software to enable correct XBRL filings have since been made. These include development of validation tool for checking and verifying XBRL document being submitted by a company. Extensive education and training efforts by way of physical programmes, web cast, tele-conference as well as extensive meetings with stakeholders concerned have been organized. The XBRL filings will ensure improved data accuracy and enable sophisticated technical analysis by the regulators.
- (b) **Preparations for "Peak filing":** The months of October and November every year are generally the peak filing period in which many corporates file their balance sheets and annual returns in MCA21 system. To handle the load on the electronic system, several steps have been taken, namely, upgrading the infrastructure, software optimization and publicity campaign with requests to the corporates to stagger their filings.
2. On other key items, the information is as below:-
- (i) MCA is taking special steps to promote export of professional services.
- (ii) No decisions taken by the Cabinet / Cabinet Committees are pending for implementation.
- (iii) No case has come to the notice of the Ministry wherein any deviation or departure from the transaction of business rules or established policy of the Government has been noticed.

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