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Government of India
Ministry of Corporate Affairs

5th Floor, A Wing, Shastri Bhavan,
Dr. R.P. Road, New Delhi.
Dated the 29th August, 2012

Subject:- Monthly Summary for the Council of Ministers for the month of July, 2012.

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Information on important developments relating to the Ministry of Corporate Affairs during the month of July, 2012 is as under:

(i) Companies Bill, 2011

The Hon'ble Parliamentary Standing Committee after examination of the Companies Bill, 2011 and hearing us, has presented its report/ recommendations to the Hon'ble Speaker on 26.06.2012. After examining the recommendations, necessary changes have been proposed to be made by Ministry in the Companies Bill, 2011 in the form of Official Amendments to the Bill.

Accordingly, draft Cabinet Note proposing Official Amendments to the Companies Bill, 2011 has been circulated to various concerned Ministries and Departments on 09.07.2012 seeking their comments. A time of two weeks has been given for sending comments. Some of the Ministries/Departments have forwarded their comments and rest of the Ministries/Departments have been reminded. On receipt and examination of the comments, the proposal would be forwarded to Cabinet Secretariat for seeking approval of the Cabinet whereafter the Amendment Bill is proposed to be introduced in the Parliament in the ensuing session.

(ii) Competition (Amendment) Bill, 2012

A proposal to amend the Competition Act, 2002 to fine tune it to meet the present day needs in the field of Competition, in the light of the experiences gained in the working of the Competition Commission in the last few years, was submitted to the Cabinet vide Note for the Cabinet dated 20.04.2012.

The Cabinet in its meeting held on 10.05.2012 considered the proposal and directed as under:-

“In the first instance, all pertinent issues including the jurisdiction of sectoral regulators on Competition related issues be considered by Group of Ministers comprising the Minister of Finance, the Minister of Home Affairs, the Minister of Corporate Affairs, the Minister of Human Resource

Development and the Minister of Communication & Information Technology and the Minister of Law & Justice and Minority Affairs”.

The first meeting of the Group of Ministers under the Chairmanship of Shri P.Chidambaram, the then Minister for Home Affairs and now the Minister for Finance was held on 27.07.2012.

The next meeting of Group of Ministers is scheduled to be held shortly.

(iii) Role Check for authorized signatories of Banks and Financial Institutions

MCA21 i.e. e-governance portal of Ministry of Corporate Affairs provide facility for registration (creation and satisfaction) of charges in regards to loans and borrowings made by the companies. Such activity is done by submission of form 8, form 10 and form 17 which carry digital signature of professional, banker and company director. However, as there was no authorized repository of banking professionals for DSC, bankers' signatures could not be verified (even implemented in some cases).

Now, Ministry has created a role check module for bankers whereby an authorized representative of bank can create and associate digital signatures of their disbursing officers. This facility enables bankers to file such charges on MCA portal directly with their own DSC creating the registration of charge (or satisfaction as the case may be) on his own. The facility has already been extended to more than 25 banks and other banks have been requested to use the facility. This is first such digital repository of disbursing officers of banks.

(iv) Setting up of government secure repository

MCA21 portal is being managed by Tata Consultancy Services on Built Own Operate Transfer (BOOT) model with data centre servers (and DR server) being in control of TCS itself. MCA with support of NIC has procured necessary back up equipment to create government secure repository with storage capacity (usable) of 100 terabytes. The utility is under commissioning at present. This will ensure that all the MCA21 sovereign data is available with government thereby ensuring strategic control.

(v) Simplification of the Companies Act, 1956

In order to provide better services to all stakeholders, Ministry has issued notifications which have led to transferring the powers of Company Law Board to the Regional Directors for approving the shifting of registered office of a company from one State to another State, condoning delay in filing of charge creation and Satisfaction of charge. In addition, the power to shift the registered office of a company within the State has been delegated from Regional Directors to the Registrar of Companies thereby facilitating the work.

(vi) XBRL

During the month of July, comments/suggestions, etc were invited from Directors and other stakeholders for finalization of the taxonomy for XBRL filings of financial statements by companies. Process of Finalization of taxonomy and business rules for financial statements as well as Cost audit reports was done by e-governance cell during the month. For benefit of stakeholders, Ministry issued a circular on 6th July, 2012 allowing the companies to file their XBRL based financial statements upto 15th November, 2012 without any additional fees. This year also the select class of companies for filing financial statements using XBRL remains same as per criteria of previous year, viz., (i) all companies listed with any Stock Exchange(s) in India and their Indian subsidiaries; or (ii) all companies having paid up capital of Rupees five crore and above; or, (iii) all companies having turnover of Rupees one hundred crore and above; or (iv) all companies who were required to file their financial statements for FY 2010-11, using XBRL.

(vii) Investor Education & Protection related activities

- a) A new website has been set up for the companies to file details of unpaid and unclaimed amounts of investors for last seven years and not yet transferred to the Consolidated Fund of India. This website will be very useful to inform the investors about their such amounts lying with the companies. 1910 number of companies have uploaded their data till July, 2012. Based on feedback from the Corporates, the last date of filing such information for financial year 2010-11 has been extended to 31st August, 2012.
- b) 113 Investor Awareness Programmes were conducted in the month of July 2012 through Professional Institutes in different parts of the country.

2. On other key items, the information is as below:-

- (i) No decisions taken by the Cabinet / Cabinet Committees are pending for implementation;
- (ii) 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.

(B.K. Malhotra)
Deputy Secretary to the Government of India
Tel.: 2338 9403

