



Monthly Newsletter

VOLUME - 23 September - 2019



Shri Injeti Srinivas
Secretary, MCA

Secretary's Desk

A Company Law Committee has been constituted with Secretary, MCA as the Chairman of the Committee, Professionals, domain experts and eminent persons as Members and Joint Secretary (Policy) as the Member

Secretary. The Committee would examine and make recommendations to the Government on various provisions and issues pertaining to implementation of the Companies Act, 2013 and the Limited Liability Partnership Act, 2008. And to promote Ease of Living in the country by providing Ease of Doing Business to law abiding corporates, cultivate an environment of improved corporate compliance for stakeholders at large and tend to emerging issues impacting working of corporates in the country.

Ministry of Corporate Affairs (MCA) defended all the amendments made to the Insolvency and Bankruptcy Code (IBC) in Supreme Court. The latest amendments made in IBC gives primacy to financial creditors over operational creditors, reinforces the time bound nature of the Code, and provides greater flexibility to resolution applicants.

Investor Education and Protection Fund Authority (IEPFA) organised the first State-level conference in association with ICAI on Investor Education and Awareness at Bhubaneswar, Odisha on Sept.10, 2019. It was attended by more than 700 representatives from Panchayats, CSC and NYKS volunteers, Central and State Government Officials. Secretary, Ministry of Corporate

Affairs and Chairman IEPFA, Shri Asit Kumar Tripathy, Chief Secretary and Chief Development Commissioner, Govt. of Odisha. Shri Madhusudan Padhi, Principal Secretary to Hon'ble Governor of Odisha, addressed the delegates. The conference was spread over two technical sessions wherein eminent panelists deliberated on subjects like Investor Awareness & Protection in India and Global Experiences, Wealth creation over long term, IEPF procedures and grievance redressal mechanism, financial inclusion through financial literacy, etc.

Since beginning till 30.09.2019, more than 45,000 Investor Awareness Programs have been conducted by IEPFA covering 21,31,377 persons across 473 districts.

After notification of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2019, the verification and settlement of IEPF claims has become completely online with effect from 20.09.2019. With the process becoming digital, the investors would get expeditious refund of unclaimed dividends, deposits and underlying shares. The claimants of unclaimed amounts and shares will file online claims with IEPF authority, which would in turn be verified online by the concerned companies which have transferred the shares and amounts to the authority. Once verified online, the unclaimed amounts and shares would be refunded to the investors. In the process, there would be no manual interface of the claimants with the officers and staff of the authority.

"Hindi Pakhwada" was observed in the Ministry from 1st – 30th September 2019, during which a host of activities were conducted to encourage the use of Hindi language.

Review of Corporate Sector:

As on 31.08.2019, the number of companies registered under the Companies Act was 19,24,638. Of these, 6,86,924 companies were closed, 10,813 companies were under liquidation, 43,108 companies are in the process of being struck-off from the register, 73 companies were in the process of being re-activated and 2,054 companies have so far obtained the "dormant" status according to Section 455 of the Companies Act, 2013. There are 11,86,053 active companies, including 1,87,930 companies, which were incorporated within the preceding eighteen months (not due for Annual Statutory Filings).

A total of 10,004 companies, including 653 One Person Companies (OPCs), were registered under the Companies Act, 2013 during August, 2019 with authorized capital of Rs.1,599.68 Crore. The breakup of the newly incorporated companies by type is as follows:

Type of Company	No. of Companies registered in August, 2019	Total Authorized Capital (In Rs. Crore)
Company limited by shares	9,949	1,599.67
Of which,		
(a) Private	9,775	1,144.16
Of which,		

One Person Companies	653	22.70
(b) Public	174	455.52
Company limited by Guarantee	55	0.01
Of which,		
(a) Private	54	0.01
(b) Public	1	-
Unlimited Company	-	-
Grand Total	10,004	1,599.68

During the Month of August, 2019, Maharashtra had maximum number of company registrations (1,911) followed by Delhi (1,215) and Uttar Pradesh (969). "Business Services" topped the economic activity-wise classification (2,981) of newly registered companies.

During August 2019, 9,949 (out of 10,004) companies were registered as companies limited by shares with authorized capital of Rs.1,599.67 crore. 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.

MONTHLY MIS REPORT FROM COMPETITION COMMISSION OF INDIA

(As on September-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)	63	00	63	59	#
2.		19(1)(a)	88	04	86	86	@
3.		19(1)(b)	14	03	17	17	
4.	5 & 6	10	09	19	10	*	
Total		169	16	185	172		

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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Notes and references:

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

3. [] Out of 162 anti-trust cases 76 cases are pending with DG and 86 cases (22 cases are at prima facie stage and 64 cases for hearing) are pending with CCI.

Notifications:-

- (i) Vide notification No.G.S.R 636 (E) dated 5th September, 2019 in pursuant to rule of NFRA Rules, 2018, every auditor of companies/bodies corporate within the jurisdiction of National Financial Reporting Authority (NFRA) is required to file a return with the NFRA on or before 30th April every year in such form as may be specified by the Central Government. Through the NFRA (Amendment) Rules, 2019, such rule has been amended on 5th September 2019 to provide that the said Annual Return shall be filed before 30th November, every year. The form of Annual Return (Form NFRA-2) which was devised after detailed consultations (including with NFRA), has also been notified through such Amendment Rules. These changes will ensure FRA have all relevant information about auditors of companies covered within its jurisdiction.
- (ii) In line with the Government's objective of promoting Ease of Living in the country by providing Ease of Doing Business to law abiding corporates, fostering improved corporate compliance for stakeholders at large and also to address emerging issues having impact on the working of corporates in the country, a Company Law Committee was constituted vide order dated 18th September, 2019 for examining and making recommendations to the Government on various provisions and issues pertaining to implementation of the Companies Act, 2013 and the Limited Liability Partnership Act, 2018 and other related matters. The order of constitution of the Committee is available on the Ministry's website. The meeting of said Committee was held on 26th September, 2019.

(iii) Vide notification dated 30th September, 2019, the Ministry has amended the Companies (Appointment & Qualification of Directors) Rules, 2014 to provide further time upto 14th October, 2019 to individuals/directors to file the Form DIR-3 KYC or DIR-3 KYC Web for the Financial Year ending 31st March, 2019.

(iv) Vide Notification dated 30th September, 2019 the Ministry has amended the Companies (Registration Offices and Fees) Rules, 2014 to provide further time upto 14th October, 2019 to individuals/directs to file the Form DIR-3 KYC or DIR-3 KYC Web for the Financial Year ending 31st March, 2019.

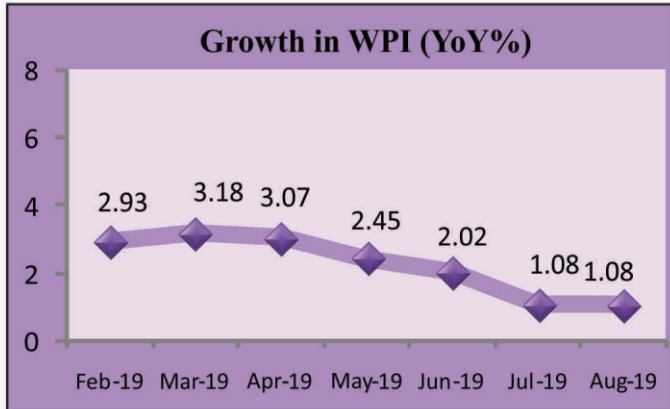
Circulars:-

A General Circular No.10/2019 was issued on 24th September, 2019, in which, Ministry has also allowed additional period upto 31st December, 2019 to stake holders to file BEN-2 without additional fees. Consequential additional period for filing of BEN-1 has also been allowed accordingly.

Some Macro Indicators

Wholesale Price Index (WPI)

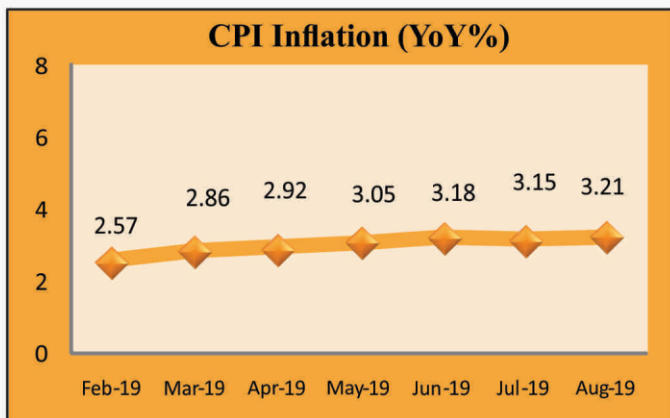
The annual rate of inflation, based on monthly WPI for August 2019, remained unchanged at 1.08 compared to July 2019 and 4.62% during the corresponding month of the previous year.



Source: DIPP

Consumer Price Index (CPI)

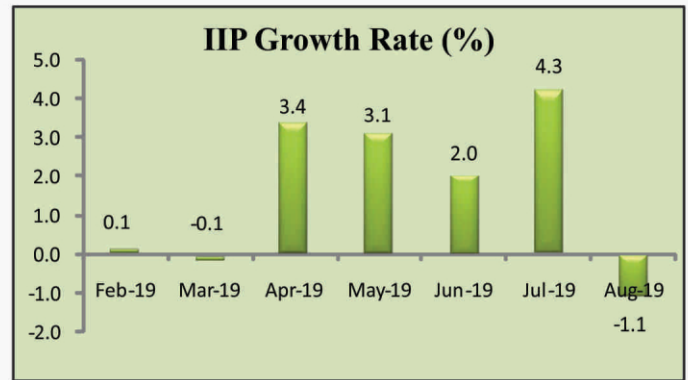
The CPI (Combined) on Base 2012=100 is being released for the month of August 2019. All India Inflation rates (on point to point basis i.e. current month over same month of last year, i.e., August 2019 over August 2018) given below:



Source: MOSPI

Index of Industrial Production

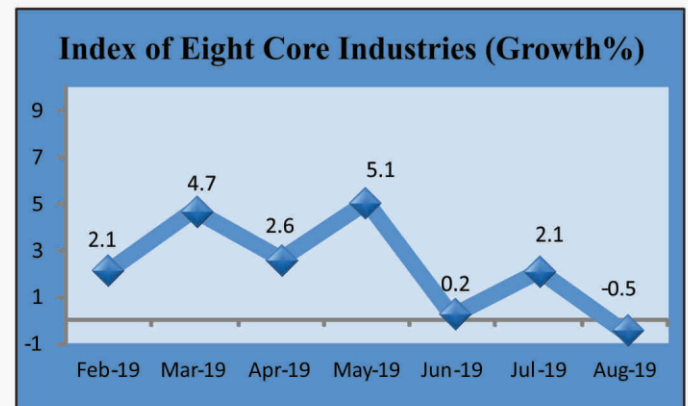
The Quick Estimates of Index of Industrial Production (IIP) with base 2011-12 for the month of August 2019 stands at 126.6, which is -1.1 percent lower as compared to the level in the month of August 2018.



Source: MOSPI

Index of Eight Core Industries

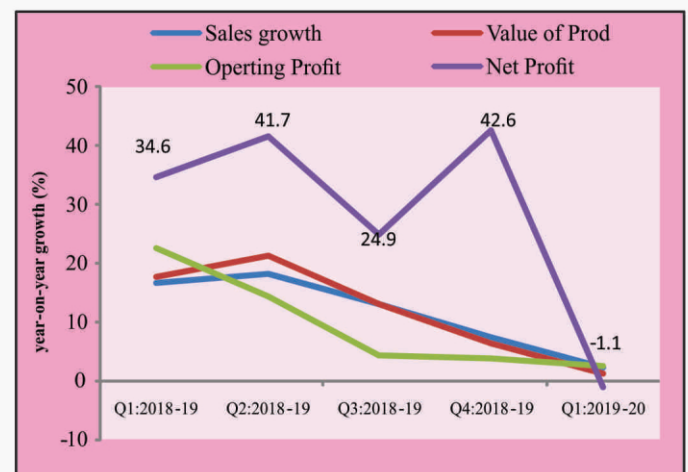
The combined Index of Eight Core Industries stood at 128.2 in August, 2019, which declined by -0.5 per cent as compared to the index of August, 2018.



Source: DIPP

Selected indicators 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 as below:



Source: RBI