



सत्यमेव जयते

# 8th ANNUAL REPORT

ON THE WORKING AND ADMINISTRATION OF THE COMPANIES ACT, 2013  
YEAR ENDING 31.03.2022



MINISTRY OF CORPORATE AFFAIRS  
GOVERNMENT OF INDIA



# 8<sup>th</sup> ANNUAL REPORT

On the Working & Administration of the Companies Act, 2013  
Year Ending 31<sup>st</sup> March, 2022



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Government of India  
Ministry of Corporate Affairs

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This Report is in pursuance of Section 461 of the Companies Act, 2013, which lays down that the Central Government shall cause a General Annual Report on the Working and Administration of the Act to be prepared and laid before each House of Parliament within one year of the close of the year to which the report relates. It covers the period from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022.

December, 2022  
New Delhi

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## IMPORTANT ABBREVIATIONS

Sl. No.	Term	Full Form
1.	AAIFR	Appellate Authority for Industrial and Financial Reconstruction
2.	BIFR	Board for Industrial & Financial Reconstruction
3.	CAA	Companies (Amendment) Act
4.	CIN	Corporate Identification Number
5.	CCI	Competition Commission of India
6.	CDSL	Central Depository Services Limited
7.	CEO	Chief Executive Officer
8.	CGST	Central Goods and Service Tax
9.	CLB	Company Law Board
10.	CRC	Central Registration Center
11.	CSC	Central Scrutiny Centre
12.	CSR	Corporate Social Responsibility
13.	DEMAT	Dematerialized
14.	DGCoA	Director General of Corporate Affairs
15.	DIN	Director Identification Number
16.	FC	Foreign Companies
17.	GPR	Government Process Re-engineering
18.	IAPs	Investor Awareness Programmes
19.	IBBI	Insolvency and Bankruptcy Board of India
20.	IBC	Insolvency and Bankruptcy Code
21.	ICAI	Institute of Chartered Accountants of India
22.	ICSI	Institute of Company Secretaries of India
23.	IEPF	Investor Education and Protection Fund
24.	IEPFA	Investor Education and Protection Fund Authority

25.	IRDA	Insurance Regulatory and Development Authority
26.	LLP	Limited Liability Partnership
27.	MeitY	Ministry of Electronics & Information Technology
28.	MCA	Ministry of Corporate Affairs
29.	MSME	Micro, Small & Medium Enterprises
30.	NCLAT	National Company Law Appellate Tribunal
31.	NCLT	National Company Law Tribunal
32.	NeGP	National e-Governance Plan
33.	NFRA	National Financial Reporting Authority
34.	NSDL	National Securities Depository Limited
35.	OLs	Official Liquidators
36.	OPC	One Person Company
37.	PAN	Permanent Account Number
38.	RBI	Reserve Bank of India
39.	RD	Regional Director
40.	RoCs	Registrar of Companies
41.	SARFAESI Act, 2002	Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002
42.	SEBI	Securities and Exchange Board of India
43.	SFIO	Serious Fraud Investigation Office
44.	SPICe	Simplified Proforma for Incorporating Company Electronically
45.	IFSCA	International Financial Services Centres Authority



# CHAPTER - I

## Overview

### The Companies Act, 2013 - A Report

**1.1.1** This report relates to the 8<sup>th</sup> Year of the Working and Administration of the Companies Act, 2013, namely, the financial year ending on 31<sup>st</sup> March, 2022.

**1.1.2** The Companies Act, 2013, notified on 30<sup>th</sup> August, 2013, provides the corporate sector with an opportunity for self-regulation while mandating greater transparency and enhanced disclosures for improved compliance. The Companies Act, 2013 has 470 sections. Till date, all sections of the Companies Act, 2013 have been notified. Section 2(67)(ix) of the Companies Act, 2013 and the part of Section 465 (Repeal and Savings) which refers to the Registration of Companies (Sikkim) Act, 1961 are pending due to ongoing consultation with the Government of Sikkim.

### Amendments in the Companies Act, 2013

**1.2.1** In view of various suggestions received from stakeholders as well as to take note of changing economic and legal requirements, it was considered necessary to make certain amendments in the Companies Act, 2013, in light of the practical difficulties experienced by stakeholders in the actual implementation of the provisions of the Act, which have already been brought into force. It was also felt necessary to further facilitate 'Ease of Doing Business' and deal with certain challenges pointed out by the World Bank in

its report titled 'Doing Business 2015'. Accordingly, the Act has been amended by the Ministry in 2015, 2017, 2019 and 2020, the details of which are given below:

#### I. Companies (Amendment) Act, 2015 (CAA-2015)

**1.2.2** The CAA-2015 was notified on 26<sup>th</sup> May, 2015. In brief, the amendments made in the Act, inter alia, include:

- i. Omitting requirement for minimum paid-up share capital at the time of incorporation;
- ii. Making common seal optional, and consequential changes for authorization of execution of documents;
- iii. Doing away the requirement of filing a declaration by a company before commencement of business;
- iv. Prescribing specific punishment for deposits accepted under the new Act, to deal with defaults in repayment to depositors;
- v. Prohibiting public inspection of Board Resolutions filed in the Registry;
- vi. Including provision for setting-off past losses/depreciation before declaring dividend for the year;
- vii. Enabling provisions to prescribe thresholds beyond which fraud shall be reported to the Central Government (below the threshold, it will be reported to the Audit

Committee/Board. Disclosures for the latter category are also to be made in the Board's Report);

- viii. Winding up cases to be heard by a 2-member bench instead of a 3-member bench of NCLT;
- ix. Special Courts to try only those offences that carry imprisonment of two years or more.

## **II. Companies (Amendment) Act, 2017 (CAA-2017)**

**1.2.3** Based on the Companies Law Committee Report of February, 2016, changes were made in the Companies Act, 2013 through the Companies (Amendment) Act, 2017. Through that, changes were made in the main Act which addressed difficulties in implementation owing to stringency of compliance requirements; facilitated the ease of doing business in order to promote growth with employment; achieved harmonization with Accounting Standards, SEBI Act, 1992, RBI Act, 1934 and the regulations made thereunder; rectified omissions and inconsistencies in the Act, and carried out amendments in the provisions relating to qualifications and selection of members of the NCLT and the NCLAT in accordance with the directions of the Supreme Court. All the provisions of the Companies (Amendment) Act, 2017 [CAA-17] have been brought into force.

## **III. Companies (Amendment) Act, 2019 (CAA-2019)**

**1.2.4** In August 2018, the Committee to review offences under the Companies Act, 2013 gave recommendations for shifting lapses of technical/procedural nature to in-

house mechanisms, plugging the critical gaps in the Companies Act, 2013, facilitating the ease of doing business and for strengthening the corporate compliance management. Accordingly, amendments were made in Companies Act, 2013 through the Companies (Amendment) Ordinance, 2018, which was re-promulgated twice, and subsequently the Companies (Amendment) Act, 2019 was published on 31<sup>st</sup> July, 2019.

**1.2.5** All the provisions of the Companies (Amendment) Act, 2019 [CAA-19] have been brought into force.

## **IV. Companies (Amendment) Act, 2020 (CAA-2020)**

**1.2.6** In order to implement the recommendations of the Company Law Committee (2019) on amendments to the Companies Act, 2013, approval of the Cabinet was obtained for the Companies (Amendment) Bill, 2020 on 4<sup>th</sup> March, 2020. The said Bill was passed by the Parliament and received assent of the President of India on 28<sup>th</sup> September, 2020. It was enacted as the Companies (Amendment) Act, 2020. The amendments proposed in the Act are expected to significantly enhance the confidence of Indian corporates on the Government's resolve to provide greater ease of doing business, accord due respect to honest wealth creators in the country and reduce the burden on the justice system.

The features of the CAA-2020 are as under: -

### **A. Decriminalization:**

- i. Re-categorizing 23 offences out of 66 compoundable offences under the Act, to be dealt with in an in-house adjudication framework;

- ii. Omitting, altogether, 7 compoundable offences;
  - iii. Limiting punishment for 11 compoundable offences to only fine, by removing provisions for imprisonment;
  - iv. 5 offences to be dealt under alternative frameworks;
  - v. Reducing the quantum of penalties in respect of 6 defaults decriminalized earlier.
- B. Greater Ease of Living:**
- i. Amendment in Section 23 of CA-13 for including provisions to allow direct listing of securities by Indian public companies in permissible foreign jurisdictions;
  - ii. Two provisions were inserted in Section 135 of the Act for:
    - a. Exempting companies, with the obligation to spend 50 lakh or less, from the requirement to constitute a CSR committee. The functions of such committees shall be discharged by the Board in those companies;
    - b. Permitting eligible companies to claim credit for CSR spend in excess of the 2 per cent obligation in a particular year, against its obligation for the subsequent financial year(s);
  - iii. Allowing payment of adequate remuneration to non-executive directors in case of inadequacy of profits, by aligning with provisions for remuneration to executive directors; (Sections 149 and 197);
  - iv. Including the provisions of Part IXA (Producer Companies) of Companies Act, 1956 in Companies Act, 2013 with concomitant & consequential changes; (New Chapter);
  - v. Relaxing provisions related to the imposition of higher additional fees under the third proviso to Section 403(1);
  - vi. Excluding certain classes of companies from the definition of 'listed company', mainly for the listing of debt securities, in consultation with SEBI (Section 2(52));
  - vii. Applicability of Section 446B (lower penalties for small companies and One Person Companies) enhanced to also cover Producer Companies and Start-ups;
  - viii. Provision of a time window after issue of notice within which penalty shall not be levied if a default is made good within that window (Section 454);
  - ix. Excluding certain companies/bodies corporate from the applicability of Section 89 (Declaration in respect of beneficial interest in any share) and Chapter XXII (companies incorporated outside India) (Sections 89, 379 and 393A);
  - x. Reducing timeline from a minimum of 15 days for applying for issue of rights so as to speed up such issues under Section 62;
  - xi. Extending exemptions from filing certain resolutions to certain classes of NBFCs & HFCs under Section 117 in consultation with RBI/NHB for reducing the compliance burden for

routine lending activities in ordinary course of business;

- xii. A new provision, Section 129A, was inserted to ensure that prescribed classes of unlisted companies file their financial results on a periodic basis in addition to the annual filing of financial statements under Section 137 which is filed within 6 months of the closure of the financial year.
- xiii. Proposing benches of NCLAT and removing restriction on the maximum members therein (Sections 418A & 410);
- xiv. Clarifying the trial court's jurisdiction based on place of commission of offence under Section 452, for wrongful withholding of property of a company by its officers/employees (Section 435);
- xv. Providing in Section 452 that imprisonment shall not be ordered by a court on an officer/employee of the company for wrongful possession of dwelling unit, if the company has not paid certain dues to that officer/employee.

**1.2.7** All provisions except one section of the CAA-2020 have been brought into force and action for notifying such remaining one section is also being taken by the Ministry.

## **Compromises, Arrangements and Amalgamation**

**1.3.1** The Ministry has constituted Company Law Committee (CLC) to make recommendations to the Government, from time to time, inter alia, on changes aimed at facilitating and promoting greater ease of

doing business in India and effective implementation of the Companies Act, 2013, the Limited Liability Partnership Act, 2008 and the Rules made thereunder.

**1.3.2** The CLC deliberated on various issues during December, 2021 and January, 2022 and has submitted its latest Report (2022) to the Government on 21<sup>st</sup> March, 2022 which was placed on the website of the MCA for comments by the stakeholders. The comments received are being examined.

## **Provisions under the Companies Act, 2013 for the benefit of Persons with Disabilities**

**1.4.1** Under Chapter XX (Winding up) of the Companies Act, 2013 there are beneficial provisions for protecting the rights of workmen when it comes to payment of debt during winding up of a company.

**1.4.2** Under Section 326 of the Companies Act, 2013 the “workmen's dues” rank pari-passu with the dues of secured creditors, which are to be paid in priority to all other debts. The “workmen's dues”, inter alia, include wages and salary and all accrued holiday remuneration for a period of two years preceding the winding up order and, all sums due on account of provident fund, pension fund, gratuity fund or any other fund for the welfare of workmen. In addition, the workmen are also entitled to a portion of the security, of a secured creditor.

**1.4.3** Workmen's dues comprise of:

- i. the wages and accrued holiday remuneration for the preceding two years;
- ii. the entire amount due in respect of



compensation, pertaining to death or disablement of any workman of the company.

**1.4.4** On account of the overriding nature of the workmen's dues, the provision ensures that the maximum amount is recovered for compensation on account of disablement of any workman of the company.

**1.4.5** Schedule VII read with Section 135 of Companies Act, 2013 specifically allow companies to include in their CSR policies activities for promotion of education, vocational skills among differently abled and training to promote Paralympics sports.

### Other Measures Taken

**1.5.1** The Ministry has released schemes, amended rules and issued various circulars to provide relaxation to companies and other stakeholders during the COVID-19 pandemic. These include:

- i) Rule 4 of the Companies (Meetings of Board and its Powers) Rules, 2014 has been omitted vide notification dated 15.06.2021, pursuant to which all matters can be deliberated & resolutions can be passed by Board of directors through video conferencing or other audio-visual means. The measure provides increased flexibility to Boards of companies for conducting Business and further the Ease of Doing Business objective of the Government.
- (ii) The Companies (Creation and Maintenance of databank of Independent Directors) Rules, 2019 have been amended -
  - a) vide notification dated 18.06.2021 to provide that in case an

individual has delayed in applying to the institute for inclusion of his name in the data bank of Independent Directors (ID), or in case of delay in renewal thereof, the institute (IICA) shall allow such inclusion/ renewal, as the case may be, after charging an additional fee of one thousand rupees on account of such delay.

- b) vide notification dated 19.08.2021 which provides that the Institute (IICA) shall within a period of sixty days from the end of every financial year, send an annual report to every individual whose name is included in the data bank of ID and also to every company in which they have been appointed as Independent Director in the format provided in the Schedule to the Rules. The Report would broadly disclose the capacity building aspects of the ID (viz. participation in e-learning modules, training programmes and workshops etc).
- (iii) A notification has been issued under Section 393A of the CA-13 on 05.08.2021 providing exemption to foreign companies and companies incorporated or to be incorporated outside India, from the provisions of Sections 387 to 392 of the CA-13 insofar as they relate to the offering for subscription in the securities, requirements related to the prospectus and all matter incidental thereto in the International Financial Services Centres set up under Section 18 of the Special Economic Zones Act, 2005. The

relevant requirements for such purpose shall be as specified by the International Financial Services Centres Authority (IFSCA). This has rationalized the compliance framework and is aimed at providing ease of business and attract investment in IFSCs.

- (iv) The Companies (Appointment and Qualification of Directors) Rules, 2014 have been amended vide notification dated 19.08.2021 to provide for

additional relaxations to certain individuals/professionals from the requirement of passing online proficiency self-assessment test in order to become an Independent Director in a company.

## Revenue Receipts and Expenditure

**1.5.2** The Revenue Receipts and Expenditure (Revenue and Capital) of the Ministry for the financial year 2021-22 are indicated below in **Table 1**:

**Table 1**  
**Revenue & Expenditure**

(₹ in crore)

Revenue					
Year	2017-18	2018-19	2019-20	2020-21	2021-22
Revenue	2,350.01	2,752.87	4,148.84	2,125.46	2933.50
Expenditure (Revenue & Capital)					
Capital	20.79	35.97	12.45	33.37	40.18
Revenue	445.63	544.45	549.66	618.17	588.78
Total Expenditure	466.42	580.42	562.11	651.54	628.96

## CHAPTER - II

### Organisational Set-Up to Administer the Act

#### Organisational Set-Up of the Ministry

**2.1.1** The Ministry has a three-tier organisational structure with headquarters at New Delhi; seven offices of Regional Directors (RDs) at Ahmedabad, Chennai, Hyderabad, Kolkata, Mumbai, New Delhi and Shillong; twenty-five Registrars of Companies (RoCs); twenty-two Official Liquidators (OLs) and ten RoC-cum-OLs in States and Union Territories. A brief description of the above offices/ establishments is given in the following paragraphs.

#### Headquarters

**2.2.1** The administrative structure at the headquarters consists of a Secretary, one Additional Secretary, one Director General of Corporate Affairs (DGCoA), one Additional Secretary and Financial Adviser, three Joint Secretaries, one Economic Adviser, one Cost Adviser, one Deputy Director General and other officials having expertise in administration, legal, accounting, economic and statistical matters.

#### Regional Directors

**2.3.1** The Regional Directors (RDs) supervise the working of the offices of the RoCs and the OLs located in their respective jurisdictions. They also maintain liaison between the respective State Governments and the Central Government on matters relating to the administration of the Act. The

RDs serve as an intermediate administrative level between the Ministry and the field offices of the RoCs, RoC-cum-OLs and OLs. The main function of these offices is to advise and guide the RoCs and OLs on technical and administrative matters and to report to the Government, particularly on the activities and operations of companies. Additionally, the RDs have also been delegated powers to take up work and dispose of certain businesses directly under the provisions of the Act.

#### Central Registration Centre (CRC)

**2.4.1** The project to transform the processing of company incorporation, e-form was undertaken with one clear objective, i.e., applications for name reservation and incorporation of a company could be processed and completed within D+1 days (D-Date of Payment Confirmation) in line with global best practices. The Ministry rolled out the first phase of CRC in January, 2016 for processing name reservation of applicants and second phase of CRC for processing incorporation of company applicants in March, 2016. The Government Process Re-engineering (GPR) exercise is in pursuance of the Ministry's objective of providing greater "Ease of Doing Business" to all the stakeholders and has resulted in faster processing of incorporation related applications, uniformity in application of rules, and eradicating discretion.

**2.4.2** The setting up of CRC has led to name reservation and incorporation of companies & Limited Liability Partnerships (LLPs) within one day as opposed to an average of at least 15-20 days earlier.

**2.4.3** Further, there is zero fee for the incorporation of all companies with authorized capital up to ₹ 15 lakh or up to 20 members where no share capital is applicable.

### Central Scrutiny Centre (CSC)

**2.5.1** Central Scrutiny Centre (CSC) was launched on 24<sup>th</sup> March, 2021. CSC scrutinizes the STP (Straight Through Process) forms to check for any deficiency. Further, these deficient forms are moved to the jurisdictional RoCs for marking them as 'defective'. This improves the accuracy of the data filed with MCA and acts as a checkpoint for improper filings by the corporates.

### Registrar of Companies

**2.6.1** Registrar of Companies (RoCs) is appointed under Section 396 of the Companies Act, 2013. The RoCs, other than Registrar of CRC, continue to have jurisdiction over the companies incorporated by CRC under the Act for all other provisions of the Act and the Rules made thereunder, which may be relevant after incorporation. The Central Government exercises administrative control over these offices through the respective RDs.

### Official Liquidators

**2.7.1** The Official Liquidators (OLs) have been appointed by the Central Government (i) under Section 448(1) of the Companies Act, 1956 for performance of duties as

Liquidators of the companies ordered to be wound up as per the orders of the High Court; and (ii) under Section 359 (1) of the Companies Act, 2013 for performance of duties as Company Liquidators of the companies ordered to be wound up as per orders of National Company Law Tribunal (NCLT) or of prescribed companies for its Summary Liquidation ordered to be wound up by the Central Government (powers delegated to the Regional Directors). The role of OL begins when he is appointed as Provisional Liquidator or the Liquidator/ Company Liquidator by the Court or Tribunal or Regional Director, as the case may be. The OL functions duly observing all the requirements imposed on him under the Companies Act, 1956/Companies Act, 2013 and the Companies (Court) Rules, 1959/ Companies (Winding up) Rules, 2020, as applicable. The respective Regional Directors (RDs) exercise administrative control over OL offices.

**2.7.2** With the enactment and commencement of provisions of Insolvency Resolution and Liquidation of Corporate Persons under the Insolvency and Bankruptcy Code, 2016 (the Code/IBC) and consequent amendment of certain provisions relating to winding up in the winding Companies Act, 2013 and notifications of Rules for transfer of pending proceedings relating to winding up from the High Courts to the NCLT, the OLs w.e.f. 1<sup>st</sup> December, 2016 are no longer being entrusted with fresh matters of winding up on the ground of inability to pay debts. Such cases are dealt with for Insolvency Resolution under Section 7, 9 or 10 of the IBC, 2016 and in case of failure of insolvency resolution process, liquidation



process is undertaken by insolvency professionals appointed by NCLT.

## **National Company Law Tribunal (NCLT) and National Company Law Appellate Tribunal (NCLAT)**

**2.8.1** The NCLT and NCLAT were constituted on 1<sup>st</sup> June, 2016. These bodies were constituted for faster resolution of corporate disputes and reducing the multiplicity of agencies thereby promoting 'Ease of Doing Business' in the country.

**2.8.2** The NCLT has replaced the erstwhile Company Law Board (CLB), the Board of Industrial and Financial Reconstruction (BIFR) and Appellate Authority for Industrial and Financial Reconstruction (AAIFR) and its benches have been designated to exercise the jurisdiction, powers and authority of Adjudicating Authority under Part II of the Insolvency and Bankruptcy Code (IBC), 2016. All the proceedings under the Companies Act relating to arbitration, compromise, winding up, arrangements and reconstruction of companies have been transferred to NCLT. It has also acquired the jurisdiction vested in High Courts in respect of these subjects.

**2.8.3** The NCLAT has been established to hear the appeals against the orders of NCLT under the Act. It has also been designated as the Appellate Tribunal for hearing appeals against the orders passed by NCLT under Section 61 of the IBC and the orders passed by Insolvency and Bankruptcy Board of India (IBBI) under Sections 202 and 211 of the IBC. The Competition Appellate Tribunal (COMPAT), constituted under the Competition Act, 2002 has been merged with the NCLAT with effect from 26<sup>th</sup> May, 2017 by

Finance Act, 2017 and appeals against any direction issued or decision made or order passed by the Competition Commission of India (CCI) are also referred to NCLAT. Further, NCLAT has been made Appellate Authority for National Financial Reporting Authority (NFRA) by the Companies (Amendments) Act, 2017.

**2.8.4** At present, NCLAT has its benches at two locations, viz., Principal Bench at New Delhi and Chennai Bench at Chennai. The Chennai Bench of the NCLAT has started functioning with effect from 25<sup>th</sup> January, 2021. As on 31<sup>st</sup> March, 2021, Hon'ble Justice (Retd.) Shri Bansi Lal Bhat, Judicial Member was the Officiating Chairperson of NCLAT.

## **Special Courts**

**2.9.1** MCA, vide Notification No. S.O.1976(E) dated 18<sup>th</sup> May, 2016, constituted Special Courts for the purpose of trial of offences punishable under the Act, with imprisonment of two years or more (which means serious offences) under Section 435 of the Act.

## **Investor Education and Protection Fund Authority (IEPFA)**

**2.10.1** Investor Education and Protection Fund Authority (IEPFA) was set up under Section 125 of the Companies Act, 2013 with the objective of promoting investor education, awareness, protection and to make refunds of claims to the investors. The fund is maintained under the Consolidated Fund of India.

**2.10.2** For administration of the Fund, in accordance with the provisions of the Section 125(5) of the Act, the Government of India has established the IEPFA which became

functional on 7<sup>th</sup> September, 2016. As per the Investor Education and Protection Fund Authority (Appointment of Chairperson and Members, holding meetings and provision for offices and officers) Rules, 2016, the IEPFA will have a Chairperson, six members and a Chief Executive Officer. The Secretary, MCA is ex-officio Chairperson of the Authority. The IEPFA has been entrusted with the responsibility to make refunds of unclaimed dividends, matured deposits, matured debentures, and shares transferred to it and to promote investor education, awareness and protection.

**2.10.3** As on 31<sup>st</sup> March, 2022, ₹ 5,172 crores (approx.) have been transferred to the IEPF which is maintained as a part of the Consolidated Fund of India. For effecting

transfer of shares to the Authority two Dematerialized (DEMAT) accounts, one for each of depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) have been opened. A total number of 13,59,44,860 shares have been transferred to IEPF as on 31<sup>st</sup> March, 2022.

**2.10.4** For filing refund claims with the Authority, the investors make an online application on the website of the Authority ([www.iepf.gov.in](http://www.iepf.gov.in)) through e-form IEPF-5. In accordance with the IEPF (Accounting, Audit, Transfer and Refund) Rule, 2016 (as amended on 14<sup>th</sup> August, 2019), a new online refund process has been implemented and shares transferred by the companies during the years 2017-18 to 2021-22 are given in **Table 2.1** below:

**Table 2.1**  
**No. of claim applications, claims settled, rejected, and pending in the Authority during the period 2017-18 to 2021-22**

S. No.	Particulars	2017-18	2018-19	2019-20	2020-21	2021-22
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	No. of applications (e-form IEPF 5) filed on MCA21 system	4,026	19,188	16,182	14,055	27,589
2.	No. of applications for which verification report received in the Authority	1,324	8,255	15,675	10,702	14,519
3.	No. of applications settled	623	1,037	7,689	14,019	26,044
	Approved	155	712	6,989	7,262	11,242
	Rejected	468	325	700	6,957	14,802
4.	No. of shares refunded	-	5,00,771	58,36,768	37,72,666	62,68,164
5.	Amount refunded (in ₹ )	72,88,429	1,77,66,816	6,68,55,675	7,47,63,689	10,85,52,226
6.	Shares transferred to IEPF	47,42,51,647	17,57,60,506	15,08,83,796	12,97,92,080	13,59,44,860

**2.10.5** A project for the conduct of 15,000 Investor Awareness Programmes (IAPs) in 117 Aspirational Districts was initiated with Common Service Center Special Purpose Vehicle (CSC-SPV). The project is over, and it covered 6,72,436 semi-urban and rural citizens from 117 Aspiration Districts of 28 states, focusing on women, farmers, and

marginalized sections. During the pandemic, various on-ground activities which involved personal contact was kept limited, following the due protocols for conducting sessions in small groups. The details of IAPs conducted during the years 2017-18 to 2021-22 are as under:

**Table 2.2**  
**Details of IAPs conducted during the years 2017-18 to 2021-22**

Financial Year	By Professional Institutes	By CSC e-Governance	Total
(1)	(2)	(3)	(4)
2017 -18	357	5,519	5,876
2018 -19	796	26,843	27,639
2019 -20	101	11,624	11,725
2020 -21	997	4,034	5,031
2021 -22	2,485	10,966	13,451
<b>Total</b>	<b>4,736</b>	<b>58,986</b>	<b>63,722</b>

**2.10.6** Salient works undertaken by IEPFA from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022 are as follows:

- i. IEPFA collaborated with Nehru Yuva Kendra Sangathan (NYKS) for the implementation of the Pilot Project "Youth Participation in Investor Education, Awareness and Protection" in 8 states of Northern India. The Project includes conduction of IAPs in 50 districts on pilot-basis which will cover 50 Districts, 250 Blocks and 2500 Villages. A total of 17 districts were covered in the training in which NYKS officials and Youth volunteers participated.
- ii. IEPFA in collaboration with India Post Payments Bank (IPPB) has organized Investors Education and Financial Literacy Campaigns through ground customer's engagement camps. The aim was to encourage branches to organize camps. However, efforts are being made to activate IPPB's 650 branches in 23 circles through unparalleled reach of the post offices across the country. 108 physical/digital camps were organized in 23 circles. Besides 800 camps last year, IPPB could manage to conduct around 2,212 IAPs on ground and educated more than 59,000 citizens this year.

- iii. IEPFA collaborated with ICAI and signed an MoU on 13<sup>th</sup> December, 2021 to aware the educated but unaware segment of society about the financial literacy. ICAI is also engaged in educating people at grass route level for financial inclusion.
- iv. IEPFA signed a Memorandum of Understanding (MoU) with ICICI Bank Limited on 11<sup>th</sup> February, 2022. This MoU was an extension of the ongoing understanding of investor awareness penned between organizations in the year 2020.
- v. A State Level Conference on Investor Education and Awareness was organised on 29<sup>th</sup> March, 2022 in Guwahati, Assam. Around 1,100 delegates comprising NCC Cadets, students, members of ICSI & ICAI and State Government officials attended the Conference.
- vi. Various webinars were conducted by IEPFA in association with ICAI, ICSI, CSC, e-Gov, NCAER, IICA and other partner organisations during the prevailing pandemic conditions on Investor Education and Awareness to maintain the momentum; wherein, IEPFA officials; including CEO, IEPFA and GM, IEPFA in some of those, also participated to highlight the roles and responsibility of IEPFA.
- vii. IEPFA signed a Memorandum of Understanding (MoU) with Indira Gandhi National Open University (IGNOU) on 12<sup>th</sup> January, 2022. The objective for signing the MoU is to achieve the mandate of Investor Education, Awareness and Protection by utilising the tele-lecturing facility of Gyan Darshan Channel.
- viii. IEPFA, with All India Radio, organised a Broadcast programme on FM Gold, Vivid Bharti, FM Rainbow, and AIR- Primary channel, wherein GM, IEPF Authority, spread awareness regarding how IEPFA has been Empowering Investors' in the last five years through various initiatives.
- ix. IEPFA releases periodic public announcements for sensitising claimants about online claim refund procedures from time to time through the Bureau of Outreach and Communication and for awareness campaigns in multiple languages. Special campaigns activities were conducted on 15<sup>th</sup> August, 2021 and 26<sup>th</sup> January, 2022.
- x. Hon'ble MoS, Corporate Affairs, released the first e-Newsletter of the authority during a National Webinar on the occasion of IEPFA raising day. Since then, IEPFA is releasing Monthly e-Newsletters regularly.

### **Serious Fraud Investigation Office (SFIO)**

**2.11.1** As per Section 211 of Companies Act, 2013, Serious Fraud Investigation Office (SFIO) has been established through the Government of India vide Notification No. S.O.2005 (E) dated 21.07.2015. Earlier, the SFIO was set up by the Government of India vide Resolution No. 45011/16/2003-Admn.I dated 2<sup>nd</sup> July, 2003. It is a multi-disciplinary organization under the Ministry of Corporate Affairs, of experts in the field of



accountancy, forensic auditing, law, information technology, investigation, company law, capital market, banking, taxation, etc. for detecting and prosecuting or recommending for prosecution of white-collar crimes/frauds.

**2.11.2** SFIO is headed by a Director as Head of Department in the rank of Joint Secretary to the Government of India. The Director is assisted by Additional Directors, Joint Directors, Deputy Directors, Senior Assistant Directors, Assistant Directors, Senior Prosecutors, Prosecutors, and other secretarial staff. The Headquarter of SFIO is at New Delhi, with five Regional Offices at Mumbai, New Delhi, Chennai, Hyderabad & Kolkata.

**2.11.3** The Act has conferred several powers and functions on SFIO including power to search and seize, arrest in respect of offences which attract punishment for fraud. Further, if the investigation has been handed over to the SFIO by the Central Government, no other investigative agency would be allowed to initiate or proceed further with such investigation, but handover related evidence to SFIO.

**2.11.4** Investigation into the affairs of a company is assigned to SFIO, where the Government is of the opinion that it is necessary to investigate into the affairs of a company–

- a. On receipt of a report of the Registrar or Inspector under Section 208 of the Companies Act, 2013;
- b. On intimation of a special resolution passed by a company that its affairs are required to be investigated;
- c. In the public interest; or

- d. On request from any department of the Central Government or a State Government.

## **National Financial Reporting Authority (NFRA)**

**2.12.1** The National Financial Reporting Authority (NFRA) is a statutory body constituted under Section 132 of Companies Act, 2013. It was constituted on 1<sup>st</sup> October, 2018 to protect the public interest and the interests of investors, creditors and others associated with the companies or bodies corporate by establishing high quality standards of accounting and auditing and exercising effective oversight of accounting functions performed by the companies and bodies corporate and auditing functions performed by auditors.

**2.12.2** Salient works undertaken by NFRA from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022 are as follows:

- 1. Recommendation on Accounting Standards under Section 133 of the Companies Act, 2013**
  - i) Indian Accounting Standards (Ind AS):** Meetings were held on 20.05.2021, 20.09.2021 and 19.01.2022. During these meetings amendments to Ind AS 116, Ind AS 103, Ind AS 101, Ind AS 109, Ind AS 41, Ind AS 37 and Ind AS 16 were approved and recommended to MCA for notification.
  - ii) Accounting Standards (AS):** NFRA had reviewed the ICAI proposal to revise the AS applicable to Non-Ind AS Companies i.e., Small and Medium Sized Companies

(SMCS); In September 2021, NFRA had advised the ICAI to undertake 'Regulatory Impact Assessment' for implementation of these Complex ASs to Micro, Small and Medium Sized Companies in line with the prevailing global practices.

## **2. Monitoring compliance with Accounting and Auditing Standards Under Section 132 (2) (b). of the Companies Act, 2013**

### **i) Financial Reporting Quality Review (FRQR) Report:**

NFRA has commenced a review programme called "Financial Reporting Quality Review (FRQR)" to discharge its duties of monitoring compliance with Ind AS by the Companies. As part of this newly introduced monitoring programme, NFRA has undertaken a review of Financial Statements of two companies and issued FRQRs in September, 2021 and February, 2022.

### **ii) Audit Quality Review (AQR) Report:**

In its endeavour to ensure high quality auditing of public interest entities, NFRA has issued an Audit Quality Review (AQR) Report in 2021-22 of 3 major audits undertaken by various Audit Firms. The AQR reports highlights major deficiencies in conduct of the audit and also review the quality policies of the Audit Firms.

## **3. Database of Companies and their Auditors**

NFRA's role and responsibility is to protect the public interest and the interest of investors, creditors and others associated with financial Statements of certain prescribed class of companies called 'Public Interest Entity (PIE)'. In order to discharge the above responsibilities, one of the important pre-requisites is to compile and establish a comprehensive master database of the PIEs & their auditors within the purview of NFRA.

During the year, NFRA has developed a master database of Companies / Auditors as of 31.03.2019, 31.03.2020 and 31.03.2021 by obtaining/ reconciling data from various sources such as CDM/MCA21, Stock Exchanges and other regulators like RBI, IRDAI etc.

Also, NFRA monitors the submission of annual return (NFRA-2) by the Auditors of Companies within NFRA domain.

## **4. Public Consultation:** Following Consultation Papers were issued by NFRA:

### **i) NFRA Consultation Paper on Enhancing Engagement with Stakeholders- June 2021.**

NFRA Consultation Paper on Statutory Audit and Auditing Standards for Micro, Small and Medium Sized Companies - September, 2021.

## Notifications and General Circulars

**2.13.1** The Notifications and General Circulars issued by the Ministry during the year 2021-22 under the Companies Act, 2013 are given in **Table 2.3** below:

**Table 2.3**  
**Notifications and General Circulars issued during 2021-22 under the**  
**Companies Act, 2013**

### Notifications

Sl. No.	Notification Number	Date	Subject
(1)	(2)	(3)	(4)
1.	G.S.R. 247(E)	01.04.2021	Companies (Accounts) Second Amendment Rules, 2021.
2.	G.S.R. 248(E)	01.04.2021	Companies (Audit and Auditors) Second Amendment Rules, 2021.
3.	S.1303 (E)	01.04.2021	Commencement notification dated 24.03.2021.
4.	G.S.R.392(E)	07.06.2021	Companies (Incorporation) Fourth Amendment Rules, 2021.
5.	G.S.R. 409(E)	15.06.2021	Companies (Meeting of Board and its Powers) Amendment Rules, 2021.
6.	G.S.R. 419(E)	18.06.2021	Companies (Indian Accounting Standards) Amendment Rules, 2021.
7.	G.S.R. 418 (E)	18.06.2021	Companies (Creation and Maintenance of databank of Independent Directors) Amendment Rules, 2021
8.	G.S.R. 432(E)	23.06.2021	Companies (Accounting Standards) Rules, 2021.
9.	S.O. 2904(E)	22.07.2021	Commencement notification dated 22.07.2021
10.	G.S.R.503(E)	22.07.2021	The Companies (Incorporation) Fifth Amendment Rules, 2021.
11.	S.O.538(E)	05.08.2021	The Companies (Registration of Foreign Companies) Amendment Rules, 2021.
12.	G.S.R. 539(E)	05.08.2021	Companies (Specification and Definitions Details) Third Amendment Rules 2021.
13.	S.O. 3156(E)	05.08.2021	Notification-Powers under Section 393A of the Companies Act.
14.	S.O. 579(E)	19.08.2021	The Companies (Appointment and Qualification of Directors) Amendment Rules, 2021.
15.	G.S.R. 580(E)	19.08.2021	Companies (Creation and Maintenance of databank of Independent Directors) Second Amendment Rules, 2021.
16.	S.O. 3403(E)	19.08.2021	Special Court Notification under Section 435 of the Companies Act, 2013.
17.	G.S.R.(E)	11.01.2022	Companies (Registration Offices and Fees) Amendment Rules, 2022
18.	S.O. (E)	11.01.2022	Commencement notification-CAA, 2017
19.	S.O.(E)	11.01.2022	Commencement notification-CAA, 2020
20.	G.S.R.109 (E)	11.02.2022	LLP (Amendment) Rules 2022

21.	G.S.R.623(E)	11.02.2022	Notification for delegation of powers under Section 17 of LLP Act 2008 to Regional Directors.
22.	G.S.R.622(E)	11.02.2022	Notification for Appointment of ROCs as Adjudication officers under the LLP Act 2008
23.	G.S.R.621 (E)	11.02.2022	Commencement notification for Section 1 to 29 of LLP (Amendment) Act 2021
24.	G.S.R.110 (E)	11.02.2022	Notification under Section 67 of LLP Act 2008
25.	G.S.R. 107(E)	11.02.2022	Companies (Accounts) Amendment Rules, 2022.
26.	G.S.R.173 (E)	04.03.2022	Limited Liability Partnership (Second Amendment) Rules 2022
27.	G.S.R. 255(E)	23.03.2022	Companies (Indian Accounting Standards) Amendment Rules, 2022.
28.	G.S.R. 325(E)	31.03.2022	Companies (Accounts) Second Amendment Rules, 2022.

## General Circulars

Sl. No.	Circular Number	Date	Subject
(1)	(2)	(3)	(4)
1.	6/2021	03.05.2021	Relaxation of time for filing certain forms under the Companies Act, 2013.
2.	7/2021	03.05.2021	Relaxation of time for filing forms related to creation or modification of charges under the Companies Act, 2013.
3.	8/2021	03.05.2021	Gap between two board meetings under Section 173 of the Companies Act, 2013 (CA-13) - Clarification
4.	10/2021	23.06.2021	Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 read with rules made thereunder on account of COVID-19-Extension of time
5.	11/2021	30.06.2021	Relaxation on levy of additional fees in filing of certain Forms under the Companies Act, 2013 and LLP Act 2008-Extension of time
6.	12/2021	30.06.2021	Relaxation of time for filing forms related to creation or modification of charges under the Companies Act, 2013-Extension of time
7.	15/2021	27.09.2021	Extension of last date of filing of Cost Audit Report to the Board of Directors under Rule 6(5) of the Companies (Cost Records and Audit) Rules 2014
8.	16/2021	26.10.2021	Relaxations in paying additional fees in case of delay in filing Form 8 (the Statement of Account and Solvency) by Limited Liability Partnerships upto 30 <sup>th</sup> December, 2021.
9.	17/2021	29.10.2021	Relaxation on levy of additional fees in filing of e-forms AOC-4, AOC-4 (CFS), AOC-4, AOC-4 XBRL AOC-4 Non- XBRL and MGT-7/MGT-7A for the financial year ended on 31.03.2021 under the Companies Act, 2013
10.	18/2021	29.10.2021	Extension of last date of filing of Cost Audit Report to the Board of Directors under Rule 6(5) of the Companies (Cost Records and Audit) Rules, 2014.
11.	19/2021	08.12.2021	Clarification of holding of Annual General Meeting (AGM) through Video Conference (VC) or Other Audio-Visual Means (OAVM)



12.	20/2021	08.12.2021	Clarification on passing of Ordinary and Special resolutions by the companies under the Companies Act, 2013 read with Rules made thereunder on account of COVID-19 Extension of timeline
13.	21/2021	14.12.2021	Clarification of holding of Annual General Meeting (AGM) through Video Conference (VC) or Other Audio-Visual means (OAVM)
14.	22/2021	29.12.2021	Relaxation on levy of additional fees in filing of e-forms AOC-4, AOC-4 (CFS), AOC-4 XBRL, AOC-4 Non-XBRL and MGT-7/MGT-7A for the financial year ended on 31.03.2021 under the Companies Act, 2013
15.	1/2022	14.02.2022	Relaxation on levy of additional fees in filing of e-forms AOC-4, AOC-4 (CFS), AOC-4 XBRL, AOC-4 Non XBRL and MGT-7/MGT-7A for the financial year ended on 31.03.2021 under the Companies Act, 2013

## CHAPTER - III

### Registration and Closure of Companies

**3.1.1** This Chapter reviews the registration as well as the closure of companies and the number of active companies under various categories in terms of their ownership and main business activities. The number of companies registered under various Companies Acts in India has increased steadily over the years. During the year 2021-22, a total of 1,67,076 companies were registered.

#### Summary Statistics of Indian Companies

3.2.1 The total number of companies

registered in the country as on 31<sup>st</sup> March, 2022 was 23,18,063. Of these, 8,25,771 companies were closed; 2,382 companies were assigned dormant status as per the Companies Act, 2013 (Section 455), 7,012 companies were inactive<sup>1</sup>; 44,853 companies were under the process of closure. Taking the above into account, there were 14,38,045 active companies as on 31<sup>st</sup> March, 2022. **Table 3.1** below provides a statistical summary of the number of companies.

**Table 3.1**  
**Summary Statistics of Indian Companies as on 31<sup>st</sup> March, 2022**

Sl. No.	Description	No. of Companies
(1)	(2)	(3)
1.	Total Companies Registered	23,18,063
2.	Companies closed	8,25,771
3.	Dormant u/s 455 of the Companies Act, 2013	2,382
4.	Inactive u/s 455 of the Companies Act, 2013	7,012
5.	Companies under process for closure	44,853
6.	Active In-Progress (Inactive companies under 21-day window for completion of pending filing)	0
7.	Active Companies [1-(2+3+4+5+6)]	14,38,045

**3.3.1** Out of total 23,18,063 companies registered in India, more than one lakh companies were registered in states such as Maharashtra (4,52,743), followed by Delhi (3,78,518), West Bengal (2,22,028), Tamil

Nadu (1,71,743), Karnataka (1,52,188), Telangana (1,34,520), Uttar Pradesh (1,51,122) and Gujarat (1,23,277) as on 31<sup>st</sup> March, 2022 as given in **Chart 3.1** below:

<sup>1</sup>Inactive company means a company which has not been carrying on any business or operation or has not made any significant accounting transaction during the last two financial years or has not filed financial statements and annual return during the last two financial year.

**Chart 3.1**  
**State/UT wise Companies Registered as on 31<sup>st</sup> March, 2022**



### Registration of New Companies during Financial Year 2021-22

**3.4.1** During the year 2021-22, 1,67,076 companies were incorporated under the Companies Act, 2013. These include 1,65,935 companies with liability limited by shares and 1,139 companies with liability limited by guarantee. Of the total companies registered

during the year 2021-22, 81 were government companies and 1,66,995 were non-government companies. **Table 3.2** sets out the pattern of registration of new companies under various categories. Region/UTs/ State-wise distribution of new companies registered during the financial year 2021-22 is given in **Statement-II (Appendix)**.

**Table 3.2**  
**Companies Registered during Financial Year 2021-22**

(Capital in ₹ crore)

Sl. No.	Category	Government		Non-Government		Total	
		Number	Authorized Capital	Number	Authorized Capital	Number	Authorized Capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I	Companies Limited by Shares	77	98,361.72	1,65,858	1,05,483.24	1,65,935	2,03,844.96
i.	One Person Company	0	0	10,112	411.90	10,112	411.90
ii.	Private	33	2,080.43	1,52,274	77,107.78	1,52,307	79,188.21
iii.	Public	44	96,281.29	3,472	27,963.55	3,516	1,24,244.84
II	Companies Limited by Guarantee	4	0	1,135	4.37	1,139	4.37
i.	Private	4	0	1,085	4.37	1,089	4.37
ii.	Public	0	0	50	0	50	0
III	Unlimited Liability	0	0	2	0.20	2	0.20
i.	Private	0	0	2	0.20	2	0.20
<b>Total</b>		<b>81</b>	<b>98,361.72</b>	<b>1,66,995</b>	<b>1,05,487.81</b>	<b>1,67,076</b>	<b>2,03,849.53</b>

### Financial Year-wise Distribution of New Companies

**3.5.1** The financial year-wise distribution of new companies limited by shares along with their authorized capital registered during the years 2017-18 to 2021-22 is given in **Table 3.3**.

The number of new companies with liability limited by shares registered during the financial year 2021-22 has increased by 7.41 percent over the new companies registered during the previous financial year. The authorized capital increased by 155.16 percent during the same period.

**Table 3.3**  
**Registration of Companies Limited by Shares during**  
**Financial Year 2017-18 to 2021-22**

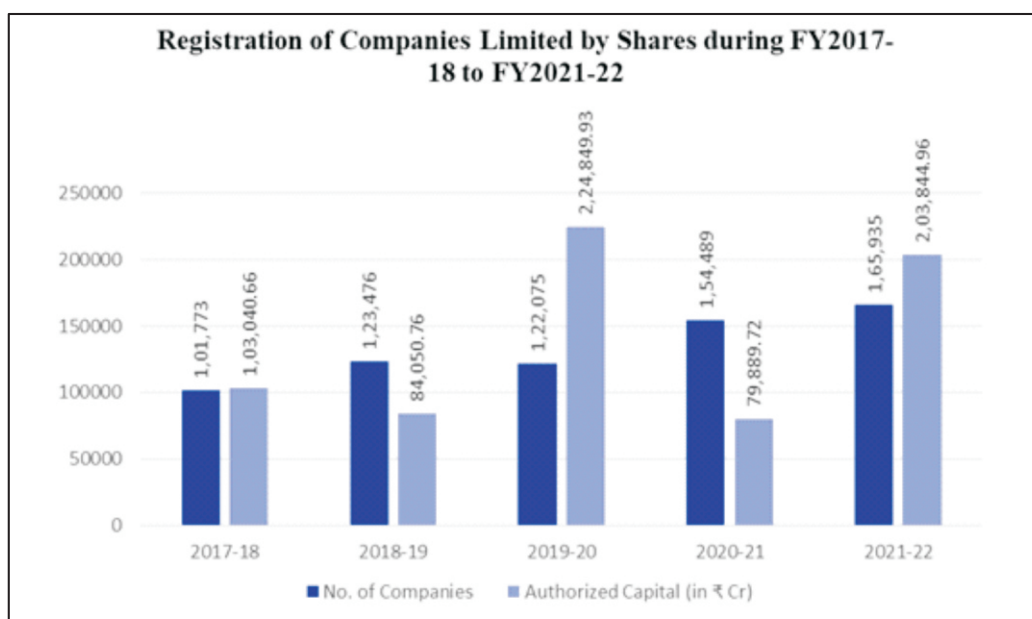
(Capital in ₹ crore)

Financial Year	Private		Public		Total	
	No. of Cos.	Authorized Capital	No. of Cos.	Authorized Capital	No. of Cos.	Authorized Capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2017-18	99,855	47,843.47	1,918	55,197.19	1,01,773	1,03,040.66
2018-19	1,20,692	63,979.40	2,784	20,071.35	1,23,476	84,050.76
2019-20	1,18,853	36,511.91	3,222	1,88,338.02	1,22,075	2,24,849.93
2020-21	1,51,139	33,835.00	3,350	46,055.09	1,54,489	79,889.72
2021-22	1,62,419	79,600.12	3,516	1,24,244.84	1,65,935	2,03,844.96

**3.5.2** Chart 3.2 reveals the trend in the number of companies registered and authorized capital during the years 2017-18 to 2021-22. An increasing trend can be seen throughout in the number of companies registrations. In the year 2021-22, the number

of registered companies increased slightly from 1.54 lakhs to 1.65 lakhs, while the authorized capital witnessed a sharp growth of more than ₹1 lakh from ₹ 79,889.72 to ₹ 2,03,844.96.

**Chart 3.2**  
**Companies Limited by Shares Registered during Financial Years 2017-18 to 2021-22**



### Government Companies Limited by Shares Registered during Financial Year 2021-22

**3.5.3** During the year 2021-22, 77 Government Companies limited by shares were registered with their total authorized capital at ₹ 98,361.72 crores.

Region/UTs/State-wise distribution of New Government Companies limited by shares registered during the year 2021-22 is given in **Statement III (Appendix). Table 3.4** shows the registration of Government Companies limited by shares during the financial years 2017-18 to 2021-22.

**Table 3.4**  
**Registration of Government Companies Limited by Shares during**  
**Financial Year 2017-18 to 2021-22**

(Capital in ₹ crore)

Year	Private		Public		Total	
	No. of Cos.	Authorized Capital	No. of Cos.	Authorized Capital	No. of Cos.	Authorized Capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2017-18	20	2373.47	65	14,062.53	85	16,436.00
2018-19	36	269.18	61	15,710.54	97	15,979.72
2019-20	22	4,053.06	24	123.48	46	4,176.54
2020-21	23	54.38	52	38,332.71	75	38,386.99
2021-22	33	2,080.43	44	96,281.29	77	98,361.72

### Non-Government Companies Limited by Shares Registered during Financial Year 2021-22

**3.6.1** During the year 2021-22, 1,65,858 Non-Government Companies limited by shares were registered in the country with aggregate authorized capital of ₹ 1,05,483.24 crores. Of these, 3,472 were public limited

companies with aggregate authorized capital of ₹ 27,963.55 crores and 1,62,386 were private limited companies with aggregate authorized capital of ₹ 77,519.69 crores. **Table 3.5** below indicates registration of Non-Government Companies limited by shares during the financial years 2017-18 to 2021-22.

**Table 3.5**  
**Registration of Non-Government Companies Limited by**  
**Shares during Financial Year 2017-18 to 2021-2022**

(Capital in ₹ crore)

Year	Private		Public		Total	
	No. of Companies	Authorized Capital	No. of Companies	Authorized Capital	No. of Companies	Authorized Capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2017-18	1,05,761	45,614.69	1,853	41,134	1,07,614	86,749.35
2018-19	1,20,656	63,710.23	2,723	4,360.18	1,23,379	68,071.04
2019-20	1,18,831	32,458.85	3,198	1,88,214.54	1,22,029	2,20,673.39
2020-21	1,51,117	33,780.35	3,298	7,722.38	1,54,414	41,502.73
2021-22	1,62,386	77,519.69	3,472	27,963.55	1,65,858	1,05,483.24

**3.7.1** Out of ₹ 1,65,858 New Non-Government Companies limited by shares registered during the year 2021-22, 88,128 companies or 53.13 per cent of the total were registered in 5 States, namely, Maharashtra (18.56 per cent), Uttar Pradesh (10.19 per cent), Delhi (9.77 per cent), Karnataka (8.04 per cent) and Tamil Nadu (6.58 per cent). Region/UTs/State-wise distribution of Non-Government Companies limited by shares registered during the year 2021-22 is given in **Statement IV (Appendix)**.

### **Authorized Capital - wise Distribution of Companies Registered during Financial Year 2021-22**

**3.8.1** As summarized in **Table 3.6** below, 80.37 per cent of Companies (1,34,284 in number) had authorized capital of less than or equal to ₹ 10 lakhs each and about 0.24 per cent of companies (408 in number) had authorized capital of above ₹ 10 crores each.

**Table 3.6**  
**Authorized Capital-wise Distribution of Companies Registered**  
**during Financial Year 2021-22**

(₹ in crore)

Authorized Capital Range (₹)	Private		Public		Total	
	Number	Authorized Capital	Number	Authorized Capital	Number	Authorized Capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Up to 1 lakh	69,200	651	184	1	69,384	652
1 - 5 lakhs	16,405	746	619	31	17,024	777

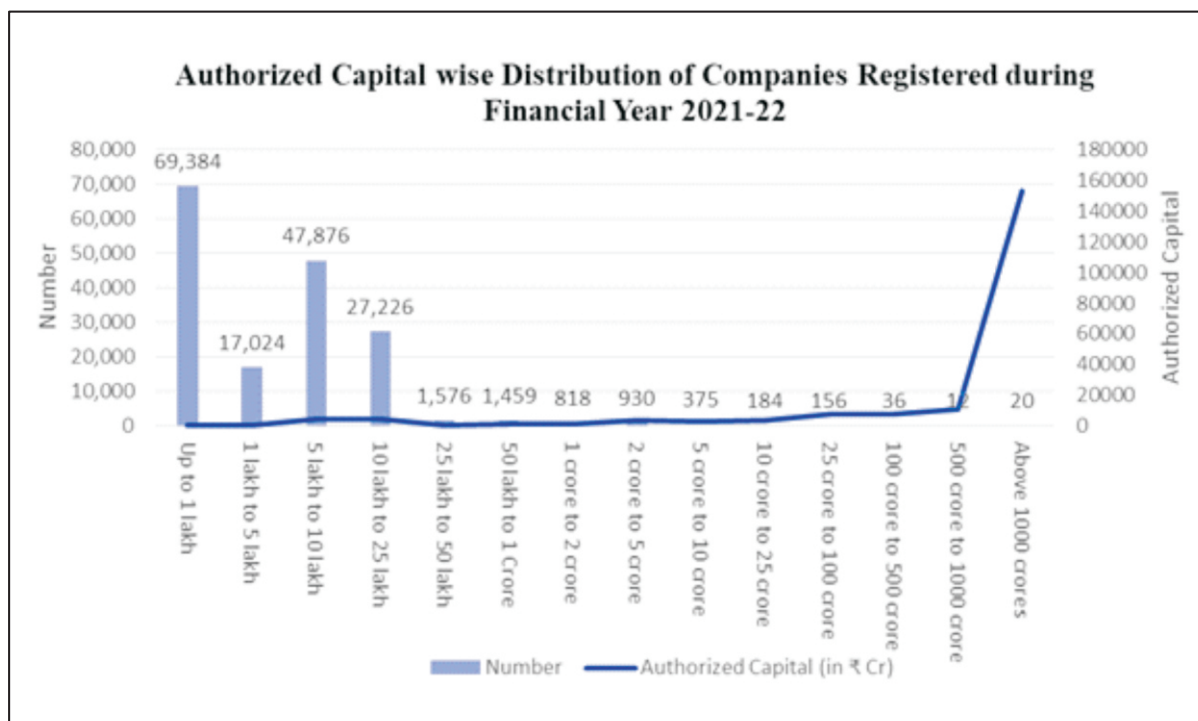
Authorized Capital Range (₹)	Private		Public		Total	
	Number	Authorized Capital	Number	Authorized Capital	Number	Authorized Capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)
5 - 10 lakhs	46,498	4,638	1,378	137	47,876	4,775
10 - 25 lakhs	26,182	4,006	1,044	161	27,226	4,166
25 - 50 lakhs	1,510	670	66	29	1,576	699
50 lakhs - 1 crore	1,381	1,303	78	76	1,459	1,379
1 - 2 crores	790	1,385	28	47	818	1,432
2 - 5 crores	877	3,200	53	207	930	3,407
5 - 10 crores	344	2,813	31	283	375	3,096
10 - 25 crores	150	2,733	34	667	184	3,400
25 - 100 crores	129	5,989	27	1,798	156	7,787
100 - 500 crores	27	5,291	9	2,209	36	7,500
500 - 1000 crores	9	8,450	3	2,750	12	11,200
Above 1000 crores	8	37,731	12	1,15,850	20	1,53,581
<b>Total</b>	<b>1,63,510</b>	<b>79,605</b>	<b>3,566</b>	<b>1,24,245</b>	<b>1,67,076</b>	<b>2,03,850</b>

**3.8.2 Chart 3.3** reveals that more than 41.5 per cent of the registered companies have authorized capital of up to ₹ 1 lakh, while

only 0.012 per cent of companies have authorized capital of above ₹ 1,000 crores.



**Chart 3.3**  
**Authorized Capital wise Distribution of Companies Registered during Financial Year 2021-22**



### Economic activity - wise Classification

**3.9.1** Economic activity-wise classification of companies registered during the financial year 2021-22 is given in **Table 3.7** below.

Service sector accounts for 63.35 per cent in terms of number of companies in the total number of new companies registered during the year 2021-22 and 32.49 per cent in terms of the authorized capital in the total number of new companies registered.

**Table 3.7**  
**Economic Activity-wise Registered Companies during Financial Year 2021-22**

(Capital in ₹ crore)

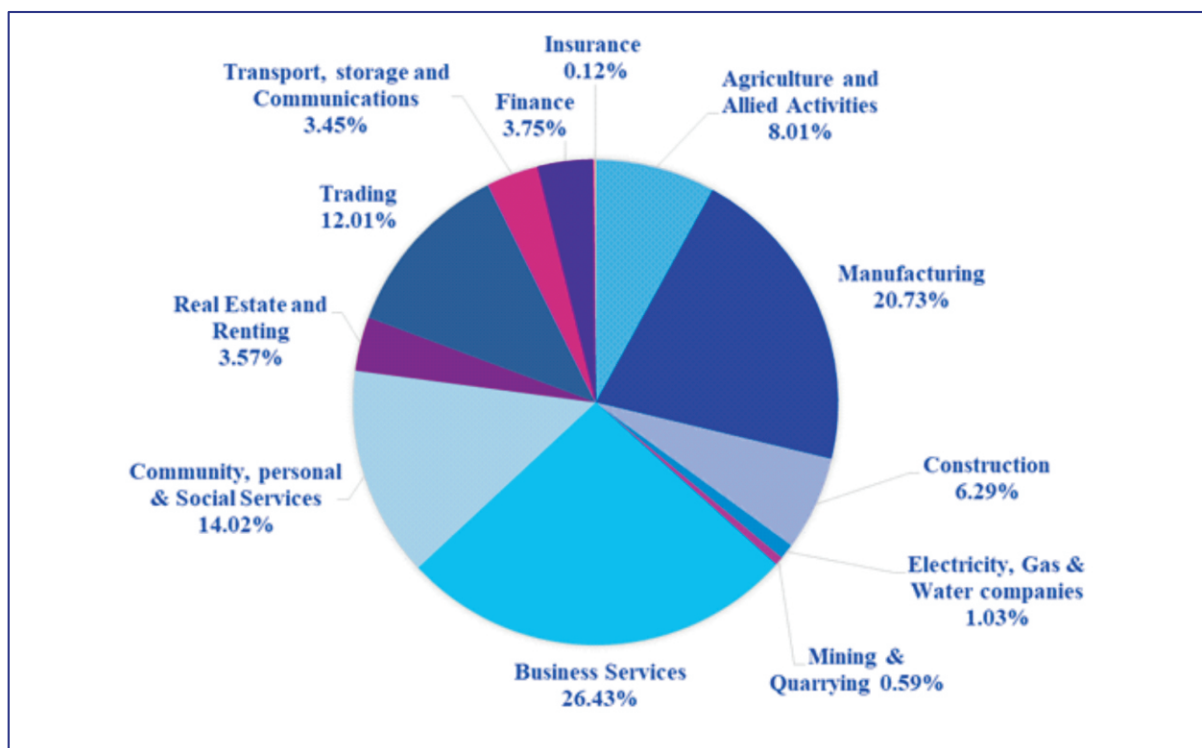
Sl. No.	Economic Activity	Private		Public		Total	
		Number	Authorized Capital	Number	Authorized Capital	Number	Authorized Capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I	Agriculture & Allied Activities	13,341	1,521.12	46	72.35	13,387	1,593.47
II	Industry	47,346	22,179	501	1,13,849	47,847	1,36,028

Sl. No.	Economic Activity	Private		Public		Total	
		Number	Authorized Capital	Number	Authorized Capital	Number	Authorized Capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Manufacturing	34,267	13,758.55	363	1,08,891.86	34,630	1,22,650.41
2.	Construction	10,437	4,599.74	72	395.71	10,509	4,995.45
3.	Electricity, Gas & Water companies	1,660	2,616.26	57	4,550.76	1,717	7,167.02
4.	Mining & Quarrying	982	1,204.61	9	10.86	991	1,215.47
<b>III</b>	<b>Services</b>	<b>1,02,823</b>	<b>55,904</b>	<b>3,019</b>	<b>10,323</b>	<b>1,05,842</b>	<b>66,228</b>
1.	Business Services	44,012	26,846.53	149	927.12	44,161	27,773.65
2.	Community, Social and Personal Services	23,236	7,799.95	180	230.39	23,416	8,030.35
3.	Real Estate and Renting	5,935	14,280.89	37	1,008.25	5,972	15,289.14
4.	Trading	19,971	3,053.07	90	263.22	20,061	3,316.28
5.	Transport, storage, and Communications	5,737	933.08	33	74.32	5,770	1,007.40
6.	Finance	3,742	2,917.03	2,526	7,758.65	6,268	10,675.67
7.	Insurance	190	73.86	4	61.35	194	135.21
	<b>Grand Total</b>	<b>1,63,510</b>	<b>79,604.69</b>	<b>3,566</b>	<b>1,24,244.84</b>	<b>1,67,076</b>	<b>2,03,849.53</b>

**3.9.2 Chart 3.4** reveals that the predominant share of companies is in Services (63.35 per cent) wherein Business Services accounts for the largest share (41.7 per cent), followed by Community, Social &

Personal Services (22 per cent). Industry accounts for 28.64 per cent share followed by Agriculture and Allied Activities accounting for 8.01 per cent share in the overall company registration during FY2021-22.

**Chart 3.4**  
**Registration of Companies during Financial Year 2021-22**  
**(Economic Activity-wise Distribution)**



**3.9.3** Economic Activity-wise classification of companies with liability limited by shares registered during the year 2021-22 is given in **Table 3.8** below. Predominant share of

companies is in Business Services (44,156) followed by Manufacturing (34,627), Community, Social & Personal Services (22,292) and Trading (20,058).

**Table 3.8**  
**Economic Activity-wise Registration of Companies Limited**  
**by Shares during Financial Year 2021-22**

(Capital in ₹ crore)

Sl. No.	Economic Activity	Private		Public		Total	
		Number	Authorized Capital	Number	Authorized Capital	Number	Authorized Capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
I	Agriculture and Allied Activities	13,338	1,520.92	46	72.352	13,384	1,593.27
II	Industry	47,341	22,179.11	501	1,13,849.2	47,842	1,36,028.30
i.	Manufacturing	34,264	13,758.52	363	1,08,891.9	34,627	1,22,650.38

Sl. No.	Economic Activity	Private		Public		Total	
		Number	Authorized Capital	Number	Authorized Capital	Number	Authorized Capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
ii.	Construction	10,435	4,599.715	72	395.71	10,507	4,995.425
iii.	Electricity, Gas & Water companies	1,660	2,616.263	57	4,550.76	1,717	7,167.02
iv.	Mining & Quarrying	982	1,204.613	9	10.86	991	1,215.47
<b>III</b>	<b>Services</b>	<b>1,01,740</b>	<b>55,900.08</b>	<b>2,969</b>	<b>10,323.3</b>	<b>1,04,709</b>	<b>66,223.38</b>
i.	Business Services	44,007	26,846.27	149	927.121	44,156	27,773.39
ii.	Community, Social and Personal Services	22,162	7,797.563	130	230.3946	22,292	8,027.96
iii.	Real Estate and Renting	5,934	14,280.88	37	1,008.251	5,971	15,289.13
iv.	Trading	19,968	3,051.408	90	263.215	20,058	3,314.62
v.	Transport, storage, and Communications	5,737	933.0813	33	74.32	5,770	1,007.40
vi.	Finance	3,742	2,917.025	2,526	7,758.647	6,268	10,675.67
vii.	Insurance	190	73.861	4	61.35	194	135.21
<b>Grand Total</b>		<b>1,62,419</b>	<b>79,600.12</b>	<b>3,516</b>	<b>1,24,244.8</b>	<b>1,65,935</b>	<b>2,03,844.96</b>

### Non-Government Companies Limited by Shares registered during Financial Year 2021-22 (Economic Activity-wise)

3.10.1 Table 3.9 shows the distribution of new non-government companies limited by

shares registered during the year 2021-22 by economic activity classification. “Services” had the largest share (63.11 per cent) among the new non-government companies registered during the year, followed by “Industry”, which had a share of 28.82 per cent.

**Table 3.9**  
**Economic Activity-wise Registration of Non-Government Companies Limited**  
**by Shares during Financial Year 2021-22**

(₹ in crore)

Sl. No.	Economic Activity	Number of Companies		Authorized Capital	
		Number	Per cent	Amount	Per cent
(1)	(2)	(3)	(4)	(5)	(6)
<b>I</b>	<b>Agriculture and Allied Activities</b>	<b>13,383</b>	<b>8.07%</b>	<b>1,593.26</b>	<b>1.51%</b>
<b>II</b>	<b>Industry</b>	<b>47,808</b>	<b>28.82%</b>	<b>41,602.49</b>	<b>39.44%</b>
i.	Manuf acturing	34,616	20.87%	31,450.07	29.82%
ii.	Construction	10,500	6.33%	4,983.23	4.72%
iii.	Electricity, Gas & Water companies	1,702	1.03%	4,953.72	4.70%
iv.	Mining & Quarrying	990	0.60%	215.47	0.20%
<b>III</b>	<b>Services</b>	<b>1,04,667</b>	<b>63.11%</b>	<b>62,287.49</b>	<b>59.05%</b>
i.	Business Services	44,151	26.62%	27,718.14	26.28%
ii.	Community, Social and Personal Services	22,274	13.43%	7,954.61	7.54%
iii.	Real Estate and Renting	5,968	3.60%	14,288.98	13.55%
iv.	Trading	20,057	12.09%	3,314.52	3.14%
v.	Transport, storage and Communications	5,760	3.47%	950. 80	0.90%
vi.	Finance	6,263	3.78%	7,925.22	7.51%
vii.	Insurance	194	0.12%	135.21	0.13%
<b>Grand Total</b>		<b>1,65,858</b>	<b>100 %</b>	<b>1,05,483.00</b>	<b>100%</b>

### One Person Company (OPC)

**3.11.1** OPC as a new business enterprise entity has been introduced under Section 2(62) read with Section 3(c) of the Companies Act, 2013. As per Section 2(62) of the Companies Act, 2013, “One Person Company” means a company which has only one person as a member. During the year

2021-22, a total of 10,112 OPCs were registered with authorized capital of ₹ 411.90 crores. Economic activity-wise classification of OPCs reveals that the highest number of OPCs were registered in Business Services (3,908) followed by Manufacturing (1,759), Trading (1,621) and Community, Social & Personal Services (1,277), as given in **Table 3.10** below.

**Table 3.10**  
**Economic Activity-wise Registration of One Person Company**  
**during Financial Year 2021-22**

(Capital in ₹ crore)

Sl. No.	Economic Activity	Number	Authorized Capital
(1)	(2)	(3)	(4)
<b>I</b>	<b>Agriculture and Allied Activities</b>	<b>243</b>	<b>10.76</b>
<b>II</b>	<b>Industry</b>	<b>2410</b>	<b>110.7</b>
i.	Manufacturing	1759	77.26
ii.	Construction	561	27.86
iii.	Electricity, Gas & Water companies	62	4.08
iv.	Mining & Quarrying	28	1.5
<b>III</b>	<b>Services</b>	<b>7459</b>	<b>290.44</b>
i.	Business Services	3908	141.53
ii.	Community, personal & Social Services	1277	48.15
iii.	Real Estate and Renting	255	13.47
iv.	Trading	1621	70.58
v.	Transport, Storage, and Communications	370	15.32
vi.	Finance	28	1.4
vii.	Insurance	0	0
<b>Grand Total</b>		<b>10,112</b>	<b>411.90</b>

## Closure of Companies

**3.12.1** A company comes into existence with the issuance of a Certificate of Incorporation by the Registrar of Companies (RoC). This certificate legally operates as conclusive evidence of the company coming into

existence. According to Regulation 21 of the Companies Regulations, 1956, and Section 7 of the Companies Act, 2013 a 'Register of Companies', containing the names of the companies and Corporate Identification Number (CIN) assigned to them, is maintained in the office of the RoC.

A company can be closed in the following manner:

- i. the company is liquidated/dissolved by the process of law, or
- ii. in case the company is defunct, by striking it off the Register by RoC under Section 248 of Companies Act, 2013.

## Status of Closed Indian Companies

**3.13.1** A total of 8,25,771 Indian companies were closed as on 31<sup>st</sup> March 2022. **Table 3.11** presents the summary picture of closed companies. State/ Region/UTs wise distribution of companies which were closed and under liquidation is shown in **Statement-V (Appendix)**.

**Table 3.11**  
**Status of Closed Indian Companies as on 31<sup>st</sup> March, 2022**

Sl. No.	Description	No. of Companies
(1)	(2)	(3)
1.	Liquidated/Dissolved	11,274
2.	Defunct/Struckoff	7,63,838
3.	Amalgamated/Merged	29,043
4.	No. of Companies Converted to LLP	16,740
5.	Dissolved and Converted to LLP	4,876
<b>Total Number of Closed Companies</b>		<b>8,25,771</b>

## Number of Indian Companies Closed During Financial Year 2021-22

**3.14.1** During the financial year 2021-22, 67,068 companies were closed. Of these, 63,262 were Defunct/Struck-off, 1,954 were

Amalgamated/Merged and 1,633 were dissolved and converted to LLP. **Table 3.12** below indicates the number of companies closed during the financial years 2017-18 to 2021-22.

**Table 3.12**  
**No. of Companies Closed during Financial Year 2017-18 to 2021-22**

Financial Year	Liquidated/Dissolved	Defunct/Struck-off	Amalgamated/Merged	Converted to LLP and Dissolved	Total
(1)	(2)	(3)	(4)	(5)	(6)
2017-18	194	2,34,371	1,695	2	2,36,262
2018-19	155	1,38,446	2,061	2,571	1,43,223
2019-20	321	65,174	2,544	2,933	70,972
2020-21	87	12,892	1,699	1,380	16,148
2021-22	219	63,262	1,954	1,633	67,068



**3.15.2** The State/ UTs / Region-wise distribution of companies which were closed and under liquidation during financial year 2021-22 is given in **Statement-VI (Appendix)**.

### Companies Struck Off under Section 248 of Companies Act, 2013: Government Companies

**3.16.1** A “Defunct Company” is a company which is neither carrying on any business nor in operation. The Registrar of Companies has powers to remove the name of a company

from the Register of Companies if he has reasonable cause to believe that it is a defunct company by following the procedure provided in Section 248 of the Companies Act, 2013.

**3.16.2** Sixteen government companies, with a total paid up capital of ₹ 38.65 crores were struck-off from the Register of Companies in the year 2021-22. **Table 3.13** summarizes the number of government companies struck-off under Section 560 of the Companies Act, 2013 during the financial years 2017-18 to 2021-22.

**Table 3.13**  
**Government Companies struck-off under Section 560 of the Companies Act, 2013 during Financial Year 2017-18 to 2021-22**

Financial Year	Companies struck off	
	No. of Companies	Paid-up Capital (in ₹ crore)
(1)	(2)	(3)
2017-18	14	53.31
2018-19	14	7.23
2019-20	12	7.42
2020-21	4	7.66
2021-22	16	38.65

### Non-Government Companies

**3.17.1** The names of 63,246 non-government companies, with a total paid up capital of ₹ 6,739.83 crores were struck-off from the Register of Companies in 2021-22. The State/Region-wise distribution of Non-

Government Companies, which were struck-off during the year 2021-22, is shown in **Statement-VII (Appendix)**. **Table 3.14** summarizes the number of non-government companies struck-off under Section 248 of the Companies Act, 2013 during the financial years 2017-18 to 2021-22.

**Table 3.14**  
**Non-Government Companies struck-off u/s 248 during Financial Year 2017-18 to 2021-22** (₹ in crore)

Financial Year	Companies struck off	
	No. of Companies	Paid - up Capital
(1)	(2)	(3)
2017-18	2,34,357	14,593.95
2018-19	1,38,432	12,753.19
2019-20	65,162	6,086.10
2020-21	12,887	1,137.52
2021-22	63,246	6,739.83



## Winding Up/Liquidation of Companies

**3.18.1** At the beginning of 2021-22, there were 4,030 companies under liquidation and 21 new cases of winding up came up during

the financial year. Of these, 232 companies were finally dissolved during the year 2021-22. **Table 3.15** presents distribution of companies in liquidation by their mode of winding up during the year 2021-22.

**Table 3.15**  
**Distribution of Companies by mode of Winding Up/ Liquidation under Companies Act, 1956**

Sl. No.	Particulars	No. of Cos. In Liquidation as on 01.04.2021	No. of Cos. That went into Liquidation from 01.04.2021 to 31.03.2022	Total (3)+(4)	No. of Cos. Finally dissolved from 01.04.2021 to 31.03.2022	No. of Cos. In Liquidation as on 31.03.2022 (5)-(6)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Voluntary Winding up by Members	47	11	58	37	21
2.	Winding up by the Court	3,983	10	3,993	195	3,798
<b>Total</b>		<b>4,030</b>	<b>21</b>	<b>4,051</b>	<b>232</b>	<b>3,819</b>

## Winding up/Liquidation under Companies Act, 2013

No. of Companies in Liquidation as on 01.04.2021	No. of Companies went into Liquidation during the period from 01.04.2021 to 31.03.2022	Total	No. of Companies finally dissolved during the period from 01.04.2021 to 31.03.2022	No. of Companies in Liquidation as on 31.03.2022
(1)	(2)	(3)	(4)	(5)
<b>151</b>	<b>17</b>	<b>168</b>	<b>0</b>	<b>168</b>

## Active Companies by Type of Liabilities

**3.19.1** As has been reported in **Table 3.1** of this chapter, there were 14,38,045 active companies operating in the country as on 31<sup>st</sup>

March 2022, of these 14,28,372 were companies limited by shares; 9,376 were companies limited by guarantees and 297 were companies with unlimited liability as summarized in **Table 3.16** below:

**Table 3.16**  
**Active Companies as on 31<sup>st</sup> March, 2022**

(₹ in crore)

Sl. No.	Type of Company	Number	Authorized capital
(1)	(2)	(3)	(4)
<b>I</b>	<b>Companies Limited by Shares</b>	<b>14,28,372</b>	<b>89,06,751.76</b>
	(a) Government Companies	2,171	23,91,066.00
	i) Public	1,527	23,06,388.70
	ii) Private	644	84,677.30
	iii) OPC	0	0.00
	(b) Non- Government Companies	14,26,201	65,15,685.75
	i) Public	65,924	35,35,953.82
	ii) Private	13,17,253	29,78,227.04
	iii) OPC	43,024	1,504.88
<b>II</b>	<b>Companies with Unlimited Liability</b>	<b>297</b>	<b>8,526.49</b>
	(a) Government Companies	4	1,065.00
	(b) Non- Government Companies	293	7,461.49
<b>III</b>	<b>Liability limited by Guarantee</b>	<b>9,376</b>	<b>2,742.23</b>
	(a) Government Companies	29	732.06
	(b) Non- Government Companies	9,347	2,010.17
<b>Total</b>		<b>14,38,045</b>	<b>89,18,020.47</b>

### Active Companies Limited by Share

**3.20.1** Active companies limited by share include OPCs (43,024), private companies limited by shares (13,60,921) and public

companies limited by shares (67,451). Of the public limited companies, 6,743 were listed and 60,708 were unlisted companies as summarized in **Table 3.17** below:

**Table 3.17**  
**Active Companies Limited by Shares as on 31<sup>st</sup> March, 2022**

Sl. No.	Companies Limited by Shares	Government	Non - Government	Total
(1)	(2)	(3)	(4)	(5)
<b>1.</b>	<b>Public Limited</b>	<b>1,527</b>	<b>65,924</b>	<b>67,451</b>
	Of which -			
I	Listed	79	6,664	6,743
II	Unlisted	1,448	59,260	60,708

Sl. No.	Companies Limited by Shares	Government	Non-Government	Total
(1)	(2)	(3)	(4)	(5)
2.	Private Limited	644	13,60,277	13,60,921
	Of which -			
	One Person Company	0	43,024	43,024
	<b>Total</b>	<b>2,171</b>	<b>14,26,201</b>	<b>14,28,372</b>

**3.20.2** Maharashtra has the maximum number of active companies (2,81,464), followed by Delhi (2,20,175) and West Bengal (1,32,109) as on 31<sup>st</sup> March, 2022. State-wise distribution of number of active companies as on 31<sup>st</sup> March, 2022 is given in **Statement-VIII (Appendix)**.

**3.20.3** The economic activity-wise classification of active companies reveals that a large number of companies are engaged in Business Services (4,37,189) followed by Manufacturing (2,96,410), Trading (1,82,975) and Construction (1,14,517). Economic activity-wise distribution of active companies as on 31<sup>st</sup> March, 2022, is given in **Statement- IX (Appendix)**.

## Long Term Trends

**3.21.1 Statement-X (Appendix)** provides the data on the corporate sector under various categories of active companies since operation of the Act i.e., the years 1956-57 to 2021-22. It is observed that the companies with liability limited by shares have recorded phenomenal growth.

**3.21.2** The first company with unlimited liability was registered in 1973-74. The number of active companies in this category was 297 at the end of 2021-22.

**3.21.3** Unlike companies limited by shares, the companies limited by Guarantee and Associations that are not for profit, have not shown much growth. At the end of 1956-57, there were 1,364 companies, and the number of such active companies at the end of 2021-2022 was 9,376.

## Foreign Companies

**3.22.1** Section 2(42) of the Companies Act, 2013 defines, “Foreign Companies” as any company or body corporate incorporated outside India which has a place of business in India whether by itself or through an agent, physically or through electronic mode; and conducts any business activity in India in any other manner. During financial year 2021-22, a total of 58 Foreign Companies were registered in India. Of the total 5,051 foreign companies registered in India up to 31<sup>st</sup> March, 2022, 678 Companies belong to the United States of America, 498 companies to Singapore, 383 companies to the United Kingdom, 357 companies to Japan and 253 companies to Germany. The number of active Foreign Companies reported to have a place of business in the country as on 31<sup>st</sup> March, 2022 was 3,303. **Table 3.18** indicates country-wise distribution of registered and active Foreign Companies as on 31<sup>st</sup> March, 2022, and newly registered foreign companies during the year 2021-2022

**Table 3.18**  
**Distribution of Foreign Companies by their Country of Origin as on 31<sup>st</sup> March, 2022**

Sl. No.	Country	No. of Foreign Companies		
		Registered during 2021-22	Registered as on 31.03.2022	Active as on 31.03.2022
(1)	(2)	(3)	(4)	(5)
1.	Australia	3	85	48
2.	Austria	4	36	27
3.	Bahamas	0	6	3
4.	Bahrain	0	8	8
5.	Bangladesh	0	9	8
6.	Barbados	0	5	5
7.	Belarus	0	4	2
8.	Belgium	1	41	26
9.	Bermuda	0	11	6
10.	Bosnia -Herzegovina	0	3	2
11.	Brazil	0	7	5
12.	British Virgin Islands	0	19	16
13.	Bulgaria	0	2	2
14.	Canada	0	71	49
15.	Cayman Islands	0	22	14
16.	China	1	107	91
17.	Croatia	0	3	2
18.	Cyprus	0	13	11
19.	Czech Republic	0	7	4
20.	Denmark	0	27	15
21.	Egypt	0	2	2
22.	Finland	1	28	16
23.	France	4	141	89
24.	Georgia	0	2	2
25.	Germany	4	253	139
26.	Greece	0	3	2
27.	Hong Kong	2	186	98
28.	Iceland	0	7	5

Sl. No.	Country	No. of Foreign Companies		
		Registered during 2021-22	Registered as on 31.03.2022	Active as on 31.03.2022
(1)	(2)	(3)	(4)	(5)
29.	Indonesia	1	13	9
30.	Iran	1	7	7
31.	Ireland	1	18	11
32.	Israel	0	25	18
33.	Italy	2	118	68
34.	Japan	4	357	164
35.	Jordan	0	2	2
36.	Kazakhstan	0	4	3
37.	Kuwait	0	10	7
38.	Kyrgyzstan	0	2	2
39.	Luxembourg	0	7	3
40.	Malaysia	1	80	54
41.	Mauritius	1	21	16
42.	Nepal	0	10	7
43.	Netherlands	1	99	54
44.	New Zealand	0	8	4
45.	Nigeria	0	4	3
46.	North Korea	0	15	11
47.	Norway	0	23	13
48.	Oman	0	12	10
49.	Panama	0	6	6
50.	Philippines	0	4	2
51.	Poland	1	8	6
52.	Portugal	0	7	5
53.	Qatar	0	6	5
54.	Russian Fed.	1	47	37
55.	Saudi Arabia	0	11	10
56.	Singapore	4	498	261
57.	Slovenia	0	4	3
58.	South Africa	0	9	4
59.	South Korea	2	183	108

Sl. No.	Country	No. of Foreign Companies		
		Registered during 202 1-22	Registered as on 31.03.2022	Active as on 31.03.2022
(1)	(2)	(3)	(4)	(5)
60.	Spain	1	85	61
61.	Sri Lanka	0	18	17
62.	Swaziland	0	4	3
63.	Sweden	0	29	15
64.	Switzerland	1	87	54
65.	Taiwan	0	43	31
66.	Thailand	0	49	28
67.	Turkey	0	18	11
68.	Ukraine	0	9	6
69.	United Arab Emirates	3	96	67
70.	United Kingdom	3	383	255
71.	USA	7	678	424
72.	Others	3	826	721
	<b>Total</b>	<b>58</b>	<b>5,051</b>	<b>3,303</b>



## CHAPTER - IV

### Applications and Documents under the Act

**4.1.1** The receipt and disposal of statutory applications and documents under various sections of the Act during the year 2021-22 by (i) Regional Directors/ Registrars of Companies, (ii) the Central Government are reviewed in this Chapter.

#### Receipt of Applications by RoCs through various e-Forms

**4.2.1** During the year 2021-22, a total of

22,36,689 applications were received in the offices of RoCs. As on 1st April, 2021, a total of 73,782 applications were pending. Out of total 23,10,471 applications, 22,61,507 (97.88 per cent) applications were disposed of, and only 48,964 (2.11 per cent) applications were pending at the end of the year. The break-up of applications received and disposed of during the year 2021-22 is given in **Table 4.1**:

**Table 4.1**  
**Applications received and considered during the Year 2021-22**

Sl. No.	Description	e-Form	Pending as on 01.04.2021	Received during the year 2021-22	Total (4) + (5)	Disposed of during the year 01.04.2021 to 31.03.2022	Pending at the end of the year 31.03.2022
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Application for reservation of name	INC-1	3,188	2,49,864	2,53,052	2,48,209	4,843
2.	Form for Incorporation and Nomination (One Person Company)	INC-2	3	0	3	1	2
3.	Form for change in member/nominee of One Person Company	INC-4	10	191	201	182	19
4.	Application for Conversion	INC-6	18	436	454	419	35
5.	Application for Incorporation of Company (Other than One Person Company)	INC-7	37	45	82	10	72
6.	Application for striking off the name of the Company under the Fast-Track Exit (FTE) Mode.	Form FTE	1,006	1	1,007	611	396

Sl. No.	Description	e-Form	Pending as on 01.04.2021	Received during the year 2021-22	Total (4) + (5)	Disposed of during the year 01.04.2021 to 31.03.2022	Pending at the end of the year 31.03.2022
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
7.	Application by Company to RoC for removing its name from Register of Companies	Form STK2	28,626	16,785	45,411	37,646	7,765
8.	Notice of situation or change of situation of registered office and verification	INC-22	512	79,283	79,795	79,328	467
9.	Application for approval of Central Government for change of name	INC-24	968	10,880	11,848	10,731	1,117
10.	Conversion of public company into private company or private company into public company	INC-27	72	1032	1,104	1,062	42
11.	Notice to Registrar for alteration of share capital	SH-7	1,571	31,491	33,062	31,379	1,683
12.	Application for registration of creation, modification of charge (other than those related to debentures) including particulars of modification of charge by Asset Reconstruction Company in terms of SARFAESI Act, 2002	CHG-1	8,440	1,77,558	1,85,998	1,78,381	7,617
13.	Particulars for satisfaction of charge	CHG-4	3,717	66,357	70,074	66,394	3,680
14.	Application for registration of creation or modification of charge for debentures or rectification of particulars filed in respect of creation or	CHG-9	383	3,936	4,319	3,711	608
15.	Information to be filed by foreign company	FC-1	18	15	33	0	33

Sl. No.	Description	e-Form	Pending as on 01.04.2021	Received during the year 2021-22	Total (4) + (5)	Disposed of during the year 01.04.2021 to 31.03.2022	Pending at the end of the year 31.03.2022
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
16.	Return of alteration in the documents filed for registration by foreign company	FC-2	49	52	101	85	16
17.	List of all principal places of business in India established by foreign company	FC-3	8	1,004	1,012	954	58
18.	Application for allotment of Director Identification Number	DIR-3	382	1,21,946	1,22,328	1,22,009	319
19.	Particulars of appointment of directors and the key managerial personnel and the changes amongst them	DIR-12	1,796	3,19,261	3,21,057	3,19,270	1,787
20.	Application by a company for registration under Section 366	URC-1	0	0	0	0	0
21.	Particulars of person(s) or director(s) charged or	GNL-3	3	367	370	364	6
22.	Form for consent of nominee of One Person Company	INC-3	NA	NA	NA	NA	NA
23.	Application to Regional Director for conversion of Section 8 company into any other kind of company	INC-18	64	89	153	79	74
24.	Intimation to Registrar of revocation or surrender of license issued under Section 8	INC-20	7	36	43	37	6
25.	Application to Regional director for approval to shift the registered office from one state to another state or from jurisdiction of one registrar to another within the state	INC-23	615	2,687	3,302	2,569	733

Sl. No.	Description	e-Form	Pending as on 01.04.2021	Received during the year 2021-22	Total (4) + (5)	Disposed of during the year 01.04.2021 to 31.03.2022	Pending at the end of the year 31.03.2022
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
26.	Notice of order of the Court or other authority	INC-28	2,736	12,453	15,189	12,238	2,951
27.	Integrated incorporation form	INC-29	44	0	44	3	41
28.	Return of Allotment	PAS-3	946	77,447	78,393	77,409	984
29.	Letter of offer	SH-8	199	1,505	1,704	1,524	180
30.	Return in respect of buy back of securities	SH-11	161	1,533	1,694	1,530	164
31.	Return of deposits	DPT-3	5,603	3,98,079	4,03,682	4,01,780	1,902
32.	Statement regarding deposits existing on the commencement of the Act	DPT-4	33	0	33	0	33
33.	Notice of appointment or cessation of receiver or manager	CHG-6	0	1	1	0	1
34.	Notice of situation or change of situation or discontinuation of situation, of place where foreign register shall be kept	MGT-3	NA	NA	NA	NA	NA
35.	Return to the Registrar in respect of declaration under Section 89 received by the company	MGT-6	44	9,513	9,557	9,511	46
36.	Changes in shareholding position of promoters and top ten shareholders	MGT-10	5	6	11	1	10
37.	Filing of Resolutions and agreements to the Registrar under Section 117	MGT-14	3,167	2,15,516	2,18,683	2,15,707	2,976
38.	Report of AGM	MGT-15	11	5,108	5,119	5,110	9
39.	Notice of address at which books of account are maintained	AOC-5	308	5,186	5,494	5,264	230
40.	Application to the Central Government for appointment of cost auditor	CRA-2	42	9,006	9,048	9,025	23

Sl. No.	Description	e-Form	Pending as on 01.04.2021	Received during the year 2021-22	Total (4) + (5)	Disposed of during the year 01.04.2021 to 31.03.2022	Pending at the end of the year 31.03.2022
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
41.	Notice to Registrar about appointment of auditor	ADT-1	2,814	2,84,771	2,87,585	2,85,739	1,846
42.	Notice of Resignation by the Auditor	ADT-3	296	45,723	46,019	45,723	296
43.	Intimation of Director Identification Number by the company to the Registrar	DIR-3C	37	92	129	97	32
44.	Intimation of change in particulars of Director to be given to the Central Government	DIR-6	237	16,188	16,425	16,179	246
45.	Notice of resignation of a director to the Registrar	DIR-11	122	21,857	21,979	21,855	124
46.	Return of appointment of managing director or whole-time director or manager	MR-1	47	6,802	6,849	6,790	59
47.	Form of application to the Central Government for approval of appointment or reappointment and remuneration or increase in remuneration or waiver for excess or over payment to managing director or whole-time director or manager and commission or remuneration to directors	MR-2	223	65	288	78	210
48.	Annual Return	FC-4	25	1,187	1,212	1,200	12
49.	Application to CG for extension of time limit to hold AGM	GNL-1	1,517	22,550	24,067	22,117	1,950
50.	Filing of documents with RoC (Merger, Amalgamation)	GNL-2	1,581	13,961	15,542	14,095	1,447
51.	Addendum	GNL-4	NA	NA	NA	NA	NA

Sl. No.	Description	e-Form	Pending as on 01.04.2021	Received during the year 2021-22	Total (4) + (5)	Disposed of during the year 01.04.2021 to 31.03.2022	Pending at the end of the year 31.03.2022
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
52.	Memorandum of Appeal	ADJ	39	117	156	100	56
53.	Application to RoC for obtaining the status of dormant company	MSC-1	155	433	588	405	183
54.	Return of dormant companies	MSC-3	47	807	854	798	56
55.	Application for seeking status of active company	MSC-4	48	172	220	193	27
56.	Form for filing application to Central Government (Regional Director)	RD-1	901	1,446	2,347	1,376	971
57.	Form for filing application to Central Government (Regional Director)	RD-2	NA	NA	NA	NA	NA
58.	Application to HQ - Others	CG-1	901	1,849	2,750	2,229	521
<b>Total</b>			<b>73,782</b>	<b>22,36,689</b>	<b>23,10,471</b>	<b>22,61,507</b>	<b>48,964</b>

Source: MCA21

## Receipt and Disposal of Complaints by RoCs

**4.3.1** The nature of complaint could be related to (i) non-receipt of share certificates, transfer of shares or dividend, non-receipt of bonus, non-receipt of dividend, etc., (ii) issuance of debentures or bonds, (iii) non-receipt of interest, interest on delayed payment and non-payment of matured amount of fixed deposits, and (iv) miscellaneous non-receipt of Annual Report, interest on delayed refund payment, non-receipt of debenture certificate, non-receipt

of interest, exchange of allotment, registration of change in address, etc.

**4.3.2** The number of complaints from investors and members of the public pending consideration in the office of the RoCs as on 1<sup>st</sup> April, 2021 was 56,129. During the year 2021-22, 8,050 complaints were received. Of these 4,937 (7.69 per cent) complaints were disposed of, leaving a pendency of 59,242 (92.31 per cent) complaints at the end of the year. **Table 4.2 (A)** gives the comparative position regarding complaints received and disposed of in the office of RoCs during the year.



**Table 4.2 (A)**  
**Nature of Complaints Dealt by RoCs**

Sl. No.	Nature of Complaints	Pending as on 01.04.2021	Received during 2021-22	Total (3) + (4)	Disposed during 2021-22	Pending as on 31.03.2022
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Debentures / Bond	128	50	178	23	155
2.	Fixed Deposits-non-receipt	1,087	286	1,373	258	1,115
3.	Miscellaneous non-receipt	10,449	3,952	14,401	1,664	12,737
4.	Others/Serious nature complaint	44,437	3,747	48,184	2,979	45,205
5.	Shares/Dividend	28	15	43	13	30
<b>Total</b>		<b>56,129</b>	<b>8,050</b>	<b>64,179</b>	<b>4,937</b>	<b>59,242</b>

Source: MCA21

**4.3.3** The RoC-wise break-up of complaints received during the year 2021-22 is given in **Table 4.2 (B)**. The RoCs at Delhi, Kolkata, Mumbai, Bangalore, Chennai, Hyderabad, Kanpur, Ernakulam, and Ahmedabad

accounted for 86.88 per cent of the total complaints received during the year and the disposal rate of these RoCs was 6.98 per cent.

**Table 4.2 (B)**  
**RoC-wise Break-up of Complaints Received and Disposed of during the Year 2021-22**

Sl. No.	Registrar of Companies	Pending as on 01.04.2021	Received during 2021-22	Total (3)+(4)	Disposed during 2021-22	Pending as on 31.03.2022
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Ahmedabad	2,741	271	3,012	144	2,868
2.	Bangalore	270	486	756	83	673
3.	Chandigarh	477	169	646	71	575
4.	Chennai	2,883	418	3,301	756	2,545
5.	Chhattisgarh	269	21	290	5	285
6.	Coimbatore	263	79	342	7	335
7.	Cuttack	1,551	94	1,645	53	1,592

Sl. No.	Registrar of Companies	Pending as on 01.04.2021	Received during 2021-22	Total (3)+(4)	Disposed during 2021-22	Pending as on 31.03.2022
(1)	(2)	(3)	(4)	(5)	(6)	(7)
8.	Delhi	3,404	2,457	5,861	721	5,140
9.	Ernakulam	749	272	1,021	250	771
10.	Goa	367	13	380	0	380
11.	Gwalior	1,515	116	1,631	53	1,578
12.	Himachal Pradesh	141	63	204	5	199
13.	Hyderabad	940	312	1,252	567	685
14.	Jaipur	505	209	714	141	573
15.	Jammu	26	9	35	5	30
16.	Jharkhand	823	10	833	0	833
17.	Kanpur	3,093	287	3,380	1,829	1,551
18.	Kolkata	24,561	1,411	25,972	31	25,941
19.	Mumbai	9,031	1,080	10,111	101	10,010
20.	Patna	1,834	25	1,859	4	1,855
21.	Pondicherry	53	11	64	12	52
22.	Pune	163	111	274	53	221
23.	Shillong	195	25	220	0	220
24.	Uttarakhand	246	32	278	0	278
25.	Vijayawada	18	50	68	24	44
26.	Not Assigned	11	19	30	22	8
<b>Total</b>		<b>56,129</b>	<b>8,050</b>	<b>64,179</b>	<b>4,937</b>	<b>59,242</b>

Source: MCA21

### Complaints Received and Disposed of by Headquarters, New Delhi

**4.4.1** The Ministry received 18,929 grievances petitions from the investors/depositors on the CPGRAMS Portal during the period from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022. As on 31<sup>st</sup> March, 2022, 18578 grievances were resolved with subordinate offices.

**4.4.2** Further, Investor Grievance Management (IGM) Cell received 07 offline grievances pertaining to Divisions/

Sections/Field Offices of this Ministry and 630 offline grievances pertaining to other agencies such as SEBI, IRDA, RBI, Ministry of Finance (Financial Services), Ministry of Labour & Employment, Ministry of Cooperation, Ministry of Housing and Urban Affairs, Department of Economic Affairs, Ministry of Micro, Small & Medium Enterprises (MSME). The offline grievances were forwarded to the respective agencies for further necessary action.

## Applications Received by MCA in case of Government Companies, Arrangements and Amalgamations.

**4.5.1** From 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022, 13 applications were received and considered under Sections 230-232 (Compromises, Arrangements and

Amalgamation of Government Companies) of the Companies Act, 2013. As on 1<sup>st</sup> April, 2022, 11 applications were pending. Applications received by MCA in case of Government Companies, Compromises, Arrangements and Amalgamations are given below in **Table 4.3**.

**Table 4.3**  
**Applications Received in case of Government Companies -Compromises, Arrangements and Amalgamations**

Sl. No.	Subject	Pending as on 01.04.2021	Received during 01.04.2021 to 31.03.2022	Total (3) +(4)	Disposed of during 01.04.2021 to 31.03.2022	No. of applications as on 01.04.2022
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Sections 230-232 of the Companies Act, 2013 (Compromises, Arrangements and Amalgamation)	5	8	13	2	11

## Applications Received and Considered by RDs under Sections 230-232 of the Companies Act, 2013

**4.6.1** Under Sections 230-232 (Notices received from the Tribunal) of the Act, 2013, 490 applications were pending as on 1<sup>st</sup> April, 2021. 841 applications were received during the period 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022. 819 were disposed of till 31<sup>st</sup> March, 2022. 512 applications were pending as on 1<sup>st</sup> April, 2022.

**4.6.2** Under Section 233 of the Act, Amalgamation of Small Companies or between holding company and its wholly owned subsidiaries and Section 230-232 of the Act, related to Notices, a total of 608 applications were pending as on 1<sup>st</sup> April, 2021. During the period 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022, a total of 1,210 applications were received. Out of 1,818 total applications, a total of 1,142 applications were disposed of and 676 applications were pending as on 1<sup>st</sup> April, 2022. Applications received and considered by Regional Directors during the period are given below in **Table 4.4**.

**Table 4.4**  
**Applications Received and Considered by Regional Directors**  
**during the Year 2021-22**

Sl. No.	Subject	Pending as on 01.04.2021	Received during 01.04.2021 to 31.03.2022	Total (3) +(4)	Disposed of during 01.04.2021 to 31.03.2022	Pending as on 01.04.2022
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Sections 230-232 of Companies Act, 2013 (Notices received from the Tribunal)	490	841	1,331	819	512
2.	Section 233 of the Companies Act, 2013 (Amalgamation of small companies or between holding company and its wholly owned subsidiaries)	118	369	487	323	164
<b>Total</b>		<b>608</b>	<b>1,210</b>	<b>1,818</b>	<b>1,142</b>	<b>676</b>

## Cost Audit

**4.7.1** The Ministry received 10,574 CRA-2 e-Forms relating to the appointment of Cost Auditors during the year 2021-22 and out of which 8045 CRA-2 were taken on record.

**4.7.2** The number of Cost Audit Reports filed by companies during the year 2021-22 in e-Form CRA-4 stood at 9,030 and out of which 6,880 e-Form CRA-4 were taken on record.

**4.7.3** During the year 2021-22, Cost Audit Branch, MCA has shared 279 Cost Audit Reports, as filed by the companies, with various user departments like Serious Fraud Investigation Office, Ministry of Finance, Department of Public Enterprises, Tariff Commission, Directorate General of Trade Remedies, CGST Audit Commissionerate, etc.

## Appointment and Remuneration of Managerial Personnel

**4.8.1** The Ministry deals with statutory applications (MR-2) for appointment and remuneration of Managerial personnel in companies under Sections 196 and 197 read with (r/w) Schedule V of the Act.

**4.8.2** Under Section 406 of Companies Act, 2013, Nidhi Companies need to get their Status updated/declared as Nidhi company as the case be. Companies need to apply in form NDH-4 before the Central Government. During the period from 01.04.2021 to 31.03.2022, 1470 Nidhi company applications in form NDH-4 were received and preliminarily scrutinized. Further, 352 NDH-4 applications were finally processed and decided during 01.04.2021 to 31.03.2022.

**4.8.3** The details of receipts and disposal of statutory applications (MR-2) for the period

from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022 are given in **Table 4.5**.

**Table 4.5**  
**Applications on Managerial Appointments Received and Disposed of**  
**during the period from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022**

Section of the Companies Act, 2013	Description	Pending as on 1 <sup>st</sup> April, 2021	Received from 1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022	Total (3) + (4)	Disposed of from 1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022	Pending as on 1 <sup>st</sup> April, 2022
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Sections 196, 197 r/w Schedule V of the Companies Act, 2013	Appointment/Re-appointment of Managing Directors/ Whole time Directors/Manager/ Chief Executive Officer	72	84	156	78	78

## CHAPTER - V

### Corporate Social Responsibility

**5.1.1** Corporate Social Responsibility (CSR) for certain companies has been mandated through the Companies Act, 2013 ("the Act"). Section 135 of the Act contains the provision related to CSR; Schedule VII of the Act enumerates the activities that can be undertaken under CSR; and Companies (Corporate Social Responsibility Policy) Rules, 2014 prescribe the manner in which the companies have to comply with the CSR provision of the Act. Section 135, Schedule VII, and the Companies (Corporate Social Responsibility Policy) Rules, 2014 were notified on 27<sup>th</sup> February, 2014, and came into force from 1<sup>st</sup> April, 2014.

#### Amendments to Section 135 of Companies Act, 2013

**5.2.1** The Companies (Amendment) Act, 2019 and the Companies (Amendment) Act, 2020 were notified vide Notification nos. 324(E) and 325(E) respectively, on 22<sup>nd</sup> January, 2021. The same are available on the website of the Ministry ([www.mca.gov.in](http://www.mca.gov.in)).

#### I. Key Highlights of Companies (Amendment) Act, 2019

- (i) **Determination of CSR amount-** Earlier, the amount required to be spent by the company was based on the average net profits made during the three immediately preceding financial years. The Companies (Amendment) Act, 2019 provided that, for companies whose existence is

less than three years, the amount required to be spent by the company shall be based on the average net profit of such immediately preceding financial year since the company is incorporated.

- (ii) **Treatment of unspent CSR amount (Sections 135(5) and 135(6))** - A company has to spend at least two per cent of its average net profits within a financial year on CSR. If a company fails to meet its spending obligation, then the company will have the following two alternatives based on whether the company has any ongoing projects or not:

- (a) If it is not an ongoing project, then:-

The company has to transfer the unspent amount within a period of six months from the end of the concerned financial year to a Fund to be specified in Schedule VII of the Act;

- (b) If it is an ongoing project, then:-

*First*, the company has to open a special account in any scheduled bank called "Unspent Corporate Social Responsibility Account".

*Second*, the company has to transfer its unspent CSR amount within a period of thirty days from the end of the concerned financial year to this special account.



*Third*, the company has to spend the amount transferred to the “Unspent Corporate Social Responsibility Account” as per its CSR Policy within a period of three financial years from the date transfer of such amount into the special account.

*Fourth*, if the company is unable to spend any amount from the “Unspent Corporate Social Responsibility Account”, such amount has to be transferred to a Fund to be specified in Schedule VII of the Act within a period of 30 days from the date of completion of third financial year.

- (iii) **Section 135(8):** The Central Government may give such general or special directions to a company or class of companies as it considers necessary to ensure compliance of provisions of this section and such company or class of companies shall comply with such directions.

## II. Key Highlights of Companies (Amendment) Act, 2020

- (i) **Addition of 3<sup>rd</sup> proviso to Section 135(5):** If a company spends an amount in excess of the two per cent amount as provided in Section 135(5), then such excess amount shall be available for set-off against the obligated CSR amount for the succeeding financial years. (As per the Rules, it is available up to three succeeding financial years).
- (ii) **Amendment of Section 135(7):** The non-compliance of Section 135(5) and 135(6) has been made a civil wrong.

**Provisions:** If a company is in default in complying with the provisions of Sub-section (5) or Sub-section (6), the company shall be liable to a penalty of twice the amount required to be transferred by the company to the Fund specified in Schedule VII or the Unspent Corporate Social Responsibility Account, as the case may be, or one crore rupees, whichever is less, and every officer of the company who is in default shall be liable to a penalty of one-tenth of the amount required to be transferred by the company to such Fund specified in Schedule VII, or the Unspent Corporate Social Responsibility Account, as the case may be, or two lakh rupees, whichever is less.

- (iii) **Addition of Sub-section 135(9):** In order to ease compliance burden of company, Sub-section 9 has been added to Section 135 which provides that where a company is required to spend an amount less than ₹ 50 lakhs, such company need not constitute the CSR Committee.

## Amendment to Companies (CSR Policy) Rules, 2014:

**5.3.1** Details of the amendments carried out during the period from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020 are given below:

An amendment was notified on 24<sup>th</sup> August, 2020 vide Notification no. 526 (E), which was included in the Companies (Corporate Social Responsibility Policy) Rules, 2014, in Rule 2, sub-rule (1), clause (e), the following proviso shall be inserted, namely:-

“Provided that any company engaged in research and development activity of new vaccine, drugs and medical devices in their normal course of business may undertake research and development activity of new vaccine, drugs and medical devices related to COVID-19 for financial years 2020-21, 2021-22 and 2022-23 subject to the conditions that-

- i. such research and development activities shall be carried out in collaboration with any of the institutes or organisations mentioned in item (ix) of Schedule VII to the Act.
- ii. details of such activity shall be disclosed separately in the Annual Report on CSR included in the Board's Report”.
- iii. In the said rules, in Rule 4, sub-rule (1), the words “excluding activities undertaken in pursuance of its normal course of business” shall be omitted.
- iv. In the said rules, in Rule 6, in sub-rule (1),-
  - a. first proviso shall be omitted;
  - b. in the second proviso, the word “further” shall be omitted.

The Companies (CSR Policy) Amendment Rules, 2021 were notified on 22<sup>nd</sup> January, 2021 vide Notification no. 40 (E). The same are available on the website of the Ministry ([www.mca.gov.in](http://www.mca.gov.in)).

## **I. Key Highlights of Companies (CSR Policy) Amendment Rules, 2021**

1. Insertion of new definition: administrative overheads, ongoing projects, international organizations, public authority, etc.

- a) Definition of administrative overheads provides clarity as whether the components shall be included in project cost or administrative overheads.
2. Revised definition of CSR and CSR Policy provides clarity
  - a) New definition of CSR includes a negative list:
    - i. activities undertaken in pursuance of normal course of business of the company (except for R&D for COVID vaccine, drug, etc. for period of three FYs);
    - ii. any activity undertaken by the company outside India (except for sports training);
    - iii. contribution of any amount directly or indirectly to any political party under Section 182 of the Act;
    - iv. activities benefiting employees of the company;
    - v. activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
    - vi. activities carried out for fulfilment of any other statutory obligations under any law in force in India.
  - b) New definition of CSR Policy provides that the CSR Policy of the company shall mandatorily include the vision of the company as well as the annual action plan to undertake CSR. The annual action plan shall include:

- i. the list of CSR projects or programmes that are approved to be undertaken;
  - ii. the manner of execution of such projects;
  - iii. the modalities of utilisation of funds and implementation schedules for the projects;
  - iv. monitoring and reporting mechanism for the projects; and
  - v. details of need and impact assessment, if any, for the projects undertaken by the company.
3. Implementation of CSR by implementing agencies has been strengthened through the followings:
    - a) Contribution to corpus is no more an eligible CSR activity.
    - b) Registration under Sections 12A and 80G of Income Tax Act is mandatory for all implementing agencies, other than those established by Central Government or State Government or any entity established through an Act of Parliament or State Legislature.
    - c) Now registered public trust instead of any registered trust shall act as an implementing agency.
    - d) From 1<sup>st</sup> April, 2021, all implementing agencies have to mandatorily register with MCA by filing CSR-1 form.
  4. Companies having CSR obligation of ₹ 10 crores or more shall mandatorily undertake impact assessment of their CSR projects having outlay of 1 crore or more.
  5. Creation and acquisition of capital assets through CSR is now allowed which shall be held only by those charitable organizations that have registered with MCA or beneficiaries or a public authority.
  6. The Board of the company shall satisfy itself for utilization of CSR funds and the Chief Financial Officer (CFO) or person handling the finance of the company shall certify about the utilization of the fund.
  7. Mandatory display of details of CSR activity of the company if it has any website.
  8. Revision of format for annual report on CSR for enhanced disclosures w.r.t. CSR for promoting transparency.
  9. International Organizations are allowed to carry out designing, monitoring and evaluation of the CSR projects or programmes in order to bring in best international practices in the field of CSR and capacity-building.

## Amendments to Schedule VII

**5.4.1** An indicative list of activities that can be undertaken by a company under CSR has been specified in Schedule VII of the Companies Act, 2013. Details of the amendments carried out during 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2021 are given below:

- (i) Sixth amendment was notified on 26<sup>th</sup> May, 2020 which inserted “or Prime Minister's Citizen Assistance and

Relief in Emergency Situations Fund (PM CARES Fund)” in item no. (viii). This notification was deemed to have come into force on 28<sup>th</sup> March, 2020.

- (ii) Seventh amendment was notified on 23<sup>rd</sup> June, 2020 which inserted “Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;” in item no. (vi).
- (iii) Eighth amendment was notified on 24.08.2020 which inserted “(ix)(a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and Contributions to Public Funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology (MeitY) and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science,

technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs)”

### **Clarifications on CSR expenditure related to COVID-19**

**5.5.1** The Ministry acted proactively during the Covid-19 pandemic, to ensure that the companies could incur CSR expenditure in the abatement of the crisis. Thus, the Ministry issued Circulars to provide clarity to the stakeholders, regarding eligible CSR expenditure activities. Details of the Circulars issued by the Ministry in the FY 2021- 2022 are provided herein below:

- (i) During the second COVID-19 surge in India, the Ministry issued General Circular no. 05/2021 dated 22.04.2021 wherein it was clarified that spending of CSR funds for 'setting up makeshift hospitals and temporary COVID Care facilities' is an eligible CSR activity under item nos. (i) and (xii) of Schedule VII of the Act, relating to promotion of health care including preventive health care and, disaster management respectively.
- (ii) Ministry issued General Circular no. 09/2021 dated 05.05.2021 wherein it was further clarified that spending of CSR funds for 'creating health infrastructure for COVID care,' 'establishment of medical oxygen generation and storage plants', 'manufacturing and supply of Oxygen concentrators, ventilators, cylinders and other medical equipment for countering COVID-19' or similar such activities are eligible CSR activities under item nos. (i) and (xii) of Schedule VII of the Act relating to



promotion of health care including preventive health care and, disaster management respectively.

- (iii) Ministry issued General Circular no. 13/2021 dated 30.07.2021 wherein it was clarified that “spending of CSR funds for COVID-19 vaccination for persons other than the employees and their families”, is an eligible CSR activity under item no. (i) and (xii) of Schedule VII of the Act, relating to promotion of health care including preventive health care and disaster management respectively.

### 5.5.2 Frequently Asked Questions (FAQ)

**on CSR:** The Ministry has issued a comprehensive FAQ on CSR vide General Circular no. 14/2021 dated 25.08.2021 for better understanding of the CSR ecosystem by the stakeholders, and to facilitate effective implementation of CSR by the companies.

## Business Responsibility Reporting (BRR)

**5.6.1** A Committee on Business Responsibility Reporting (BRR) was

constituted to develop new BRR formats for listed and unlisted companies. The said committee submitted its report in May, 2020, which was subsequently released by the Secretary, Corporate Affairs on 11<sup>th</sup> August, 2020. In its Report, the Committee recommended a new reporting framework called the 'Business Responsibility and Sustainability Report (BRSR)' to better reflect the intent and scope of reporting on non-financial parameters. The Committee recommended two formats for disclosures: first 'Comprehensive Format' and the second a 'Lite Version'. The Committee further recommended that the implementation of the reporting requirements should be done in a gradual and phased manner. It was also recommended that the BRSR be integrated with the MCA21 portal.

## Summary Details of CSR Expenditure

**5.7.1** The details of the amount spent as per filings made by companies up to 31<sup>st</sup> March, 2022 in the MCA21 registry for the years 2016-17, 2017-18, 2018-19, 2019-20 and 2020-21 are given in **Table 5.1** below:

**Table 5.1**  
**CSR Expenditure for the Financial Years 2016-17 to 2020-21**

(₹ in crore)

Nature of Company	FY 2016-17		FY 2017-18		FY 2018-19		FY 2019-20		FY 2020-21	
	Total Cos.	Amount Spent	Total Cos.	Amount Spent	Total Cos.	Amount Spent	Total Cos.	Amount Spent	Total Cos.	Amount Spent
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
PSU	551	3,296.51	539	3,651.00	616	4,223.15	460	5,279.83	297	4,448.84
Non-PSU	19002	11,048.37	20981	13,447.18	24487	15,948.91	22258	19,611.80	16710	20,416.62
<b>Total</b>	<b>19,553</b>	<b>14,344.88</b>	<b>21,520</b>	<b>17,098.18</b>	<b>25,103</b>	<b>20,172.06</b>	<b>22,718</b>	<b>24,891.63</b>	<b>17,007</b>	<b>24,865.46</b>

(Data upto 31<sup>st</sup> March, 2022)

5.7.2 CSR expenditure on various developments, sector-wise, during the years

2015-16, 2016-17, 2017-18, 2018-19 and 2019-20 are given in **Table 5.2** below:

**Table 5.2**  
**Sector-wise Corporate Social Responsibility Expenditure**  
**for Financial Year from 2016-17 to 2020-21**

(₹ in crore)

Sl. No.	Development Sector	Amount Spent FY 2016-17	Amount Spent FY 2017-18	Amount Spent FY 2018-19	Amount Spent FY 2019-20	Amount Spent FY 2020-21
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Agro-Forestry	43.45	66.79	64.75	67.38	18.87
2.	Animal Welfare	78.70	63.52	98.28	106.07	187.70
3.	Armed Forces, Veterans, War Widows/Dependents	37.86	29.09	90.18	62.04	83.15
4.	Art And Culture	305.57	395.22	225.08	933.31	479.63
5.	Clean Ganga Fund	24.37	33.96	8.11	6.63	13.36
6.	Conservation Of Natural Resources	119.09	228.14	173.55	159.24	85.03
7.	Education	4,505.05	5,763.08	6,093.63	7,164.49	6,391.86
8.	Environmental Sustainability	1,076.46	1,301.96	1,364.21	1,468.22	981.78
9.	Gender Equality	72.60	24.01	51.81	82.93	35.27
10.	Health Care	2,491.52	2,776.93	3,608.57	4,892.28	6,946.75
11.	Livelihood Enhancement Projects	515.47	832.40	907.49	1,077.47	796.14
12.	Other Central Government Funds	419.99	292.73	730.96	930.86	1,541.56
13.	Poverty, Eradicating Hunger, Malnutrition	606.55	811.20	1,190.66	1,149.10	1,236.09
14.	Prime Minister's National Relief Fund	158.80	200.42	320.67	797.03	1,656.40
15.	Rural Development Projects	1,554.78	1,724.07	2,430.86	2,291.38	1,818.38
16.	Safe Drinking Water	149.69	220.87	228.10	253.00	197.05
17.	Sanitation	421.80	460.68	506.66	521.64	326.11
18.	Senior Citizens Welfare	27.75	40.09	44.97	52.18	55.13
19.	Setting Up Homes and Hostels for Women	62.22	70.58	57.01	48.50	39.92
20.	Setting Up Orphanage	16.80	39.87	12.89	36.47	15.43
21.	Slum Area Development	51.49	39.16	51.06	42.94	74.59
22.	Socio-Economic Inequalities	148.01	155.95	167.84	214.79	119.18
23.	Special Education	165.33	140.01	186.08	196.81	202.05
24.	Swachh Bharat Kosh	184.06	272.07	95.50	53.37	159.68
25.	Technology Incubators	23.09	16.94	32.10	53.50	61.99



Sl. No.	Development Sector	Amount Spent FY 2016-17	Amount Spent FY 2017-18	Amount Spent FY 2018-19	Amount Spent FY 2019-20	Amount Spent FY 2020-21
(1)	(2)	(3)	(4)	(5)	(6)	(7)
26.	Training To Promote Sports	180.33	285.41	308.87	302.12	240.90
27.	Vocational Skills	373.46	546.46	798.21	1,165.22	630.78
28.	Women Empowerment	141.62	251.37	236.34	259.27	188.04
29.	NEC/Not Mentioned	388.96	15.20	87.61	503.40	282.65
<b>Total</b>		<b>14,344.87</b>	<b>17,098.18</b>	<b>20,172.07</b>	<b>24,891.63</b>	<b>24,865.46</b>

(\*Data up to 31<sup>st</sup> March, 2022)

**5.7.3 State/UT- wise CSR expenditure during the years 2016-17, 2017-18, 2018-19,**

**and 2019-20 are given below in Table 5.3 below:**

**Table 5.3**  
**State/UT- wise Corporate Social Responsibility Expenditure**  
**for the period from 2017-18 to 2020-21**

(₹ in crore)

Sl. No.	States/UT	Amount Spent FY 2016-17	Amount Spent FY 2017-18	Amount Spent FY 2018-19	Amount Spent FY 2019-20	Amount Spent FY 2020-21
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Andaman and Nicobar	0.63	0.73	0.82	1.29	2.19
2.	Andhra Pradesh	741.52	575.07	664.87	710.00	662.39
3.	Arunachal Pradesh	24.05	11.91	24.56	18.02	10.58
4.	Assam	256.92	211.33	210.00	282.14	163.21
5.	Bihar	100.62	106.17	137.57	110.15	78.02
6.	Chandigarh	21.96	20.51	11.46	15.58	13.12
7.	Chhattisgarh	84.66	176.70	149.35	268.18	305.73
8.	Dadra And Nagar Haveli	7.37	6.98	13.48	18.34	18.08
9.	Daman And Diu	2.63	20.23	6.25	9.53	5.25
10.	Delhi	460.25	579.37	749.24	827.74	657.73
11.	Goa	33.28	53.77	46.77	43.86	40.95
12.	Gujarat	864.83	967.97	1,082.09	982.53	1,397.26
13.	Haryana	386.17	363.43	377.53	521.11	536.86
14.	Himachal Pradesh	22.83	69.23	78.79	78.61	104.60
15.	Jammu And Kashmir	42.65	50.77	36.44	25.27	35.10
16.	Jharkhand	95.49	109.23	109.80	155.21	208.34
17.	Karnataka	875.38	1,145.42	1,250.39	1,445.80	1,205.23
18.	Kerala	133.82	219.71	354.67	295.78	283.78

Sl. No.	States/UT	Amount Spent FY 2016-17	Amount Spent FY 2017-18	Amount Spent FY 2018-19	Amount Spent FY 2019-20	Amount Spent FY 2020-21
(1)	(2)	(3)	(4)	(5)	(6)	(7)
19.	Lakshadweep	-	2.27	0.39	-	0.01
20.	Madhya Pradesh	161.11	163.92	243.17	215.06	344.13
21.	Maharashtra	2,414.80	2,797.53	3,144.23	3,336.14	3,306.72
22.	Manipur	12.35	4.81	7.81	14.21	9.66
23.	Meghalaya	9.75	11.18	16.54	17.65	12.46
24.	Mizoram	0.08	1.28	0.11	0.25	0.81
25.	Nagaland	0.53	1.81	2.12	5.10	3.57
26.	Odisha	316.31	504.22	688.25	714.82	547.57
27.	Puducherry	7.43	6.09	9.15	11.32	11.79
28.	Punjab	75.05	112.36	166.00	188.52	126.01
29.	Rajasthan	324.23	443.35	595.44	733.95	643.07
30.	Sikkim	6.71	7.00	5.87	10.99	15.15
31.	Tamil Nadu	544.43	669.65	876.83	1,069.45	1,082.33
32.	Telangana	256.15	380.56	428.06	445.56	579.75
33.	Tripura	1.25	1.88	23.06	9.40	9.29
34.	Uttar Pradesh	321.23	435.21	519.14	577.08	826.67
35.	Uttarakhand	102.37	85.79	172.26	124.65	151.30
36.	West Bengal	275.68	338.32	381.77	416.97	427.44
37.	NEC/Not mentioned	7.63	137.93	4.44	30.43	177.51
38.	PAN India*	4,565.50	5,505.31	6,428.09	9,373.03	7,490.84
39.	PAN India (Centralised Funds)	787.22	799.18	1,155.25	1,787.89	3,371.00
<b>Total</b>		<b>14,344.87</b>	<b>17,098.18</b>	<b>20,172.07</b>	<b>24,891.63</b>	<b>24,865.46</b>

(Data up to 31<sup>st</sup> March, 2022) [Source: National CSR Data Portal]

\*Companies either did not specify the names of States or indicated more than one State where projects were undertaken.

## CHAPTER - VI

### Inspections, Investigations and Prosecutions

**6.1.1** The Ministry, as the regulator, is empowered to ensure that the companies comply with the various provisions of the Act. The Ministry is empowered to investigate into the affairs of a company under Chapter XIV comprising Sections 206 to 229 of the Act. The processes involved are:

- i. Inquiry of balance sheets and other documents filed by a company with the Registrar of Companies (RoC);
- ii. Inspection of books of account and papers of a company; and
- iii. Investigation into the affairs of a company, which may be assigned to inspectors drawn from the offices of Regional Directors in the normal course, or to the Serious Fraud Investigation Office (SFIO) in cases falling under the prescribed criteria of complexity, public interest and systemic improvements.

#### Inquiry

**6.2.1** Power to call for information, explanation or documents relating to a company is vested in the RoCs under Sub-

sections (1), (2) and (3) of Section 206 of the Act, (corresponding to Section 234 of the Companies Act, 1956).

**6.2.2** The following factors are considered by the RoCs for undertaking inquiry of balance sheets and other documents filed by the companies:

- i. Alerts generated by MCA21 system on analysis of the balance sheets filed by the companies in XBRL\* mode;
- ii. Qualifications in the auditor's report;
- iii. Companies raising funds through public issues and deposits;
- iv. Complaints received against companies; and/or
- v. References received from other regulatory authorities such as SEBI/RBI, other Ministries/ Departments of the Government of India, and State Governments.

**6.2.3** The number of reports of inquiry received from the RoCs/RDs by the Ministry during the past five financial years is given in **Table 6.1** below:

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\* This Ministry has mandated filing of balance sheets as on 31<sup>st</sup> March, 2011 and onwards, by a certain class of companies in Extensible Business Reporting Language (XBRL) mode.

**Table 6.1****No. of Inquiry Reports received in the Ministry during the past five Financial Years**

Sl. No.	Year	No. of Inquiry Reports
(1)	(2)	(3)
1.	2017 -18	205
2.	2018 -19	625
3.	2019 -20	412
4.	2020 -21	255
5.	2021 -22	248

**Inspections**

**6.3.1** Pursuant to the inquiry as above, further information, explanation or documents may be called for by the RoC. In case the requisite information, explanation or document is not furnished, or if the same is considered inadequate, or if the same reflects an unsatisfactory state of affairs in that company, under Section 206(4), the RoC may require the company to produce books of account, books, papers and other explanation, for inspection.

**6.3.2** If on the basis of the information available with RoC or acting on the representation made to him, the RoC is satisfied that:

- i. the business of a company is being carried on for fraudulent or unlawful purpose, or
- ii. the business of a company is being carried on in violation of the provisions of the Companies Act, or
- iii. if the grievances of the investors are not being addressed, then, the RoC may, under Section 206(4) of the Act call for information or explanation from the company.

**6.3.3** If the Central Government is satisfied that if the circumstances so warrant, it may:

- i. either direct the RoC, or an inspector appointed by it, to carry out inquiry under Section 206(4), and/or
- ii. direct an inspector appointed by it, to carry out inspection of books of account and papers under Section 206(5).

**6.3.4** The Inspectors appointed by the Central Government under Sections 206(4) and 206(5) are usually drawn from amongst the officers posted in the Offices of RDs.

**6.3.5** Inspections under Section 206(5) are ordered after consideration of reports in one or more of the following circumstances:

- i. Violations/irregularities noticed on inquiry of documents filed in the offices of the RoCs;
- ii. Qualifications in Auditor's reports;
- iii. Complaints received in the Ministry or in its field offices about mis-utilization of proceeds of public issue, mismanagement, non-maintenance of books of accounts, delay in transfer of shares/ debentures, delay in payment of dividend, non-payment of deposits or interest thereon etc.; or

- iv. References received from other regulatory authorities such as SEBI/RBI, other Ministries/ Departments of the Government of India and State Governments pointing out violations of the provisions of the Companies Act, 1956 and/or the Act or other irregularities.

**6.3.6.** Inspections are broadly undertaken to serve one or more of the following objectives:

- i. to verify compliance by companies of various provisions of the Companies Act;
- ii. to verify whether the company's financial statements disclose a true and fair view of the company's state of affairs and whether the financial statements have been prepared in accordance with various Accounting Standards notified by the Central Government u/s 133 of the Act;
- iii. to verify whether requisite disclosures as specified in Schedule II to the Companies Act, 1956 as well as Accounting Standards prescribed by the Central Government u/s 133 of the Act have been made in the financial statements;
- iv. to verify whether company's funds have been diverted or misappropriated or whether the company's managerial personnel have misused fiduciary position for any personal gain;
- v. to verify whether there are acts of mismanagement or oppression of the minority shareholders which adversely affect the interest of the company's stakeholders, or which may merit the company to be wound up on just and equitable grounds under the Act;
- vi. to verify whether the funds raised by the Companies through public issues/ private placements have been utilized for the purposes for which the same were raised.
- vii. to verify whether statutory auditors have carried out their duties diligently while certifying that the accounts reflect a true and fair view of the financial position of the company.

**6.3.7.** During the past five financial years, the following are the numbers of inspection reports received from RDs as given in **Table 6.2.**

**Table 6.2**  
**No. of Inspection reports received from Regional Directors**  
**during the Financial Years 2017-18 to 2021-22**

Sl. No.	Year	No. of Inspection Reports
(1)	(2)	(3)
1.	2017 -18	99
2.	2018 -19	118
3.	2019 -20	211
4.	2020 -21	141
5.	2021 -22	63

## Investigations

**6.4.1** Power to order an investigation in the affairs of a company is vested with the Central Government under Section 210 of the Act, [corresponding to Section 235 of the Companies Act, 1956]. If the Central Government is of the opinion, that it is necessary to do so:

- i. based on a report of RoC or Inspector, under Section 208; or
- ii. based on a special resolution of a company that its own affairs need to be investigated; or
- iii. based on judicial orders; or
- iv. in the public interest, then it may appoint one or more persons as Inspectors for carrying out investigation under Section 210.

Usually, Inspectors appointed by the Central Government under Section 210 for carrying out the investigation are drawn from amongst the officers posted in the Offices of Regional Directors (except when assigned to SFIO).

## Serious Fraud Investigation Office

**6.5.1** Investigation into the affairs of a company is assigned to SFIO, where Government is of the opinion that it is necessary to investigate into the affairs of a company:

- i. On receipt of a report of the Registrar or inspector under Section 208 of the Companies Act, 2013;
- ii. On intimation of a special resolution passed by a company that its affairs are required to be investigated;

- iii. In the public interest; or
- iv. On request from any department of the Central Government or a State Government.

**6.5.2** During the financial year from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022, the SFIO has submitted 13 investigation reports to MCA involving 29 companies. A total of 93 prosecution cases filed in various designated courts related to Company Law/IPC (10), NCLT (23) and ICAI/ICSI (60).

**6.5.3** The Central Government ordered 84 investigation and 224 inspection into the affairs of Companies/ LLPs during the year 2021-22 through RoC/RDs. The Inspection Reports in case of 817 Companies/ LLPs were under progress as on 31<sup>st</sup> March, 2022.

## Prosecutions

**6.6.1** On the basis of investigation reports (by SFIO and the Regional Directors), the Ministry takes action in suitable cases. The action takes the form of prosecutions filed under the Indian Penal Code, 1860 cases filed before the Company Law Board (now NCLT) and disciplinary proceedings by the Institute of Chartered Accountants of India. As per Section 439 of the Act, the court will take cognizance of the offence only upon a complaint by either (i) Registrars of Companies, or (ii) any shareholder of the company, or (iii) a person authorized by the Central Government, or (iv) Securities and Exchange Board of India, in respect of listed companies relating to issue and transfer of securities and non-payment of dividend.

**6.6.2** As on 1<sup>st</sup> April, 2021, 33,286 cases of prosecution were pending in various courts which were launched under the Act, 2013



and Companies Act, 1956. During the financial year 2021-22, 2103 new cases of prosecution were launched.

**6.6.3** As on 31<sup>st</sup> March, 2022, 34,632 prosecutions were pending in various courts. ROC-wise summary of prosecutions and their disposal are given in the **Statement-XI (Appendix)**.

**6.6.4** The details of nature of defaults and the number of cases of prosecution launched in 2021-22 under the Companies Act, 1956 and the Companies Act, 2013 respectively are given in **Table 6.3 (A)** and **Table 6.3 (B)** below:

**Table 6.3 (A)**  
**Nature of Defaults and Number of Prosecutions filed during 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022 under Companies Act, 1956**

Sl. No.	Section	Nature of Defaults	No. of Cases
(1)	(2)	(3)	(4)
1.	58A	Contravention in regard to deposits	8
2.	75	Damages for fraud	1
3.	159/220	Punishment for contravention Right of persons other than retiring directors to stand for	62
4.	162	Non-compliance of Sec 162	3
5.	166	Duties of directors	2
6.	193 (6)	Contravention in minutes of proceedings of general meetings and of Board and other meetings	8
7.	209 (7)	Contravention in Books of accounts of the company	34
8.	210	Annual Accounts and Balance Sheet	1
9.	211 (1)	Contravention in non-compliance in regard to Form and contents of balance sheet and profit and loss account.	35
10.	217 (5)	Non-Filing /signing in the Board Reports attached with the Financial Statements	24
11.	220	Non-filing of Balance sheet	3
12.	224	Action to be taken in pursuance of inspectors' report	3
13.	227	Powers and duties of auditors	1
14.	233	Noncompliance by auditor with Section 227	6
15.	266 F	Obligation to indicate DIN	2
16.	274	Non-compliance of Sec 274	1
17.	292(1)	Failure to make loan	1
18.	295(1)	Loans to Directors Failure of the company to grant loan without getting approval from the Central Government	3



Sl. No.	Section	Nature of Defaults	No. of Cases
(1)	(2)	(3)	(4)
19.	299	Power to summon persons suspected of having property of company, etc.	3
20.	372 A	Inter corporate loans and investments	2
21.	383A	Regarding non-appointment of company secretaries	3
22.	628	False statement	7
23.	629 (A)	Penalty where no specific penalty is provided elsewhere in the Act.	2
<b>Total</b>			<b>215</b>

**Table 6.3 (B)**  
**Nature of Defaults and Number of Prosecutions filed during 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022 under Companies Act, 2013**

Sl. No.	Section	Nature of Defaults	No. of Cases
(1)	(2)	(3)	(4)
1.	10A	Failure to pay the penalty imposed by the RD	18
2.	12	Non -compliance in regard to situation of registered office address of the company	3
3.	16	Non-compliance of order of Regional Director u/s 16 of Companies Act, 2013	4
4.	73	Prohibition on acceptance of deposits from public	13
5.	74	Contravention in repayment of deposits accepted by a company before the commencement of the Act	6
6.	76 (A)	Acceptance of deposit violating the provisions of Section 72/76	9
7.	77	Duty to register charges etc	1
8.	82	Company to report satisfaction of charge	1
9.	85	Non-maintenance of Company's register of charges	1
10.	88	Register of members, etc.	8
11.	92	Non-filing of annual returns	26
12.	96 (1)	Non-holding of Annual general meeting within time	434
13.	99	Annual General Meeting	104
14.	102(5)	Failure to Annex statements to notice	3
15.	117	Non filing of resolution on agreement	8
16.	118	Minutes of proceedings of general meeting of Board of Directors and other meeting and resolution passed by postal ballot.	4
17.	121	Report of Annual general meeting.	1
18.	124 (7)	Default in transferring unpaid dividend	1
19.	128	Books of account, etc., to be kept by company.	35
20.	129 (7)	Contravention of Provisions related to financial statement and Section 143 of the Companies Act, 2013	166

Sl. No.	Section	Nature of Defaults	No. of Cases
(1)	(2)	(3)	(4)
21.	134	Miss-statement in financial statement, Board's Report	31
22.	137	Non-filing of copy of financial statement with Registrar	34
23.	139	Non intimation of appointment of auditor.	2
24.	138	Non appointment statutory auditor	1
25.	140	Removal, resignation of auditor and giving of special notice	7
26.	142	Remuneration of auditors-The remuneration of the auditor of a company shall be fixed in its general meeting or in such manner as may be determined therein:	1
27.	143	Duties of Auditors	15
28.	147	Contravening the provisions of Sections 139 to 146	27
29.	148	Center Government to specify audit of items of cost in Respect of certain Companies.	1
30.	149	Non appointment of woman director	2
31.	153	Application for allotment of Director Identification Number.	11
32.	158	Obligation to indicate Director Identification Number.	1
33.	166	For not act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment	1
34.	167	Vacation of office of director	4
35.	168	Registration of director	
36.	170	Non-maintenance of register of directors and key managerial personnel etc.	2
37.	172	Non-compliance of Sec 172	3
38.	173	Contravention in holding its first Board Meeting	5
39.	177	Non-formation of audit committee	2
40.	178	Failed to constitute the Nomination and Remuneration committee	1
41.	179	Failed to pass Board resolution and not filed MGT-14	1
42.	180(4)r/w 450	Failure to comply with the provision related to the power of the Board of Director under Section 180	1
43.	184	Not-disclosure of the interest of the director.	4
44.	185	Default in providing loan to directors	2
45.	186 (13)	Contravention by investment through more than two layers of investment companies, as prescribed in Section 186	2
46.	187	Non-Compliance of Section 187	3
47.	188	Related party transactions	3
48.	203 (5)	Non appointment of key managerial person	8
49.	204	Secretarial audit for bigger companies	47
50.	206 (7)	Non-furnishing of information or explanation or non-production of any document required under Section 206	107
51.	207 (4) (i)	Disobedience of the directions issued by the Registrar or the inspector under the Section 207 of the Companies Act, 2013 related to conduct of inspection and inquiry.	23

Sl. No.	Section	Nature of Defaults	No. of Cases
(1)	(2)	(3)	(4)
52.	211(8)	Composite Complaint filed under various Sections of the Companies Act, 2013	1
53.	217	Failure by director or officer of the company to appear before Inspectors and their non-cooperation	2
54.	406	Violation of Nidhi Rules	272
55.	447/448	For fraud and for submitting false and misleading information and statements	62
56.	450	Punishment where no specific penalty or punishment is provided	14
57.	454 (8)	Non-payment of penalty imposed by the adjudicating officer or the Regional Director within a period of ninety days from the date of the receipt of the copy of the order.	339
<b>Total</b>			<b>1,888</b>

6.6.5 The Progress of prosecutions during the years 2018-19 to 2021-22 is indicated in **Table 6.4**.

**Table 6.4**  
**Progress of Prosecutions during the years 2018-19 to 2021-22**

Sl. No.	Subject	2018-19	2019-20	2020-21	2021-22
(1)	(2)	(3)	(4)	(5)	(6)
1.	No. of companies prosecuted during the year	958	591	1,103	1,636
2.	No. of prosecutions started during the year	2,573	1,070	1,485	2,103
3.	No. of prosecutions pending at the beginning of the year	44,278	33,965	33,218	33,286
4.	No. of prosecutions disposed of during the year	12,886	1,817	378	757
5.	Convictions	680	424	161	406
6.	No. of prosecutions ending in acquittals	105	62	50	43
7.	No. of prosecutions disposed of otherwise	1,167	1,262	102	285
8.	No. of prosecutions pending at the end of the year	33,965	33,218	33,286	34,632
9.	Total fine imposed (in ₹ )	3,97,83,699	5,24,30,392	1,43,86,150	1,04,62,407
10.	Total amount awarded as cost to the Registrar (in ₹ )	82,98,353	1,03,61,771	12,76,750	65,12,056

Sl. No.	Subject	2018-19	2019-20	2020-21	2021-22
(1)	(2)	(3)	(4)	(5)	(6)
11.	Percentage of conviction to total cases decided	5.27	23.33	42.59	53.63
12.	Average number of prosecutions per company prosecuted during the year	2.68	1.81	1.35	1.28
13.	Average fine imposed per case ending in conviction (in ₹ )	58,505	1,23,656.58	89,354.97	8,66,102.59

## CHAPTER - VII

### Quasi-Judicial Bodies under the Act

#### National Company Law Tribunal

**7.1.1** With the constitution of the National Company Law Tribunal (NCLT) under Section 408 of the Companies Act, 2013 with effect from 1st June, 2016 and by virtue of Section 466(1) of the Act, the erstwhile Company Law Board (CLB) constituted under the provisions of the Companies Act, 1956 stood dissolved. NCLT has also replaced the Board of Industrial and Financial Reconstruction (BIFR) and Appellate Authority for Industrial and Financial Reconstruction (AAIFR), and its benches have been designated to exercise the jurisdiction, powers and authority of Adjudicating Authority under Part II of the Insolvency and Bankruptcy Code (IBC), 2016. All the proceedings under the Companies Act relating to arbitration, compromise, winding up, arrangements and reconstruction of companies have been transferred to NCLT. It has also acquired the jurisdiction vested in High Courts in respect

of these subjects.

**7.1.2** Sixteen Benches of NCLT have so far been set up, namely one Principal Bench at New Delhi and one Regional Bench each at New Delhi, Ahmedabad, Allahabad, Amravati, Bengaluru, Chandigarh, Chennai, Cuttack, Guwahati, Hyderabad, Indore, Jaipur, Kochi, Kolkata and Mumbai. As on 1<sup>st</sup> November, 2021, Chief Justice (Retd.) Shri Ramalingam Sudhakar joined as President, NCLT. The benches of NCLT are manned by 22 Judicial Members and 25 Technical Members. The location, postal address, and territorial jurisdiction of the various NCLT Benches are given in the enclosed **Annexure-I**. With the constitution of NCLT and NCLAT and the dissolution of Company Law Board (CLB), all the pending cases before the CLB have been transferred to NCLT. A list of the names of Judicial Members and Technical Members of NCLAT and NCLT, as on 31<sup>st</sup> March, 2022, are as below:-

#### List of the Judicial Members and Technical Members of NCLAT (As on 31<sup>st</sup> March, 2022)

Sl. No.	Name	Designation
1.	Justice (Retd.) Shri Venugopal M.	Judicial Member
2.	Justice (Retd.) Shri Anant Bijay Singh	Judicial Member
3.	Shri Kanthi Narahari	Technical Member
4.	Dr. Ashok Kumar Mishra	Technical Member
5.	Dr. Alok Kumar Srivastava	Technical Member
6.	Ms. Shreesha Merla	Technical Member

**List of the Judicial Members and Technical Members of NCLT**  
(As on 31<sup>st</sup> March, 2022)

Sl. No.	Name	Designation
1.	Chief Justice (Retd.) Shri Ramalingam Sudhakar	President
2.	Shri Bachu Venkat Balaram Das	Judicial Member
3.	Shri Abni Ranjan Kumar Sinha	Judicial Member
4.	Dr. Patibandla Satyanarayana Prasad	Judicial Member
5.	Shri Dharminder Singh	Judicial Member
6.	Justice Shri Pradeep Narahari Deshmukh	Judicial Member
7.	Ms. Suchitra Kanuparthi	Judicial Member
8.	Shri Venkata Subba Rao Hari	Judicial Member
9.	Shri V Kishore	Judicial Member
10.	Shri Rohit Kapoor	Judicial Member
11.	Shri Rajsekhar V K	Judicial Member
12.	Shri Deep Chandra Joshi	Judicial Member
13.	Justice Smt. S. Ramathilagam	Judicial Member
14.	Ms. Sucharitha R	Judicial Member
15.	Shri M.B. Gosavi	Judicial Member
16.	Dr Deepti Mukesh	Judicial Member
17.	Shri Harnam Singh Thakur	Judicial Member
18.	Shri P Mohan Raj	Judicial Member
19.	Justice Smt. T. Rajani	Judicial Member
20.	Shri Bhaskara Pantula Mohan	Judicial Member
21.	Dr. V R Badrinath Nandula	Judicial Member
22.	Shri Ashok Kumar Borah	Judicial Member
23.	Shri Ajay Kumar Vatsavayi	Judicial Member
24.	Shri Hemant Kumar Sarangi	Technical Member
25.	Shri Narender Kumar Bhola	Technical Member
26.	Shri Laxmi Narayan Gupta	Technical Member
27.	Shri Rahul Prasad Bhatnagar	Technical Member
28.	Shri Avinash K Srivastava	Technical Member
29.	Ms. Sumita Purkayashtha	Technical Member
30.	Shri Rajesh Sharma	Technical Member
31.	Shri Chandra Bhan Singh	Technical Member
32.	Ms. Anuradha Sanjay Bhatia	Technical Member
33.	Shri Shyam Babu Gautam	Technical Member
34.	Shri Kapal Kumar Vohra	Technical Member
35.	Shri Harish Chander Suri	Technical Member
36.	Shri Balraj Joshi	Technical Member

Sl. No.	Name	Designation
37.	Shri Anil Kumar B	Technical Member
38.	Shri Sameer Kakar	Technical Member
39.	Shri Ajai Das Mehrotra	Technical Member
40.	Shri Raghu Nayyar	Technical Member
41.	Shri Subrata Kumar Dash	Technical Member
42.	Shri Virendra Kumar Gupta	Technical Member
43.	Shri Prasanta Kumar Mohanty	Technical Member
44.	Shri Satya Ranjan Prasad	Technical Member
45.	Shri Binod Kumar Sinha	Technical Member
46.	Shri Veera Brahma Rao Arekapudi	Technical Member
47.	Shri Manoj Kumar Dubey	Technical Member
48.	Shri Kaushalendra Kumar Singh	Technical Member

**7.1.3** The NCLT has its own website ([www.nclt.gov.in](http://www.nclt.gov.in)) where particulars of its organization, functions, jurisdiction of the benches, cause list, orders passed by the benches etc. are available. Copies of all interim and final certified copies of the orders/ judgments are uploaded in the NCLT website to view/download by the stakeholders/ professionals. NCLT website is regularly being updated for the convenience of stakeholders.

**7.1.4** Anybody who approaches the NCLT in person or over the telephone is given all necessary guidance and information. Facilitation centres and filing counters are in

operation too. A well-equipped library is available for use by the advocates and professionals.

**7.1.5** NCLT benches are disposing of petitions/ applications in a very transparent manner. The opening balance (as on 1<sup>st</sup> April, 2021) was 20,654 cases. 65 cases were received on transfer from High Courts and 9,212 cases were filed/ received during the period 2021-22. Out of these, 8,619 cases were disposed of by various benches of NCLT during the period. The number of cases filed and disposed of during the period 2021-2022 is given below in **Table 7.1**.

**Table 7.1**  
**No. of Cases Filed/Disposed of during the period 2021-22**

Sl. No.	Cases	Opening balance as on 1 <sup>st</sup> April, 2021	Transferred from HC	Received during the period	Total	Disposed of	Pending as on 31 <sup>st</sup> March, 2022
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Merger & Amalgamation	1,109	0	1,875	2,984	1,833	1,151
2.	IBC	13,004	64	4,855	17,923	4,829	13,094
3.	Others	6,541	1	2,482	9,024	1,957	7,067
<b>Total</b>		<b>20,654</b>	<b>65</b>	<b>9,212</b>	<b>29,931</b>	<b>8,619</b>	<b>21,312</b>



## National Company Law Appellate Tribunal (NCLAT)

**7.2.1** The National Company Law Appellate Tribunal (NCLAT) was constituted under Section 410 of the Companies Act, 2013 for hearing appeals against the orders of National Company Law Tribunal(s) (NCLT), with effect from 1<sup>st</sup> June, 2016. It has also been designated as the Appellate Tribunal for hearing appeals against the orders passed by NCLT(s) under Section 61 of the Insolvency and Bankruptcy Code, 2016 (IBC), with effect from 1<sup>st</sup> December, 2016 and the orders passed by Insolvency and Bankruptcy Board of India (IBBI) under Section 202 and Section 211 of IBC. It is also the Appellate Tribunal to hear and dispose of appeals against any direction

issued or decision made or order passed by the Competition Commission of India (CCI) – as per the amendment brought to Section 410 of the Companies Act, 2013 by Section 172 of the Finance Act, 2017, with effect from 26<sup>th</sup> May, 2017. Further, NCLAT is also the Appellate Tribunal to hear and dispose of appeals against the orders of the National Financial Reporting Authority (NFRA) – as per the amendment brought to Section 410 (a) of the Companies Act, 2013 by Section 83 of the Companies (Amendment) Act, 2017, with effect from 7<sup>th</sup> May, 2018.

**7.2.2** A Statement of Appeals received/ disposed of and pending for the period 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022 is given in **Table 7.2**.

**Table 7.2**  
**Statement of Appeals received/disposed of and pending for the period**  
**1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022**

### (A) NCLAT Principal Bench, New Delhi

Sl. No.	Subject	Pendency at the beginning of the year	Total Cases filed between 1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022	Transferred to NCLAT Chennai Bench between 1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022	Total (Col. 3+4-5)	Total Cases disposed of during the period 1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022	Pending at the closing of the year (Col. 6-7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Appeals filed under Section 53B of the Competition Act, 2002	249	38	0	287	7	280
2	Compensation cases u/s. 53N of the Competition Act, 2002	9	1	0	10	1	9

Sl. No.	Subject	Pendency at the beginning of the year	Total Cases filed between 1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022	Transferred to NCLAT Chennai Bench between 1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022	Total (Col. 3+4-5)	Total Cases disposed of during the period 1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022	Pending at the closing of the year (Col. 6-7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
3	MRTP Cases	5	0	0	5	1	4
4	Cases filed under Section 421 of the Companies Act, 2013	330	177	136	371	93	278
5	Cases filed under Section 61 of the Insolvency & Bankruptcy Code, 2016	882	1,184	168	1,898	1,010	888
<b>Total</b>		<b>1,475</b>	<b>1,400</b>	<b>304</b>	<b>2,571</b>	<b>1,112</b>	<b>1,459</b>

### (B) NCLAT Chennai Bench, Chennai

Sl. No.	Subject	Pendency at the beginning of the year	Total Cases filed from 1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022	Received transfer from NCLAT Principal Bench between 1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022	Total (3)+(4)+(5)	Total Cases disposed of during the period from 1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022	Pending (5-6)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Cases filed under Section 421 of the Companies Act, 2013	19	66	136	221	25	196
2.	Cases filed under Section 61 of the Insolvency & Bankruptcy Code, 2016	36	421	168	625	135	490
<b>Total</b>		<b>55</b>	<b>487</b>	<b>304</b>	<b>846</b>	<b>160</b>	<b>686</b>

## Special Courts

**7.3.1** Sections 435 to 440 of the Companies Act, 2013 prescribing for “Special Courts” were commenced from 18<sup>th</sup> May, 2016. Section 435 provides that the Central Government may, for the purpose of providing speedy trial of offences carrying punishments of imprisonment of two years or more (which means serious offences) under this Act, by notification, establish or designate as many Special Courts as may be necessary.

**7.3.2** A Special Court shall consist of a single judge who shall be appointed by the Central Government with the concurrence of the Chief Justice of the High Court within whose jurisdiction the judge to be appointed is working. A person shall not be qualified for appointment as a judge of a Special Court unless he is, immediately before such appointment, holding office of a Sessions Judge or an Additional Sessions Judge.

**7.3.3** A list of the notified designated Special Courts for various States/UTs as on 31<sup>st</sup> March, 2022 is given below at **Table 7.3:**

**Table 7.3**  
**List of notified designated Special Courts for various**  
**States/UTs as on 31<sup>st</sup> March, 2022**

Sl. No.	Existing Court	Jurisdiction as Special Court
(1)	(2)	(3)
1.	Court of Sub-Divisional Judicial Magistrate at Ranchi	Special Court has been designated in the State of Jharkhand for the purposes of trial of offences under clause (b) of Sub-section (2) of Section 435 of the Act. S.O. 3403(E), dated 19.08.2021.

### List of the Benches of National Company Law Tribunal

Sl. No.	Title of Bench	Location	Territorial Jurisdiction of the Bench
(1)	(2)	(3)	(4)
1.	NCLT, Principal Bench	Block No. 3, Ground Floor, 6 <sup>th</sup> , 7 <sup>th</sup> & 8 <sup>th</sup> Floor, CGO Complex, Lodhi Road, New Delhi-110003	Union Territory of Delhi
2.	NCLT, New Delhi Bench		
3.	NCLT, Ahmedabad Bench	1 <sup>st</sup> & 2 <sup>nd</sup> Floor, Corporate Bhawan, Beside Zydus Hospital, Thaltej, Ahmedabad-380059	State of Gujarat Union Territory of Dadra and Nagar Haveli Union Territory of Daman and Diu
4.	NCLT, Allahabad Bench	9 <sup>th</sup> Floor, Sangam Place, Civil Lines Allahabad-211001	State of Uttar Pradesh State of Uttarakhand
5.	NCLT, Amravati Bench	2 <sup>nd</sup> Floor, APIIC Towers, IT Park, Mangalagiri, Guntur-522503.	State of Andhra Pradesh
6.	NCLT, Bengaluru Bench	Corporate Bhawan, 12 <sup>th</sup> Floor, Raheja Towers, M.G., Road, Bengaluru-560001	State of Karnataka
7.	NCLT, Chandigarh Bench	Ground Floor, Corporate Bhawan, Sector-27 B, Madhya Marg, Chandigarh-160019	State of Himachal Pradesh Union Territory of Jammu and Kashmir State of Punjab Union Territory of Chandigarh State of Haryana
8.	NCLT, Chennai Bench	Corporate Bhawan (UTI Building), 3 <sup>rd</sup> Floor, No. 29 Rajaji Salai, Chennai-600001	State of Tamil Nadu Union Territory of Puducherry
9.	NCLT, Cuttack Bench	Corporate Bhawan, CDA, Sector-1, Cuttack-753014	State of Chhattisgarh State of Odisha
10.	NCLT, Guwahati Bench	4 <sup>th</sup> Floor, Prithvi Planet, Behind Hanuman Mandir, G.S. Road, Guwahati-781007	State of Arunachal Pradesh State of Assam State of Manipur State of Mizoram State of Meghalaya State of Nagaland State of Sikkim State of Tripura
11.	NCLT, Hyderabad Bench	Corporate Bhawan, Bandlaguda Tattiannaram Village, Hayatnagar Mandal, Rangareddy District, Hyderabad-500068	State of Telangana

Sl. No.	Title of Bench	Location	Territorial Jurisdiction of the Bench
(1)	(2)	(3)	(4)
12.	NCLT, Indore Bench	Office No. 1 & 7, RCM-11, Anandavan, Sch No. 140, Indore-452016.	State of Madhya Pradesh
13.	NCLT, Jaipur Bench	Corporate Bhawan, Residency Area, Civil Lines, Jaipur-302001	State of Rajasthan.
14.	NCLT, Kochi Bench	Company Law Bhawan, BMC Road, Thrikkakara -(PO) Kakkanand, Kochi-682021	State of Kerala Union Territory of Lakshadweep
15.	NCLT, Kolkata Bench	5, Esplanade Row (West), Town Hall Ground and 1 <sup>st</sup> Floor Kolkata-700001	State of Bihar State of Jharkhand State of West Bengal Union Territory of Andaman and Nicobar Island
16.	NCLT, Mumbai Bench	4 <sup>th</sup> Floor, MTNL Exchange Building, Near G.D. Somani Memorial School, G.D. Somani	State of Maharashtra State of Goa

## CHAPTER - VIII

### Towards Responsive Governance

#### MCA21 e-Governance Project

**8.1.1** MCA has been operating the end-to-end e-Governance project MCA21 for registry and company incorporation related services. The project is implemented in the offices of Registrar of Companies (ROCs), Regional Directorate (RDs), MCA Headquarters (HQ) and Official Liquidators (OL).

**8.1.2** The MCA21 system provides the stakeholders convenient, easy to use and secure access & delivery to all MCA services and improved speed and certainty of services. It brought about transparency, quickness, and efficiency in the functioning of the Ministry.

**8.1.3** There is a need for providing excellent services to stakeholders and the Ministry has continuously made efforts to introduce best practices in the online delivery of services. Sustained efforts have resulted in recognition of MCA21 as a successful Mission Mode Project of National e-Governance Plan (NeGP). The portal is regarded as a live model for transformation of traditional paper-based systems into a paperless system using the latest Information Technology. Consequently, hardware and application up-gradation with updated technology has already been completed at all offices of ROC, RD and at the HQ.

#### Significant Updates

##### 8.2.1 Integration of Shops and Establishment, Delhi registration with SPICe+ form

First time registration of Shops and Establishment for companies getting incorporated in NCT of Delhi is mandatorily provided through SPICe+ form from 7<sup>th</sup> June, 2021. With this integration, the total number of services provided through SPICe+ form are as follows:

- Name reservation
- Incorporation
- DIN allotment
- Mandatory issue of PAN
- Mandatory issue of TAN
- Mandatory issue of EPFO registration
- Mandatory issue of ESIC registration
- Mandatory issue of Profession Tax registration (Maharashtra, Karnataka and West Bengal)
- Mandatory Opening of Bank Account for the Company
- Allotment of GSTIN (if so applied for) and
- First time registration of shops and establishment for all new companies getting incorporated in Delhi.

This has resulted in significant reduction in procedures, time and cost for Starting a Business in India.

**8.2.2 MCA21 Version 3.0:** MCA21 portal was launched in 2006 with the aim to digitize corporate filings and to improve compliance. Since then, several changes have taken place to improve the ease of doing business and for strengthening Corporate Governance. The 2<sup>nd</sup> iteration of MCA21 Portal started from the year 2013 and continued till 2020. MCA21 Version 3.0 is now being launched in phases.

Phase 1 of MCA21 Version was launched on 24<sup>th</sup> May, 2021 with the revamped website, eBook and e-Consultation Module. The new website incorporates the latest UI/UX developments to enhance the user navigation and information accessibility. The eBook Module covers all Acts administered by the Ministry of Corporate Affairs in an easy to navigate manner. The sections of the Acts are linked with rules and circulars to seamlessly provide the required information on the same page. The e-Consultation Module envisages leveraging technology to enhance policymaking. The user feedback analysed through the use of AI/ML techniques would help in deriving meaningful inference that can guide the decision-making.

Learning Management System (LMS) was launched on 15<sup>th</sup> October, 2021 with the following features:

- Defined and customized training & development curriculum for BO users
- Training to be delivered through multiple modes/ channels such as classroom training, virtual live training, webinars, etc.
- Pre training and post training assessment to measure the impact of training

- Tracking of learning path and progress of the candidates
- Generation of reports pertaining to trainings launched, number of participants, overall performances, evaluation, etc.
- Tailor-made content for the trainings categorized based on the proficiency level of the user and covering both technical as well policy related subjects such as Companies Act, 2013 and the Limited Liability Partnership (LLP) Act, 2008.
- Multiple forms of training content such as text, documents, audio, video, simulations, etc.
- Provision for collecting feedbacks of trainees on the module and its functionalities Alerts and notifications with respect to pending, completed or upcoming trainings.

LLP Module was launched on 8<sup>th</sup> March, 2022 to cater to compliance related to LLP Act, 2008. This module was rolled out with significant changes in the filing system for MCA21 portal. A new and improved login system was launched for the filing of forms. All the forms were made web-based that allowed real time data validation and prefills. Changes were also done to reduce the number of forms. LLP Form 3, 4, 5 can now be filed either as a linked form or as a standalone. LLP Form 28 & 29 were merged as one form i.e. LLP Form 28. FiLLiP form for incorporation of LLPs is now linked with LLP Form 9, 17 & 18. PAN/TAN has also now been integrated with FiLLiP. The MCA21 Version 3.0 services have also been integrated with BharatKosh payment system to allow a seamless payment experience for stakeholders.



The remaining modules including Company Modules, e-Adjudication, enforcement and Compliance Management System, are under various stages of development.

**8.2.3 Launch of IEPF website and CSR website:** MCA launched the IEPF website and CSR website on 22<sup>nd</sup> March, 2022 and 31<sup>st</sup> March 2022, respectively with the aim to enhance the accessibility and experience to end user. The new website utilized the latest

state of the art UI/UX elements to provide easier navigation and ease of access to information.

## Operational Statistics

**8.3.1** The operational statistics of MCA21 highlight the performance and stability of the system, increased volume of filings, leading to greater service delivery and improved compliance, as given below at **Table 8.1**.

**Table 8.1**  
**Filing Status for Financial Years 2020-2021 and 2021-22**

Sl. No.	Description	2020-21	2021-22
(1)	(2)	(3)	(4)
1.	Total filings through system	80,38,293	88,41,264
2.	Maximum number of documents filed on a day	1,73,604 (31 <sup>st</sup> Dec, 2020)	1,14,061 (16 <sup>th</sup> March, 2022)
3.	No. of companies registered online	1,55,389	1,67,095
4.	Total DIN issued	3,97,029	4,23,906
5.	Company records viewed online	31,61,201	41,07,058
6.	No. of balance sheets filed	12,48,026	11,52,188
7.	No. of annual returns filed	10,95,955	11,18,555
8.	Total e-stamp fee collected (₹ in crores)	163	211
9.	No. of Nodal Officers registered with DSC	95	101
10.	No. of authorized bankers and professional registered with DSC	40,464	42,521
11.	No. of registered users on the portal	17,05,013	19,12,558

## Efficiency in Service Delivery under MCA21

**8.3.2** There has been a significant improvement in the turnaround time for the delivery of services in MCA21 project which is as under at **Table 8.2**.

**Table 8.2**  
**Efficiency in Service Delivery under MCA21 Service Metrics**

Type of Service	Prior to MCA21	After MCA21	After CRC
(1)	(2)	(3)	(4)
Name Approval	7 days	1-2 days	0.3 days
Company Incorporation	15 days	1-3 days	0.6 days
Change of Name	15 days	3 days	3 days
Charge Creation/Modification	10-15 days	Instantaneous	Instantaneous
Certified Copy	10 days	2 days	2 days

**8.3.3** The registration of other documents has been given in **Table 8.3** below:

**Table 8.3**  
**Registration of Other Documents**

Type of Service	Prior to MCA21	After MCA21
(1)	(2)	(3)
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	Online



# APPENDIX

## STATISTICAL STATEMENTS (I-XI)



**STATEMENT- I**  
**STATE/UT-WISE STATUS OF COMPANIES REGISTERED AS ON 31.03. 2022**

Sl. No.	State/UT	Registered	Closed	Under Liquidation	Under Struck-off	Dormant u/s 455 of CA, 2013	Active
1.	Andaman & Nicobar	591	124	0	6	3	458
2.	Andhra Pradesh	39,950	12,804	52	1,425	32	25,637
3.	Arunachal Pradesh	774	333	1	2	0	438
4.	Assam	14,821	4,199	14	44	0	10,564
5.	Bihar	47,783	10,739	41	3,697	27	33,279
6.	Chandigarh	16,235	8,244	64	117	11	7,799
7.	Chhattisgarh	13,712	3,496	6	40	21	10,149
8.	Dadra & Nagar Haveli	647	156	0	17	0	474
9.	Daman and Diu	423	113	4	43	0	263
10.	Delhi	3,78,518	1,44,811	920	12,313	299	2,20,175
11.	Goa	9,857	4,145	14	785	18	4,895
12.	Gujarat	1,23,277	41,616	591	4,102	58	76,910
13.	Haryana	67,638	15,394	84	2,531	80	49,549
14.	Himachal Pradesh	7,999	3,199	20	92	8	4,680
15.	Jammu & Kashmir	7,864	2,872	19	105	2	4,866
16.	Jharkhand	19,414	4,663	13	724	8	14,006
17.	Karnataka	1,52,188	52,529	648	1,165	152	97,694
18.	Kerala	69,128	23,949	288	98	217	44,576
19.	Ladakh	89	22	0	0	0	67
20.	Lakshadweep	30	7	0	0	0	23
21.	Madhya Pradesh	50,485	17,091	94	1,763	30	31,507
22.	Maharashtra	4,52,743	1,65,883	2,027	3,010	359	2,81,464
23.	Manipur	1,500	272	0	6	2	1,220
24.	Meghalaya	1,174	473	1	6	2	692
25.	Mizoram	266	76	0	0	0	190
26.	Nagaland	732	346	1	2	1	382
27.	Odisha	33,634	11,260	40	201	175	21,958
28.	Puducherry	3,594	2,020	7	16	2	1,549
29.	Punjab	37,096	16,246	137	286	23	20,404
30.	Rajasthan	73,593	25,832	102	314	29	47,316
31.	Sikkim	2	1	0	0	0	1
32.	Tamil Nadu	1,71,743	74,990	493	1,599	190	94,471
33.	Telangana	1,34,520	50,859	216	1,455	72	81,918
34.	Tripura	962	180	0	4	2	776
35.	Uttar Pradesh	1,51,122	38,263	210	5,949	94	1,06,606
36.	Uttarakhand	11,931	2,436	16	492	7	8,980
37.	West Bengal	2,22,233	86,128	889	2,444	458	1,32,109
<b>Total</b>		<b>23,18,063</b>	<b>8,25,771</b>	<b>7,012</b>	<b>44,853</b>	<b>2,382</b>	<b>14,38,045</b>

**STATEMENT-II**  
**REGISTRATION OF COMPANIES DURING 2021-22**  
**(REGION/STATE-WISE DISTRIBUTION)**

(₹ in crore)

Region/State	Private		Public		Total	
	Number	Paid up Capital	Number	Paid up Capital	Number	Paid up Capital
<b>NORTHERN REGION</b>	<b>52,827</b>	<b>4,561.29</b>	<b>945</b>	<b>1,535.02</b>	<b>53,772</b>	<b>6,096.30</b>
Chandigarh	669	218.72	8	1.31	677	220.03
Delhi	16,108	2,028.30	198	927.24	16,306	2,955.54
Haryana	7,911	591.98	79	230.63	7,990	822.61
Himachal Pradesh	737	39.83	19	53.83	756	93.67
Jammu & Kashmir	1,053	32.62	3	185.24	1,056	217.86
Ladakh	26	0.28	1	0.04	27	0.32
Punjab	2,326	259.90	37	72.03	2,363	331.93
Rajasthan	5,949	416.49	193	32.21	6,142	448.70
Uttar Pradesh	16,605	869.64	364	29.80	16,969	899.44
Uttarakhand	1,443	103.52	43	2.68	1,486	106.21
<b>EASTERN REGION</b>	<b>21,144</b>	<b>2,504.74</b>	<b>519</b>	<b>179.12</b>	<b>21,663</b>	<b>2,683.85</b>
Arunachal Pradesh	85	1.30	1	0.05	86	1.35
Assam	1,503	73.47	48	2.60	1,551	76.06
Bihar	5,587	187.76	155	11.16	5,742	198.92
Jharkhand	2,035	1,063.69	32	1.86	2,067	1,065.54
Manipur	228	6.55	8	0.45	236	7.00
Meghalaya	69	11.72	1	0.05	70	11.77
Mizoram	69	0.58			69	0.58
Nagaland	68	1.35	2	0.15	70	1.50
Sikkim	3,209	151.85	20	140.31	3,229	292.16
Odisha	-	-	-	-	-	-
Tripura	175	4.10	3	0.15	178	4.25
West Bengal	8,116	1,002.38	249	22.34	8,365	1,024.72
<b>WESTERN REGION</b>	<b>44,920</b>	<b>14,482.50</b>	<b>1,485</b>	<b>11,593.71</b>	<b>46,405</b>	<b>26,076.20</b>
Chhattisgarh	1,464	135.27	16	0.73	1,480	136.01
Dadra & Nagar Haveli	42	40.72	2	0.11	44	40.83
Daman and Diu	23	2.20			23	2.20
Goa	453	24.20	1	0.05	454	24.25
Gujarat	8,605	1,265.30	149	298.97	8,754	1,564.27
Madhya Pradesh	4,461	260.24	82	6.49	4,543	266.73
Maharashtra	29,872	12,754.57	1,235	11,287.36	31,107	24,041.93
<b>SOUTHERN REGION</b>	<b>44,619</b>	<b>8,044.39</b>	<b>617</b>	<b>590.45</b>	<b>45,236</b>	<b>8,634.83</b>
Andaman and Nicobar	67	1.71			67	1.71
Andhra Pradesh	3,310	149.44	18	2.55	3,328	151.99
Karnataka	13,317	5,262.52	86	25.43	13,403	5,287.95
Kerala	6,102	264.53	311	118.00	6,413	382.52
Lakshadweep	3	0.06			3	0.06
Pondicherry	132	3.16	1	0.05	133	3.21
Tamil Nadu	10,873	1,381.65	147	225.21	11,020	1,606.86
Telangana	10,815	981.31	54	219.20	10,869	1,200.52
<b>Grand Total</b>	<b>1,63,510</b>	<b>29,592.91</b>	<b>3,566</b>	<b>13,898.29</b>	<b>1,67,076</b>	<b>43,491.19</b>



**STATEMENT-III**  
**REGISTRATION OF GOVERNMENT COMPANIES LIMITED BY SHARES DURING 2021-22**  
**(REGION/STATE-WISE DISTRIBUTION)**

(₹ in crore)

Region/State	Private		Public		Total	
	Number	Authorized Capital	Number	Authorized Capital	Number	Authorized Capital
<b>NORTHERN REGION</b>	<b>12</b>	<b>65.88</b>	<b>24</b>	<b>26,998.29</b>	<b>36</b>	<b>27,064.17</b>
Chandigarh	0	-	0	-	0	-
Delhi	1	40.00	12	94.29	13	134.29
Haryana	0	-	4	539.00	4	539.00
Himachal Pradesh	0	-	1	50.00	1	50.00
Jammu & Kashmir	0	-	1	1,600.00	1	1,600.00
Ladakh	1	25.00	0	-	1	25.00
Punjab	1	0.01	0	-	1	0.01
Rajasthan	0	-	2	15.00	2	15.00
Uttar Pradesh	9	0.87	3	19,200.00	12	19,200.87
Uttarakhand	0	-	1	5,500.00	1	5,500.00
<b>EASTERN REGION</b>	<b>2</b>	<b>1,000.02</b>	<b>3</b>	<b>0.30</b>	<b>5</b>	<b>1,000.32</b>
Arunachal Pradesh	0	-	0	-	0	-
Assam	0	-	0	-	0	-
Bihar	0	-	0	-	0	-
Jharkhand	1	1,000.00	0	-	1	1,000.00
Manipur	0	-	0	-	0	-
Meghalaya	0	-	0	-	0	-
Mizoram	0	-	0	-	0	-
Nagaland	0	-	0	-	0	-
Odisha	0	-	0	-	0	-
Sikkim	0	-	0	-	0	-
Tripura	0	-	0	-	0	-
West Bengal	1	0.02	3	0.30	4	0.32
<b>WESTERN REGION</b>	<b>7</b>	<b>1,000.29</b>	<b>11</b>	<b>56,771.65</b>	<b>18</b>	<b>57,771.94</b>
Chhattisgarh	0	-	0	-	0	-
Dadra & Nagar Haveli	0	-	1	10.00	1	10.00
Daman and Diu	0	-	0	-	0	-
Goa	0	-	0	-	0	-
Gujarat	2	0.02	2	10.25	4	10.27
Madhya Pradesh	3	1,000.25	0	-	3	1,000.25
Maharashtra	2	0.02	8	56,751.40	10	56,751.42
<b>SOUTHERN REGION</b>	<b>12</b>	<b>14.25</b>	<b>6</b>	<b>12,511.05</b>	<b>18</b>	<b>12,525.3</b>
Andaman and Nicobar	0	-	0	-	0	-
Andhra Pradesh	2	0.20	0	-	2	0.20
Karnataka	1	1.00	2	0.15	3	1.15
Kerala	2	1.40	1	4.90	3	6.30
Lakshadweep	0	-	0	-	0	-
Pondicherry	0	-	0	-	0	-
Tamil Nadu	4	10.45	2	12,505.00	6	12,515.45
Telangana	3	1.20	1	1.00	4	2.20
<b>Grand Total</b>	<b>33</b>	<b>2,080.43</b>	<b>44</b>	<b>96,281.29</b>	<b>77</b>	<b>98,361.72</b>

**STATEMENT-IV**  
**REGISTRATION OF NON-GOVERNMENT COMPANIES LIMITED BY SHARES DURING 2021-22**  
**(REGION/STATE-WISE DISTRIBUTION)**

(₹ in crore)

Region/State	Private		Public		Total	
	Number	Authorized Capital	Number	Authorized Capital	Number	Authorized Capital
<b>NORTHERN REGION</b>	<b>52,551</b>	<b>11,719.49</b>	<b>910</b>	<b>5,996.36</b>	<b>53,461</b>	<b>17,715.85</b>
Chandigarh	664	308.84	8	3.61	672	312.45
Delhi	16,019	5,389.39	181	5,389.28	16,200	10,778.67
Haryana	7,881	1,570.16	75	247.20	7,956	1,817.36
Himachal Pradesh	729	77.42	17	7.70	746	85.12
Jammu & Kashmir	1,038	117.04	2	0.15	1,040	117.19
Ladakh	24	1.46	1	0.04	25	1.50
Punjab	2,321	497.26	37	162.42	2,358	659.68
Rajasthan	5,910	1,498.94	187	52.30	6,097	1,551.24
Uttar Pradesh	16,533	2,045.77	361	127.93	16,894	2,173.70
Uttarakhand	1,432	213.21	41	5.73	1,473	218.94
<b>EASTERN REGION</b>	<b>20,960</b>	<b>4,718.47</b>	<b>510</b>	<b>308.08</b>	<b>21,470</b>	<b>5,026.55</b>
Arunachal Pradesh	84	6.78	1	0.15	85	6.93
Assam	1,483	228.37	48	4.58	1,531	232.95
Bihar	5,547	525.25	154	15.95	5,701	541.20
Jharkhand	2,014	235.21	31	3.35	2,045	238.56
Manipur	226	28.29	8	2.70	234	30.99
Meghalaya	67	18.83	1	0.10	68	18.93
Mizoram	66	4.92			66	4.92
Nagaland	66	5.64	2	0.20	68	5.84
Odisha	3,185	543.12	20	202.06	3,205	745.18
Sikkim	-	-	-	-	-	-
Tripura	174	19.74	3	0.20	177	19.94
West Bengal	8,048	3,102.34	242	78.79	8,290	3,181.13
<b>WESTERN REGION</b>	<b>44,532</b>	<b>46,442.20</b>	<b>1,446</b>	<b>19,242.67</b>	<b>45,978</b>	<b>65,684.88</b>
Chhattisgarh	1,453	300.75	15	1.75	1,468	302.50
Dadra & Nagar Haveli	40	41.58	1	0.01	41	41.59
Daman and Diu	22	3.08			22	3.08
Goa	449	44.75	1	0.05	450	44.80
Gujarat	8,553	1,896.52	137	1,234.25	8,690	3,130.77
Madhya Pradesh	4,446	795.67	81	27.02	4,527	822.69
Maharashtra	29,569	43,359.84	1,211	17,979.59	30,780	61,339.44
<b>SOUTHERN REGION</b>	<b>44,343</b>	<b>14,639.52</b>	<b>606</b>	<b>2,416.44</b>	<b>44,949</b>	<b>17,055.96</b>
Andaman & Nicobar	67	4.66			67	4.66
Andhra Pradesh	3,281	457.43	16	3.44	3,297	460.87
Karnataka	13,250	8,103.79	83	84.49	13,333	8,188.28
Kerala	6,081	899.26	310	191.12	6,391	1,090.38
Lakshadweep	3	0.15			3	0.15
Pondicherry	129	10.85	1	0.10	130	10.95
Tamil Nadu	10,777	2,993.29	144	1,254.98	10,921	4,248.27
Telangana	10,755	2,170.08	52	882.31	10,807	3,052.39
<b>Grand Total</b>	<b>1,62,386</b>	<b>77,519.69</b>	<b>3,472</b>	<b>27,963.55</b>	<b>1,65,858</b>	<b>1,05,483.24</b>

**STATEMENT-V**  
**NUMBER OF COMPANIES CLOSED AND UNDER LIQUIDATION AS ON 31.03.2022**  
**(REGION/STATE-WISE DISTRIBUTION)**

State/UT	Liquidated /Dissolved	Defunct/ Struck-off	Amalgamated/ Merged	Converted to LLP & Dissolved	No. of Companies under Liquidation
<b>NORTHERN REGION</b>	<b>649</b>	<b>2,43,254</b>	<b>6,621</b>	<b>6,795</b>	<b>1,572</b>
Chandigarh	26	8,060	61	97	64
Delhi	385	1,34,457	5,296	4,673	920
Haryana	27	14,828	344	195	84
Himachal Pradesh	3	3,128	57	11	20
Jammu & Kashmir	5	2,846	17	4	19
Ladakh	0	22	0	0	0
Punjab	48	15,898	186	114	137
Rajasthan	103	24,496	180	1,053	102
Uttar Pradesh	50	37,128	464	621	210
Uttarakhand	2	2,391	16	27	16
<b>EASTERN REGION</b>	<b>811</b>	<b>1,04,500</b>	<b>8,357</b>	<b>5,002</b>	<b>1,000</b>
Arunachal Pradesh	0	331	0	2	1
Assam	9	3,907	119	164	14
Bihar	16	10,676	22	25	41
Jharkhand	13	4,604	23	23	13
Manipur	0	269	1	2	0
Meghalaya	1	459	8	5	1
Mizoram	0	76	0	0	0
Nagaland	0	343	1	2	1
Odisha	102	11,039	101	18	40
Sikkim	0	1	0	0	0
Tripura	0	179	1	0	0
West Bengal	670	72,616	8,081	4,761	889
<b>WESTERN REGION</b>	<b>6,615</b>	<b>2,08,001</b>	<b>10,034</b>	<b>7,850</b>	<b>2,736</b>
Chhattisgarh	1	3,365	40	90	6
Gujarat	0	142	9	1,632	0
Madhya Pradesh	2	90	17	240	4
Maharashtra	11	3,889	197	5,831	14
Dadra & Nagar Haveli	170	37,709	2,105	5	591
Daman and Diu	12	16,636	203	4	94
Goa	6,419	1,46,170	7,463	48	2,027
<b>SOUTHERN REGION</b>	<b>3,199</b>	<b>2,08,083</b>	<b>4,031</b>	<b>1,969</b>	<b>1,704</b>
Andaman & Nicobar	0	124	0	0	0
Andhra Pradesh	9	12,543	141	111	52
Karnataka	311	50,603	1,045	570	648
Kerala	1,466	22,252	141	90	288
Lakshadweep	0	7	0	0	0
Puducherry	10	1,978	30	2	7
Telangana	1,271	71,422	1,783	682	493
Tamil Nadu	132	49,154	891	514	216
<b>Grand Total</b>	<b>11,274</b>	<b>7,63,838</b>	<b>29,043</b>	<b>21,616</b>	<b>7,012</b>

**STATEMENT-VI**  
**NUMBER OF COMPANIES CLOSED AND UNDER LIQUIDATION**  
**DURING FINANCIAL YEAR 2021-22**  
**(REGION/STATE-WISE DISTRIBUTION)**

State/UT	Closed companies during FY 2021-22				No. of Companies under Liquidation during FY 2020-21
	No. of Companies Liquidated/ Dissolved	No. of Companies Defunct / Struck-off	No. of Companies Amalgamated / Merged	No. of Companies Converted to LLP and Dissolved	
<b>NORTHERN REGION</b>	<b>36</b>	<b>11,947</b>	<b>416</b>	<b>451</b>	<b>72</b>
Chandigarh	0	454	13	7	0
Delhi	22	5,292	258	291	49
Haryana	2	1,115	34	28	8
Himachal Pradesh	1	262	4	2	0
Jammu & Kashmir	0	325	4	1	1
Ladakh	0	4	1	0	0
Punjab	0	889	23	16	4
Rajasthan	1	1,732	39	60	8
Uttar Pradesh	9	1,638	34	37	2
Uttarakhand	1	236	6	9	0
<b>EASTERN REGION</b>	<b>22</b>	<b>13,931</b>	<b>637</b>	<b>327</b>	<b>18</b>
Arunachal Pradesh	0	29	0	0	0
Assam	0	372	12	8	1
Bihar	0	1,748	20	14	0
Jharkhand	1	965	14	12	0
Manipur	1	54	0	0	0
Meghalaya	1	27	1	2	0
Mizoram	0	8	0	1	0
Nagaland	0	20	0	1	0
Odisha	1	1,004	16	13	3
Sikkim	0	1	0	0	0
Tripura	0	28	0	0	0
West Bengal	18	9,675	574	276	14
<b>WESTERN REGION</b>	<b>41</b>	<b>16,447</b>	<b>522</b>	<b>553</b>	<b>98</b>
Chhattisgarh	1	328	11	10	0
Dadra & Nagar Haveli	0	13	1	0	0
Daman and Diu	0	6	0	0	0
Goa	1	210	4	4	1
Gujarat	8	3,452	122	97	23
Madhya Pradesh	4	566	15	15	2
Maharashtra	27	11,872	369	427	72
<b>SOUTHERN REGION</b>	<b>120</b>	<b>20,937</b>	<b>379</b>	<b>302</b>	<b>129</b>
Andaman & Nicobar	0	3	0	0	0
Andhra Pradesh	12	1,356	14	29	0
Karnataka	5	6,134	98	82	43
Kerala	10	2,143	30	25	4
Lakshadweep	0	0	0	0	0
Pondicherry	1	79	1	1	0
Tamil Nadu	23	6,068	141	91	70
Telangana	69	5,154	95	74	12
<b>Grand Total</b>	<b>219</b>	<b>63,262</b>	<b>1,954</b>	<b>1,633</b>	<b>317</b>

**STATEMENT-VII**  
**NON-GOVERNMENT COMPANIES STRUCK-OFF DURING 2021-22**  
**(STATE-WISE DISTRIBUTION)**

(₹ in crore)

State/UT	Private		Public		Total	
	Number	Paid-up Capital	Number	Paid-up Capital	Number	Paid-up Capital
<b>NORTHERN REGION</b>	<b>11,416</b>	<b>811.37</b>	<b>384</b>	<b>172.96</b>	<b>11,800</b>	<b>984.33</b>
Chandigarh	446	28.54	17	6.57	463	35.11
Delhi	5,005	492.40	176	98.20	5,181	590.60
Haryana	1,057	106.60	21	9.01	1,078	115.61
Himachal Pradesh	260	9.26	5	7.45	265	16.71
Jammu & Kashmir	324	13.47	2	0.05	326	13.52
Ladakh	5	1.72	-	-	5	1.72
Punjab	862	42.65	45	17.37	907	60.02
Rajasthan	1,698	53.73	33	18.70	1,731	72.44
Uttar Pradesh	1,524	51.96	76	15.10	1,600	67.06
Uttarakhand	235	11.04	9	0.51	244	11.54
<b>EASTERN REGION</b>	<b>13,363</b>	<b>1,569.24</b>	<b>472</b>	<b>109.51</b>	<b>13,835</b>	<b>1,678.75</b>
Arunachal Pradesh	28	2.05	1	0.05	29	2.10
Assam	364	22.11	6	0.69	370	22.80
Bihar	1,757	76.77	21	2.18	1,778	78.96
Jharkhand	972	37.56	15	7.12	987	44.68
Manipur	54	5.98	-	-	54	5.98
Meghalaya	24	3.77	5	1.03	29	4.80
Mizoram	8	0.37	1	0.05	9	0.42
Nagaland	20	1.78	1	0.10	21	1.88
Odisha	1,000	49.39	23	8.36	1,023	57.75
Sikkim	1	0.01	-	-	1	0.01
Tripura	27	2.94	1	0.05	28	2.99
West Bengal	9,108	1,366.51	398	89.86	9,506	1,456.38
<b>WESTERN REGION</b>	<b>15,991</b>	<b>1,511.60</b>	<b>382</b>	<b>271.17</b>	<b>16,373</b>	<b>1,782.77</b>
Chhattisgarh	316	34.82	13	3.66	329	38.48
Dadra & Nagar Haveli	13	1.81	1	1.39	14	3.19
Daman and Diu	5	0.05	-	-	5	0.05
Goa	214	16.35	2	0.37	216	16.73
Gujarat	3,341	294.15	87	20.90	3,428	315.04
Madhya Pradesh	531	23.44	18	5.70	549	29.14
Maharashtra	11,571	1,140.99	261	239.16	11,832	1,380.14
<b>SOUTHERN REGION</b>	<b>20,918</b>	<b>2,063.87</b>	<b>320</b>	<b>230.10</b>	<b>21,238</b>	<b>2,293.98</b>
Andaman & Nicobar	3	0.35	-	-	3	0.35
Andhra Pradesh	1,365	73.68	19	22.54	1,384	96.22
Karnataka	6,177	671.82	49	34.00	6,226	705.82
Kerala	2,140	108.80	42	39.51	2,182	148.31
Lakshadweep	-	-	-	-	-	-
Pondicherry	80	5.85	-	-	80	5.85
Tamil Nadu	6,033	768.23	140	67.19	6,173	835.42
Telangana	5,120	435.15	70	66.86	5,190	502.01
<b>Grand Total</b>	<b>61,688</b>	<b>5,956.08</b>	<b>1,558</b>	<b>783.75</b>	<b>63,246</b>	<b>6,739.83</b>

**STATEMENT-VIII**  
**NUMBER OF ACTIVE COMPANIES AS ON 31.03.2022**  
**(STATE-WISE DISTRIBUTION)**

(₹ in crore)

State/UT	Private		Public		Total	
	Number	Authorized Capital	Number	Authorized Capital	Number	Authorized Capital
<b>NORTHERN REGION</b>	<b>4,48,812</b>	<b>8,62,798.46</b>	<b>21,630</b>	<b>18,90,770.51</b>	<b>4,70,442</b>	<b>27,53,568.96</b>
Chandigarh	7,218	7,575.16	581	6,133.82	7,799	13,708.98
Delhi	2,10,066	5,93,470.46	10,109	9,52,708.42	2,20,175	15,46,178.87
Haryana	48,226	1,39,782.60	1,323	2,63,100.77	49,549	4,02,883.37
Himachal Pradesh	4,388	8,860.45	292	16,680.60	4,680	25,541.05
Jammu & Kashmir	4,732	12,248.74	134	2,866.11	4,866	15,114.85
Ladakh	65	30.14	2	5.04	67	35.18
Punjab	18,862	17,319.90	1,542	91,867.11	20,404	1,09,187.01
Rajasthan	45,006	25,177.17	2,310	1,23,416.52	47,316	1,48,593.69
Uttarakhand	8,522	6,544.99	458	16,337.03	8,980	22,882.02
Uttar Pradesh	1,01,727	51,788.84	4,879	4,17,655.10	1,06,606	4,69,443.94
<b>EASTERN REGION</b>	<b>2,03,805</b>	<b>2,14,398.97</b>	<b>11,810</b>	<b>4,63,209.50</b>	<b>2,15,615</b>	<b>6,77,608.46</b>
Arunachal Pradesh	414	632.99	24	1,066.42	438	1,699.41
Assam	9,859	7,807.86	705	29,716.02	10,564	37,523.89
Bihar	32,028	10,602.00	1,251	80,602.30	33,279	91,204.30
Jharkhand	13,653	17,187.98	353	34,173.06	14,006	51,361.04
Manipur	1,143	423.55	77	396.75	1,220	820.30
Meghalaya	598	1,072.80	94	11,708.04	692	12,780.84
Mizoram	182	120.24	8	47.40	190	167.64
Nagaland	357	472.26	25	89.61	382	561.87
Odisha	21,202	24,328.22	756	76,029.21	21,958	1,00,357.43
Sikkim	1	0.01	-	-	1	0.01
Tripura	724	348.97	52	3,365.69	776	3,714.66
West Bengal	1,23,644	1,51,402.08	8,465	2,26,014.99	1,32,109	3,77,417.07
<b>WESTERN REGION</b>	<b>3,82,578</b>	<b>11,68,752.87</b>	<b>23,084</b>	<b>26,59,389.10</b>	<b>4,05,662</b>	<b>38,28,141.96</b>
Chhattisgarh	9,691	9,785.71	458	44,645.56	10,149	54,431.27
Dadra & Nagar Haveli	395	679.75	79	8,406.32	474	9,086.07
Daman and Diu	218	834.56	45	806.26	263	1,640.82
Goa	4,702	6,894.76	193	4,830.98	4,895	11,725.74
Gujarat	71,877	3,08,696.23	5,033	9,68,437.60	76,910	12,77,133.83
Madhya Pradesh	30,001	22,750.15	1,506	1,27,928.20	31,507	1,50,678.34
Maharashtra	2,65,694	8,19,111.71	15,770	15,04,334.18	2,81,464	23,23,445.89
<b>SOUTHERN REGION</b>	<b>3,33,060</b>	<b>8,25,801.63</b>	<b>13,266</b>	<b>8,32,899.45</b>	<b>3,46,326</b>	<b>16,58,701.08</b>
Andaman & Nicobar	453	173.70	5	2.95	458	176.65
Andhra Pradesh	24,791	46,854.91	846	42,411.77	25,637	89,266.67
Karnataka	95,617	3,06,379.31	2,077	2,53,022.05	97,694	5,59,401.37
Kerala	42,043	36,654.74	2,533	37,319.78	44,576	73,974.53
Lakshadweep	21	11.90	2	-	23	11.90
Puducherry	1,483	3,487.44	66	521.99	1,549	4,009.43
Tamil Nadu	89,945	2,73,082.61	4,526	2,61,869.23	94,471	5,34,951.84
Telangana	78,707	1,59,157.01	3,211	2,37,751.68	81,918	3,96,908.69
<b>Grand Total</b>	<b>13,68,255</b>	<b>30,71,751.92</b>	<b>69,790</b>	<b>58,46,268.55</b>	<b>14,38,045</b>	<b>89,18,020.47</b>

**STATEMENT-IX**  
**ECONOMIC ACTIVITY-WISE ACTIVE COMPANIES AS ON 31.03.2022**

(₹ in crore)

Sl. No.	Economic Activity	Private		Public		Total	
		Number	Paid Up Capital	Number	Paid Up Capital	Number	Paid Up Capital
<b>I</b>	<b>Agriculture and Allied Activities</b>	<b>57,648</b>	<b>21,159.09</b>	<b>2,253</b>	<b>18,683.49</b>	<b>59,901</b>	<b>39,842.58</b>
<b>II</b>	<b>Industry</b>	<b>4,15,790</b>	<b>8,41,121.08</b>	<b>24,041</b>	<b>17,28,716.09</b>	<b>4,39,831</b>	<b>25,69,837.17</b>
1	Manufacturing	2,78,832	5,46,990.68	17,578	6,18,785.23	2,96,410	11,65,775.91
2	Construction	1,10,442	1,39,471.03	4,075	2,17,139.59	1,14,517	3,56,610.61
3	Electricity, Gas & Water companies	14,362	1,24,001.54	1,690	8,43,797.95	16,052	9,67,799.48
4	Mining & Quarrying	12,154	30,657.83	698	48,993.32	12,852	79,651.16
<b>III</b>	<b>Services</b>	<b>8,83,490</b>	<b>9,77,238.18</b>	<b>41,256</b>	<b>12,46,762.29</b>	<b>9,24,746</b>	<b>22,24,000.47</b>
1	Business Services	4,27,582	3,82,482.06	9,607	5,70,966.02	4,37,189	9,53,448.09
2	Trading	1,77,423	2,09,404.39	5,552	52,603.94	1,82,975	2,62,008.33
3	Real Estate and Renting	71,476	78,404.75	2,551	22,865.29	74,027	1,01,270.04
4	Community, personal & Social Services	1,20,247	68,735.63	4,098	1,04,397.60	1,24,345	1,73,133.24
5	Finance	41,448	1,07,235.75	17,856	2,89,029.94	59,304	3,96,265.69
6	Transport, storage, and Communications	44,141	1,29,490.72	1,454	1,65,340.64	45,595	2,94,831.36
7	Insurance	1,173	1,484.88	138	41,558.85	1,311	43,043.73
<b>IV</b>	<b>Others</b>	<b>11,327</b>	<b>17,975.69</b>	<b>2,240</b>	<b>69,330.99</b>	<b>13,567</b>	<b>87,306.68</b>
<b>Grand Total</b>		<b>13,68,255</b>	<b>18,57,494.03</b>	<b>69,790</b>	<b>30,63,492.87</b>	<b>14,38,045</b>	<b>49,20,986.90</b>



# STATEMENT-X

## ACTIVE COMPANIES 1956-57 TO 2021-22

(₹ in crore)

As on 31 <sup>st</sup> March	Companies Limited by Shares						No. of Cos. with Unlimited Liability	No. of Cos. Limited by Guarantee	No. of Foreign Cos. as defined under S. 591 of the Companies Act, 1956
	Government Companies		Non-Government Companies		Total Companies				
	Number	Paid up Capital	Number	Paid up Capital	Number	Paid up Capital			
1957	74	73	29,283	1,005	29,357	1,078	-	1,364	551
1960	125	477	26,772	1,142	26,897	1,619	-	1,180	565
1965	183	1,115	26,038	1,728	26,221	2,843	-	1,162	582
1970	282	1,791	28,727	2,300	29,009	4,091	-	1,206	561
1975	573	4,966	40,007	3,235	40,580	8,201	4	1,326	510
1980	825	10,070	55,668	4,536	56,493	14,607	78	1,447	315
1985	980	22,447	1,08,329	8,150	1,09,309	30,597	295	1,677	324
1990	1,160	47,451	2,00,968	17,193	2,02,128	64,643	303	2,041	469
1995	1,199	73,300	3,52,093	62,719	3,53,292	1,36,019	375	2,416	619
2000	1,245	1,02,850	5,41,189	2,15,960	5,42,434	3,18,810	449	2,824	1,045
2001	1,266	1,09,746	5,67,834	2,47,501	5,69,100	3,57,247	461	2,918	1,141
2002	1,261	1,20,505	5,87,985	2,85,248	5,89,246	4,05,753	479	3,007	1,285
2003	1,283	1,30,482	6,10,872	3,26,576	6,12,155	4,57,059	490	3,108	1,497
2004	1,309	1,46,358	6,40,203	3,52,433	6,41,512	4,98,791	496	3,244	1,654
2005	1,328	1,55,814	6,78,321	4,98,208	6,79,649	6,54,022	496	3,432	1,840
2006	1,352	1,67,614	7,30,817	4,51,538	7,32,169	6,19,152	498	3,605	2,040
2007	1,669	1,99,269	7,42,009	5,07,291	7,43,678	7,06,560	520	3,846	2,310
2008	1,628	2,53,124	7,67,517	6,70,904	7,69,145	9,24,028	559	4,039	2,609
2009	1,591	2,29,939	7,85,183	6,89,004	7,86,774	9,18,943	639	13,014	2,903
2010	1,642	2,77,258	8,34,218	8,67,867	8,35,860	11,45,125	678	7,577	3,050
2011	1,316	3,37,421	7,13,239	10,28,493	7,14,555	13,65,914	437	3,600	3,127
2012	1,349	3,96,670	7,99,412	12,26,965	8,00,761	16,23,635	428	3,956	3,191
2013	1,381	4,46,278	8,82,230	13,65,611	8,83,611	18,11,889	431	4,242	2,554
2014	1,375	5,32,785	9,45,276	15,85,444	9,46,651	21,18,229	375	5,407	3,240
2015	1,417	5,52,085	10,14,184	17,43,884	10,15,601	22,95,969	395	6,015	3,314
2016	1,516	6,67,021	10,80,513	19,38,461	10,82,029	26,05,482	397	6,354	3,336
2017	1,618	9,36,035	11,60,563	22,17,978	11,62,181	31,54,013	388	6,734	3,361
2018	1,924	10,93,005	11,58,021	25,02,059	11,59,945	35,95,064	435	7,478	3,372
2019	2,011	13,16,476	11,47,156	22,82,619	11,49,167	35,99,095	317	6,890	3,376
2020	2,054	20,28,210	11,89,838	57,37,341	11,91,892	77,65,551	306	7,445	4,894
2021	2,115	21,88,890	13,34,119	60,74,828	13,36,234	82,63,717	306	8,317	4,979
2022	2,171	15,18,715	14,26,201	33,97,761	14,28,372	49,16,476	297	9,376	5,051

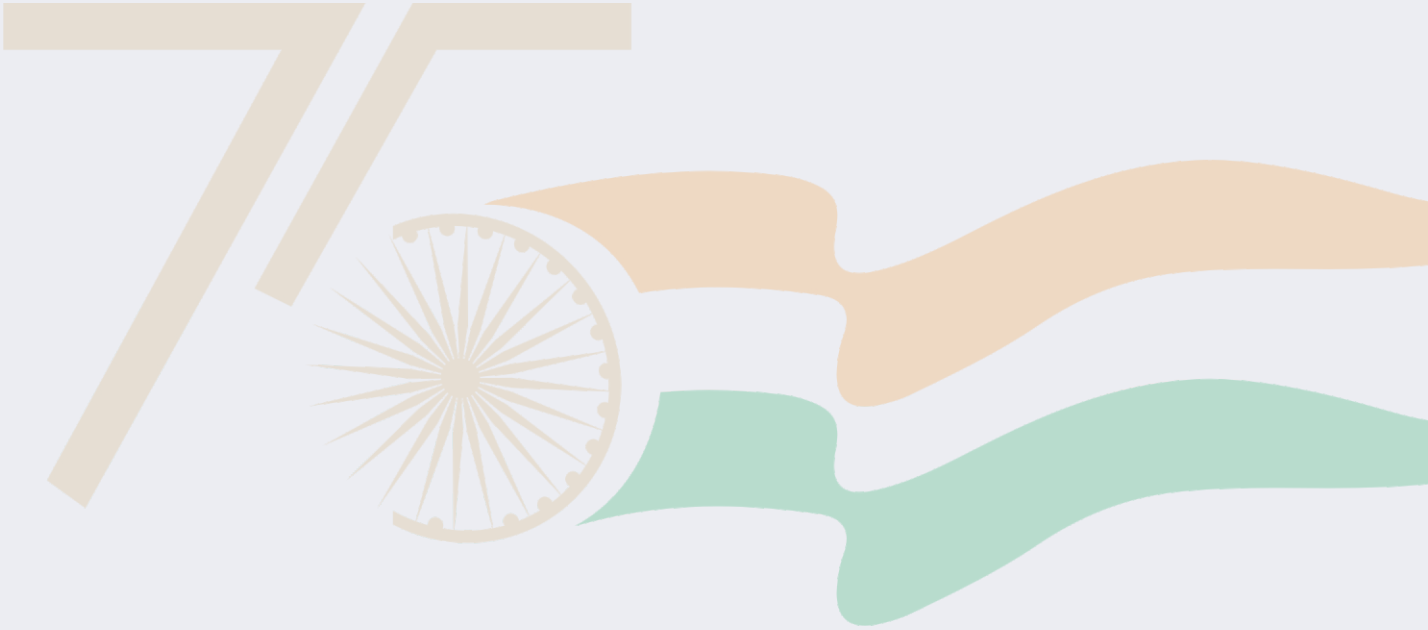
**STATEMENT-XI**  
**ROC-WISE STATEMENT SHOWING THE STATISTICS OF PROSECUTION**  
**FOR THE PERIOD 01.04.2021 TO 31.03.2022**

(in ₹)

Name of RoC	Cases Pending as on 01.04.21	No. of Companies Involved	Cases Launched During 01.04.21 to 31.03.22	No. of Companies Involved	Conv- iction	Acqu- ittal	Withd- rawn	Disp- osed of other wise	Conv- iction Total	Amount of Cost Awarded	Amount of Fine Imposed	No. of Cases Pending as on 31.03.22
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Delhi	777	654	414	270	Nil	11	2	Nil	13	Nil	Nil	1,178
Kanpur	1,538	30	31	30	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1,569
Chandigarh	161	111	26	26	18	Nil	1	7	26	90,000	13,71,600	161
Himachal Pradesh	101	100	3	3	6	Nil	3	10	19	50,000	10,72,000	87
Uttarakhand	26	17	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	31
Jammu	32	18	19	1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	51
West Bengal	15,041	8,840	554	465	163	Nil	2	4	169	48,20,350	24,10,175	15,426
Odisha	1,813	841	83	58	44	09	Nil	Nil	53	4,05,366	8,10,732	1,843
Patna	2,381	743	301	299	Nil	Nil	Nil	2	2	Nil	Nil	2,682
Jharkhand	22	20	3	3	Nil	Nil	Nil	Nil	Nil	Nil	Nil	25
Hyderabad	291	10	6	2	Nil	Nil	Nil	13	13	Nil	Nil	285
Bangalore	39	24	50	34	Nil	Nil	Nil	Nil	Nil	Nil	Nil	89
Vijayawada	2	2	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	2
Chennai	1,091	180	16	2	24	20	25	88	157	7,00,450	14,00,950	950
Coimbatore	136	80	17	5	Nil	Nil	Nil	5	5	Nil	Nil	148
Kerala	269	127	41	24	56	3	Nil	Nil	59	2,76,000	22,95,000	251
Puducherry	38	Nil	Nil	Nil	Nil	Nil	3	Nil	Nil	Nil	Nil	35
Mumbai	3,661	1,354	86	86	Nil	Nil	Nil	78	78	Nil	Nil	3,689
Pune	1,154	540	73	66	73	Nil	Nil	Nil	73	2,29,000	Nil	1,154
Goa	277	106	Nil	Nil	Nil	Nil	1	3	Nil	Nil	1,13,000	273
Guwahati	267	148	21	21	Nil	Nil	3		3	Nil	Nil	285
Gujarat	2,331	1,485	200	161	7	Nil	23	24	54	3,000	1,53,000	2,477

Name of RoC	Cases Pending as on 01.04.21	No. of Companies Involved	Cases Launched During 01.04.21 to 31.03.22	No. of Companies Involved	Conversion	Acquittal	Withdrawn	Disposed of otherwise	Disposed of Total	Amount of Cost Awarded	Amount of Fine Imposed	No. of Cases Pending as on 31.03.22
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Madhya Pradesh	1,253	733	79	20	7	Nil	3	9	19	1,62,290	6,91,000	1,313
ROC-cum-OL, Rajasthan	354	112	62	59	8	Nil	Nil	6	14	4,600	17,700	402
ROC-cum-OL, Chhattisgarh	231	153	7	1	Nil	Nil	2	10	12	Nil	Nil	226
<b>Total</b>	<b>33,286</b>	<b>16,428</b>	<b>2,092</b>	<b>1,627</b>	<b>406</b>	<b>43</b>	<b>68</b>	<b>259</b>	<b>769</b>	<b>67,41,056</b>	<b>1,03,35,157</b>	<b>34,632</b>





सत्यमेव जयते

**MINISTRY OF CORPORATE AFFAIRS  
GOVERNMENT OF INDIA**