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Sr. AD (PJ)



F. No. A-45/4/2024-Ad.III-MCA

Government of India

Ministry of Corporate Affairs

JD(L/A)
02/7/2024

126836

5th Floor, Shastri Bhavan,
Dr. Rajendra Prasad Road,
New Delhi-110001,
Date: 01.07.2024

2024

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OFFICE ORDER

Subject: Constitution of Standing Committee for preparation/modification/ updation in Internal Guidance Note for Inquiry/ Inspection/ Investigation carried out by Serious Fraud Investigation Office (SFIO) and Registrar of Companies (ROCs)/Regional Directors (RDs) – reg.

With the approval of Competent Authority, a Standing Committee for preparing and or updating the Internal Guidance Note/Manual for Inspection, Inquiry, Investigation (separately for SFIO and for ROCs/RDs) incorporating the rules/procedures related to enforcement under Companies Act and LLP Act is constituted. The Committee will prepare an annual updated Guidance note/manual after examining the issues encountered in the 3-I process and investigation and prosecution process of SFIO. It may incorporate the Circulars/OMs/guidelines issued in this regard during the year and other related matters as under:

I. Permanent members:

S. No.	Members	Role
1.	Additional Secretary, MCA	Chairperson
2.	Director General of Corporate Affairs (DGCoA)	Member
3.	Director SFIO	Member
4.	Director (L&P), MCA	Member
5.	Senior most DII in the O/o DGCoA	Member

II. Nominee Members:

A. For the preparation/updation of Guidance note/manual for SFIO, other members will be nominated by Director SFIO as under:

- 2 officers nominated by Director, SFIO (not below the rank of Joint Director),
- 1-2 from outside Law Enforcement Agencies (LEA) (who would be appointed/replaced by Director, SFIO from time to time); and
- Joint Director/ Additional Director (Admin.) SFIO as Convenor

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B. For the preparation/updation of Guidance note/manual for ROCs/RDs, other members will be nominated by DGCoA as under:

- i. Joint Director from o/o DGCoA as convener
- ii. Regional Director
- iii. Two Registrar of Companies

C. In absence of Additional Secretary MCA, Director SFIO/ DGCoA (depending on the manual) shall chair the Standing committee with additional members of MCA not below the rank of Director.

D. Director SFIO and DGCoA may constitute sub-committees for respective manuals, as need be, which may assist the Standing Committee in carrying out the tasks assigned to it. Further, Director SFIO and DGCoA are authorized to nominate the persons of the sub-committee and his representative on the Standing committees.

E. The committee may invite participants from other regulatory agencies and Professional Institutes, such as SEBI; NFFRA, etc. or subject experts as and when needed.


III. Terms of reference/ deliverables:

- i. To examine the matters placed before the committee with respect to procedure and process, take note of instructions issued, if any, to improve the process within SFIO/ ROCs/RDs.
- ii. To carry out the updation of the inquiry/ inspection/ investigation Guidance note/manual and processes thereof.
- iii. To consult, consolidate, update and prepare An Annual Updated Manual.
- iv. To Incorporate all Circulars/OMs/guidelines issued till date into the Manual; provide a consistent input of the Ministry and also enable views of outside regulatory agencies to come in to improve processes and keep them up to date with latest developments.
- v. The committee shall also prepare a Guidance note/manual for the inquiry/ inspection/ investigation under the LLP Act.
- vi. The meetings of the Standing Committee will be convened at least biannually to discuss and address the issues which have arisen during the period. This would not preclude the MCA or Director, SFIO, from making process improvements/adjustments as may be needed. However, the Standing Committee may be briefed about the same when it is convened.
- vii. The members to be nominated as part of the committee will be nominated immediately after the constitution of the committee and every April for routine functioning of the committee.
- viii. The committee shall submit the report/ manuals (for both SFIO and RDs/ROCs as the case may be) in case of Companies Act to the Ministry for information by 30.09.2024.
- ix. The committee shall submit the Guidance note/manual for the inquiry/ inspection/ investigation under the LLP Act by 31.03.2025.
- x. In addition, the committee shall make recommendations to MCA, if any, regarding the amendments, guidelines, circulars, processes, etc.

IV. Guidelines for the committee:

- i. The committee shall ensure that the Guidance note/manual is prepared/updated in accordance with the provisions of the law and rules thereof, taking into consideration the guidelines, judgements, etc.
- ii. The title of the manual shall be Internal Guidance Note and shall include the financial year in which the Guidance note/manual is being prepared/ updated.
- iii. Few physical copies of the Guidance note/manual shall be kept at Ministry, SFIO HQ, o/o DGCoA and the soft copies shall be circulated to the officers.
- iv. The Guidance note/manuals shall be for internal circulation only and be treated as providing guiding principles for the powers of carrying out the inquiry/ inspection/ investigation. This should clearly be printed as a disclaimer in the Guidance note/Manual itself.

This issues with the approval of the competent authority.


(Parvez Naikwadi)
Deputy Director
Legal & Prosecution

To,
All permanent Committee Members.

Copy to:

1. PS to Secretary, Corporate Affairs
2. PS to AS (AT)/AS (MP)
3. PS to DGCoA
4. PS to Director, SFIO
5. All RDs/ROCs
6. Guard File

