

General Circular No. 37/2012

No. 3/151/2012 CL-II
Ministry of Corporate Affairs
Government of India

5th Floor, 'A' Wing
Shastri Bhawan, New Delhi

Dated : November 06, 2012

To
All Regional Directors
All Registrars of Companies

Subject : Examination of Balance Sheets by RoCs

It is considered expedient to issue the following circular for general information.

2. Every company registered under the provisions of the Companies Act, 1956 is required to file its balance sheet annually with the office of the Registrar of Companies within whose jurisdiction the registered office of the company is located. Presently, there are more than 8 lakh companies registered with various offices of the RoCs located all over the country. Balance sheets of all the companies who carry out the filing are available for public inspection on the portal of this Ministry (<http://www.mca.gov.in>). The underlying idea behind the filing of balance sheets and other documents which require similar filings is to publicly disclose information which reflects various aspects of the working of a company so that the company's public accountability is maintained. It is neither intended nor feasible for the Registrars to scrutinize or verify the contents of filing except on a random basis. Companies and its Directors and officials are liable to be penalized for any incorrect, false or misleading information that such filing disclose. In the following cases, however, the Registrars routinely scrutinize balance sheets:

- (i) of companies against whom there are complaints;
- (ii) of companies which have raised money from the public through public issue of shares/ debentures etc.;

- (iii) in cases where the auditors have qualified their reports.
- (iv) Default in payment of matured deposits and debentures.
- (v) References received from other regulatory authorities pointing out violations / irregularities calling for action under the Companies Act, 1956.

3. After the scrutiny suitable steps are initiated wherever necessary to obtain explanation and clarification and to institute inspections, investigations and prosecutions wherever warranted.



(L R MEENA)
Joint Director

Copy to :

1. PS to CAM for information of the Hon'ble Minister.
2. Sr. PPS to Secretary, MCA
3. PS to Additional Secretary, MCA
4. PS to DII(UCN)
- ✓ 5. E-Governance Cell for placing a copy of this circular on the website of the Ministry.