

No PE.20/2020/25  
GOVERNMENT OF ASSAM  
PUBLIC ENTERPRISES DEPARTMENT  
Assam Secretariat: Block-C: Dispur: Guwahati-781006

Dispur, Dated 21<sup>st</sup> July 2020

Subject	Minutes of the One-to-One Meeting of Task Force for Mentoring & Monitoring the Finalisation of Accounts and Statutory Compliance of Assam Minorities Development & Finance Corporation Ltd.
Date & Time	17-07-2020 11.30 AM to 1.00 PM
Venue	Conference Hall, Block "C", 1 <sup>st</sup> Floor : Assam Secretariat, Dispur
Participants	Annexure

The said meeting was chaired by Shri.Gaurav Bothra, IAS Commissioner & Secretary, Welfare of Minorities & Development Department and Dr.M.Ariz Ahammed IAS Principal Secretary, Public Enterprises Department jointly.

On behalf of Government of Assam, the Principal Secretary, PE Dept. welcomed all the members and expert resource persons- Shri. Abraham Judah Cephas, Deputy AG Assam; Shri.Nagendra Rao, Vice-President ICSI, Ms.Namrata Khandelwal, Dy.Secretary, ICAI, Shri Chittaranjan Chattopadhyay ,Council Member, ICWA, Shri.Md. Shahbaz Ali, CMD, NMDFC, Shri. Kumar Sudhesh, Chief Manager Finance, NMDFC and Shri S.K.Bhartia Statutory Auditor who all attended the meeting through video conference.

Objective of the Taskforce: to facilitate Assam PSEs to finalise their audited accounts updated at the earliest by December 2020 but not later than 31<sup>st</sup> March 2021 and in their statutory compliance at earliest.

MD, AMDFCL Presentation:

1. Shri.Mahmood Hassan, ACS, Managing Director, AMDFCL has made presentation.
2. Years of Arrear accounts: 21 Years. Internal Audit for the period 1998-99 to 2018-19 had **been completed and Statutory Audit completed upto 2000-01.** Statutory Auditor appointed up to 2012-13.
3. Statutory Compliance: Earlier although BoDs of AMDFC was constituted, Chairman and other members of BODs have not joined the BoDs. So there is no Board at present. Steps will be taken for constitution of BoDs and compliance of Statutory obligations.
4. No Company secretary is in position.
5. Roadmap: Project Management & Monitoring Committee will be constituted by the Welfare Minorities & Development Department with the Sr. Most Secretary of WMD as Chairman. The committee will look into all matters to revitalize the AMDFCL.
6. Other issues:
  - a. There is no manpower & office building of AMDFCLtd. PMMC will take steps on the matter.
  - b. Action for enhancement of equity and grant for revival of the Corporation was pending and will be expedited.

**Observations:**

1. Public Enterprises Department, Govt. of Assam expresses sincere gratitude to NMDFC , A.G Assam, , ROC, Assam , ICSI, ICAI & ICMA for kind collaboration and help.
2. Expressed serious concern to the fact that there has been no Board of Directors for very long years and observed that it should be constituted with immediate effect and should start holding meetings including AGM at the earliest.
3. Also expressed concern over the fact that because of internal factors of AMDFCL, the target people of Assam have been deprived for economic development for very long years.
4. MCA Database noted that AMDFCL is Non-compliant Company.
5. CMD, NMDFC noted that
  - a. AMDFC is a State Channelizing Agency for NMDFC to provide Concessional finance (both Term loan and Micro-Finance) to Minorities for self employment / income generation activities so as to improve economic condition of marginalised sections of our society/ country.
  - b. Regrettably for nearly a decade Assam MDFC is defunct with no activity thereby depriving the Minority people of Assam the economic development, despite generous funding by National MDFC.
  - c. In contrast a number of states including Tripura, Mizoram in North East, Similarly Kerala and West Bengal are availing maximum benefit even upto Rs.200+ Crores every year. Last 3 years disbursements and beneficiary status is as given below:  
This clearly illustrates the importance of revitalising the AMDFC immediately.

State	Funds disbursed by State MDFC			Number of Beneficiaries		
	2017-18	2018-19	2019-20	2017-18	2018-19	2019-20
West Bengal	225.00	260.00	276.00	75,000	77,333	85067
Kerala- all SCAs	167.60	206.00	191.50	31,134	39,818	31000
Tamilnadu	33.00	37.95	47.00	10,866	9513	13134
Tripura	25.00	0.00	5.31	1667	0	354
Mizoram	0.00	0.00	3.00	0		200
Nagaland	3.00	4.00	3.00	1200	1600	1200
Assam	0.00	0.00	0.00	0	0	0

- d. He urged upon for settlement of loan overdues of AMDFC with NMDFC through OTS and avail fresh financial assistance from NMFDC for revival of the corporation so as to benefit the target group.
  - e. Nominated Shri. Kumar Sudesh, Chief Manager (Finance) to co-ordinate & provide inputs wherever required to the officials of AMDFC & Government of Assam, so that the AMDFCL becomes functional again.
6. AG Assam, ICAI, ICSI and ICWA and Statutory Auditor -all assured full cooperation and help to the AMDFCL towards revitalizing BOD, AGM and early finalization of accounts.

Decisions of the Taskforce:

Specific to PSE	<ol style="list-style-type: none"> <li>1. Shall appoint Company Secretary Immediately.</li> <li>2. Shall constitute Board of Directors within a fortnight positively duly considering MOA and AOA of the Company.</li> <li>3. Shall complete the finalization of Audited accounts not later than 31 March 2021.</li> <li>4. The Company Secretary shall take all measures for statutory compliance at the earliest, not later than 31<sup>st</sup> March 2021, by arranging meetings of MD with ROC by submitting request letters of condoning.</li> <li>5. The PSE shall submit clarification on the wide gap of variation on investment figure in respect of AMDFC between State Finance Accounts and AG's Report by 30<sup>th</sup> July 2020.</li> </ol>
Welfare of Minorities & Development Department-Administrative Dept.-	<p>Shall move to Finance Dept. to create Head of Account by next week positively.</p> <p>Shall immediately constitute the proposed Project Management Committee by including members of NMDFC, ICAI, ICSI and ICMA and PE Department within a week before 24.7.2020 , which shall examine the following issues viz.,</p> <ol style="list-style-type: none"> <li>1. Creation of Board of Directors</li> <li>2. Management Structure / HR / Posts to be created in the AMDFC based on the best performing State in the Country including Chief Financial Officer as deem appropriate by the Committee.</li> <li>3. Infrastructure required for the organisation</li> <li>4. Updating of Accounts – Internal Audit, Statutory Audit etc.</li> <li>5. Statutory Compliance</li> <li>6. Holding of BOD and AGM meetings</li> <li>7. Preparation of OTS proposal and processing</li> <li>8. Preparation of proposal for availing Grants In Aid from NMDFC Schemes.</li> <li>9. Preparation of proposal for Skill Development of target groups.</li> </ol> <p>The Committee shall hold meetings on every fortnight and fast track the revitalization process and keep Principal Secretary PE Dept. informed and share the same in Assam DPE PSEs whats' app group.</p> <p>Outcomes: Based on the said committee recommendations- the Welfare of Minorities and Development Department / AMDFCL shall move the following viz.,</p> <p>By 15<sup>th</sup> August 2020:</p> <ol style="list-style-type: none"> <li>1. Finalisation of recommendations of PMMC</li> </ol> <p>By 30<sup>th</sup> August 2020</p> <ol style="list-style-type: none"> <li>1. Constitution of BOD</li> <li>2. Processing of proposal to create posts as per the recommended Management Structure</li> <li>3. Preparation of OTS proposal and processing to Finance Department</li> </ol>

	4. Submission of proposal to NMDFC for GIA for infrastructure, Manpower etc.	
	5. Start submitting Monthly & Quarterly reports to PE Dept. By 30 <sup>th</sup> November 2020	
	By 30 <sup>th</sup> November 2020	
	6. Finalisation of Audited Accounts <b>significantly</b> by AMDFCL	
	7. Statutory Compliance <b>significantly</b> by AMDFCL	
	By 31 <sup>st</sup> March 2021	
	8. Finalisation of Audited Accounts as on 2019-20	
	9. Statutory Compliance as on 2019-20	
Administrative Department: Assam PE Policy, 2019	1. Constitution of Project Management and Monitoring Committee (PMMC) and regular meetings. (Para.5.5.1)	The Welfare of Minorities & Development Department shall take needful action and submit the action taken report by 15 <sup>th</sup> August 2020
	2. Innovation, Modernization and System Standardisation	
	3. Performance Management – MOU System (Para.5.5.4)	
	4. Comprehensive review of HR-(Para.5.6)	
	5. Timely appointment of MD/Chairperson/Board of Directors (Para.5.6.1)	
	6. Minimum 3 Years tenure to MD.(Para.5.6.1.(iii).-page.15)	
	7. Appointment of Professional MDs (Para.5.6.1.(iii).-page.15)	
	8. Appointment of General Managers (Para.5.6.1.(iv)	
	9. Appointment of Non-Executive Chairperson (Para.5.6.1 (v).	
	10. Decision on honorarium, perks etc. of Part-time Chairperson/ Vice-Chairperson.	
	11. Decisions on Investment / Disinvestment/Revival/Closure and Disposal of Assets. (Paras. 5.3 &6)	
	12. Formulation of Service Rules/ Regulations (Para.10)	
	13. VRS, RTI, Revision of Pay and SDGs (Paras-11, 12, 13 and 14)	
For all PSEs	<u>BOD Meetings by way of Video conferencing / OAVM:</u> The Ministry of Corporate Affairs vide Notification dated March 19, 2020 have allowed for the period beginning from the commencement of the Companies (Meetings of Board and its Powers) Amendment Rules, 2020 and ending on the 30th June,2020, the meetings on matters referred to in sub-rule ( 1) may be held through video conferencing or other audio visual means in accordance with rule 3." Further, The Period of 30th June, 2020 has been extended by the Ministry to September 30, 2020 vide Notification dated June 23, 2020.	
	<u>BOD Meetings to consider all pending accounts in one Meeting:</u>	

The Power to approve the Financial Statements is with the Board of Directors under Section 134 of the Companies Act, 2013. Since, the Pending accounts have not been approved by the Board of Directors till now, the Board of Directors have the power to approve the accounts of all previous year(s) under separate agenda for each of the pending years.  
Once the same has been approved by the Board of Directors and adopted by the Shareholders, the Company needs to file a compounding application, if any, for the contravention of Section 134 of the Companies Act, 2013.

For all PSEs

AGM Meetings- By way of Video Conferencing/ OAVM:  
Vide Circulars No. 14/2020 and 20/2020 dated April 08, 2020 and May 05, 2020 respectively, Ministry of Corporate Affairs (MCA) has allowed Companies to hold EGM and AGM by way of the Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") with simplified voting through registered emails, without requiring the shareholders to physically assemble at a common venue.

AGM Meetings- to consider all pending accounts in one AGM with a separate agenda item for each of the pending years.

As per Section 102 (2) (a) (i) The matters which need to be discussed and approved by the Shareholders / Members of the Company is the consideration of financial statements and the reports of the Board of Directors and Auditors. In case the Accounts are not adopted by the shareholders. it needs to be approved by the shareholders since it comes under their power. Therefore Pending Accounts can be adopted by the shareholders in one meeting with a separate agenda item for each of the pending years.

Companies Fresh Start Scheme, 2020: Importance of availing benefit under the scheme:

The Ministry of Corporate Affairs has introduced the "Companies Fresh Start Scheme, 2020". The relevant circular is available at [http://www.mca.gov.in/Ministry/pdf/Circular12\\_30032020.pdf](http://www.mca.gov.in/Ministry/pdf/Circular12_30032020.pdf).

The Scheme, apart from giving longer timelines for corporates to comply with various filing requirements under the Companies Act 2013, has significantly reduced the related financial burden on them, especially for those with long standing defaults, thereby giving them an opportunity to make a "fresh start". The USP of the scheme is a one-time waiver of additional filing fees for delayed filings by the companies with the Registrar of Companies during the currency of the Schemes, i.e. during the period starting from 1st April, 2020 and ending on 30th September, 2020.


ICAI FAQs on the Companies Fresh Start Scheme are available at <https://resource.cdn.icai.org/58908clcgc48020.pdf>.

FAQs on Company Fresh Settlement Scheme, 2020 issued by the MCA are available at [http://www.mca.gov.in/Ministry/pdf/FAOCFSS\\_15042020.pdf](http://www.mca.gov.in/Ministry/pdf/FAOCFSS_15042020.pdf)

	<p>List of forms (CA56/CA13/LLP) eligible for additional fee waiver is available at <a href="http://mca.gov.in/Ministry/pdf/CFSS2020_02042020.pdf">http://mca.gov.in/Ministry/pdf/CFSS2020_02042020.pdf</a>.</p> <p>This is to mention here that MCA has given relaxation that the DIN holders marked as “Deactivated” and companies marked as “ACTIVE non-compliant” can become compliant once again.</p> <p>Other Relaxations are related to holding Board meeting/ AGM/ EGM through Video Conference, dispatch of notice for rights issue and Extension of Period/Days for Names Reserved and Re-submission of Forms.</p> <p>This is the time when the Companies and LLPs can utilize this opportunity given by the Government and they can make good any filing related defaults, irrespective of duration of default, and make a fresh start as a fully compliant entity.</p>		
For all PSEs	<p>All the PSEs/ Their company secretaries shall prepare matrix of statutory compliances for all the pending years immediately (not later than 30<sup>th</sup> July 2020) and shall take steps for expeditious compliance.</p> <p>All PSEs should have business continuity Plan at earliest. ICMA will extend all help in this regard.</p> <p>Shall update action taken / Progress on weekly basis (Every Monday by Whats’ app) to Mrs.Parul Devi Jr.Economist PE Dept.M:94355-57640. In case it is observed that the PSE requires more handholding, the PE Dept. shall hold the Taskforce Meeting at PSE premises.</p> <p>Shall create and start using gov.in email ids for MD and General Managers based on designation, immediately within a week.</p> <table border="1"> <tr> <td>Compliance to Assam Rules of Executive Business, 1968 including timely submission of Audited Accounts, submission of Quarterly and Monthly reports to PE Dept</td> <td>Shall comply henceforth regularly.</td> </tr> </table>	Compliance to Assam Rules of Executive Business, 1968 including timely submission of Audited Accounts, submission of Quarterly and Monthly reports to PE Dept	Shall comply henceforth regularly.
Compliance to Assam Rules of Executive Business, 1968 including timely submission of Audited Accounts, submission of Quarterly and Monthly reports to PE Dept	Shall comply henceforth regularly.		
PE Dept.	<p>Shall extend all help of facilitation to AMDFCL and Welfare of Minorities and Development Department.</p> <p>PE Dept. shall write to GOI Ministry of Company Affairs and ROC to consider extension of Company Fresh Start Scheme (CFSS) 2020 till March 2021, to avail benefit of condonation of delays and avoid penalties.</p>		
AG Assam	Extend help in all respects for revitalization of the corporation including appointment of Statutory Auditor till the 2019-20.		
ROC, NE / Assam	Will guide in their statutory compliance		
ICAI	Will designate one ICAI member for handholding the AMDFCL in maneuvering the statutory requirements including expeditious finalization of accounts. Also extend all help by coordinating with Internal Auditors and Statutory Auditors.		
ICSI	Will designate one ICSI member for handholding the AMDFCL for early operationalisation of BOD & AGM and in maneuvering the statutory compliance.		

ICMA	Has designated Shri. Rana Bose ICMA member Guwahati Chapter for handholding the AMDFCL in all respects.  A CFO should be put in place in the Company to look after (i) Liquidity Management (ii) Expense Management (iii) Risk and Compliance Management and (iv) Timely and accurate reporting. Gauhati Chapter of the ICAI will extend support to AMDFCL for its business continuity plan and business augmentation plan.
Internal Auditor	Internal Auditor need to expand his/her scope to comply with all the Statutory requirements and expedite the finalization of accounts.
Statutory Auditor	Shall examine the MOA and AOA whether the AMDFCL is a NBFC for needful statutory requirements and expedite the finalization of accounts.
Company Secretary	Shall extend all cooperation and support to PSE in Statutory compliance by December 2020 but not later than 31 <sup>st</sup> March 2021.

The meeting ended with a vote of thanks to the Chair.

  
 21.7.2020  
 Dr. Mahammed Ariz Ahammed IAS  
 Principal Secretary to the Govt of Assam


Memo No. PE.20/2020/25-A

Dated Dispur the 21<sup>st</sup> July, 2020

Copy forwarded to :

1. The Staff Officer to the Chief Secretary, Assam for kind information of Chief Secretary.
2. The Accountant General (Audit), Assam, Maidamgaon, Beltola, Guwahati- 29 for kind information.
3. The Principal Secretary to Government of Assam, Finance Department, Dispur.
4. The Commissioner & Secretary to Government of Assam, Finance Department, Dispur.
5. The Commissioner & Secretary to Government of Assam, Welfare of Minorities & Development Department, Dispur.
6. The Chairman & Managing Director, National Minorities Development and Finance Corporation, New Delhi.
7. All esteemed members of the Task Force for kind information and assistance- ICAI/ICSI/ICMA.
8. The Managing Director Assam Minorities Development & Finance Corporation Ltd., RGB Road, Ganeshguri Chariali : Guwahati-781006 for information & necessary action.
9. The Management Officer, PE Dept. to upload the minutes on PE Dept. website.

By order etc.

  
 21/7/2020  
 Joint Secretary to the Govt. of Assam  
 Public Enterprises Department