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E- Governance and MCA 21- prosperity to business world

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ABSTRACT

The Ministry of Corporate Affairs has introduced the MCA21 e-Governance programme with a view to providing all services relating to ROC offices on-line in e-Governance mode. MCA21 replaces the erstwhile practices broadly consisting of physically filing of documents, incorporation of companies and inspection of documents with the Registrar of Companies. This project is the first of its kind and is intended to create a health business eco system conducive to foreign investment thereby boosting the Indian economy. This paper investigate whether the goals of the project i.e to improve the service standards to all the stakeholders have been achieved or not? what are the new amendments in MCA project and how it is beneficial to all the stakeholder?. The analysis shows that among other e-governance programmes MCA 21 is the one which have a positive impact on the user and day by day its importance is increasing. It does not include other offices like Liquidators, CLB (Company Law Board)/Tribunals and Courts. Many up gradations were done in MCA 21 project like -XBRL, NEFT but still there is a need for increasing the awareness about use of online procedures relating to MCA and improvement in website facility during peak season.

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Introduction

"Ministry of Company Affairs", earlier known as Department of Company Affairs under Ministry of Finance, was designated as a separate Ministry vide Cabinet Secretariat Notification No.DOC.CD-160/2004 dated 27.05.2004 to function under Minister of State with Independent Charge.

The Ministry is primarily concerned with the administration of the Companies Act, 1956, other allied Acts and rules & regulations framed there-under mainly for regulating the functioning of the corporate sector in accordance with law. It is also responsible for administering the Competition Act, ICAI, ICSI and ICWAI which are constituted under three separate Acts of the Parliament for proper and orderly growth of professions of Chartered Accountants, Company Secretaries and Cost Accountants in the country.

Shri Murli Deora assumed the charge as Union Cabinet Minister in the Ministry of Corporate Affairs on 20th January, 2011

Shri D.K.Mittal assumed the charge of Secretary, on 1st February, 2010.

Vision of the Ministry

- Freedom with accountability.
- Self- regulation within broad contour of law and public policy.
- Effectively protecting interests of investors as promised in National Common Minimum Programme (NCMP).

Organisational Set-Up

The Ministry has a three tier organisational set-up -

- the Secretariat at New Delhi,
- the Regional Directors at Mumbai, Kolkata, Chennai, Noida (U.P.), Ahmedabad and Guwahati and 20 offices of Registrars of Companies (ROCs) in States and Union Territories.

- 19 offices of the Official Liquidators who are attached to various High Courts functioning in the country are also under the overall administrative control of the Ministry.

E – Governance

"e-governance" or electronic governance is the application of Information Technology to the Government functioning in order to bring about Simple, Morale, Accountable, Responsive and Transparent (SMART) Governance .

E-Governance is a highly complex process which requires provisions of Hardware, Software, Networking and Re-engineering of the procedure for better delivery of government services.

MCA 21 -

MCA 21 is the first Mission Mode Project to be launched under NeGP (National e-governance Plan) by government of India.

The MCA conceptualized the MCA 21 initiative, which included the digitization of about 45 million paper documents in MCA's archives, setting up a data center, building the computing infrastructure, setting up 52 facilitation centers, designing the application software and setting up secure electronic payment gateways.

Project overview

The MCA21 Project implementation commenced with the signing of contract agreement with the M/s Tata Consultancy Services Ltd. on 1st March 2005 The MCA21 Project has been approved with an overall cost of Rs. 345 crore. TCS has helped the MCA leapfrog into the 21st century and provide corporates with ease and transparency in functioning, bringing the country in alignment with its current and future needs. It is a fine example of public-private partnership, and is built on a BOOT (Built, Operate, Own and Transfer) model.

The project is named as MCA-21 as it aimed at Repositioning MCA as an organization capable of fulfilling the aspirations of its stakeholders.

Rather than compelling the business community to travel physically to MCA offices, MCA services are provided or made available at the place of their choice ,be it is their home or offices.

Moving from paper based to nearly paper less environment.

Scope

The present scope of MCA-21 includes services provided by the Regional Directors (RDs), 22 offices of Registrar of Companies (ROC) and the Ministry Headquarter at Delhi.

Benefits of the project

1. On-line incorporation of companies.
2. Simplified and easy mode of filing of forms/returns.
3. Registration as well as verification of charges anytime from anywhere.
4. Inspection of public documents of companies anytime from anywhere.
- 5 .Corporate centric Approach.
6. Building up a centralized database repository of corporate operating in India.
7. Enhanced service level fulfillment and customer relationship building.
- 8 .Total transparency through e-governance.
9. Timely redressal of investor grievances.
10. Availability of more time for MCA employees for qualitative analysis of corporate information.

Services available on MCA-21

- Registration and Incorporation of new companies.
- Filing of Annual Returns and Balance Sheets.
- Filing of forms of changes of names/address/Directors details.
- Charge management.
- Inspection of Documents.
- Application various Statutory Services from MCA Investor Grievance Redressal.

Launch of MCA-21

The Central Government the Companies (Central Government’s) General Rules and Forms 1956 Rules, vide notification No. GSR 56(E) dated 10th February 2006, and notified new e-Forms, to enable e-filing of document.

Rule 3 of the Companies (Central Government’s) General Rules and Forms(Amendment)Rules,2006 provides that the forms prescribed in Annexure A of the rules may be filed through electronic media or through any other computer readable media as referred under Sec. 610A of Companies Act, 1956.

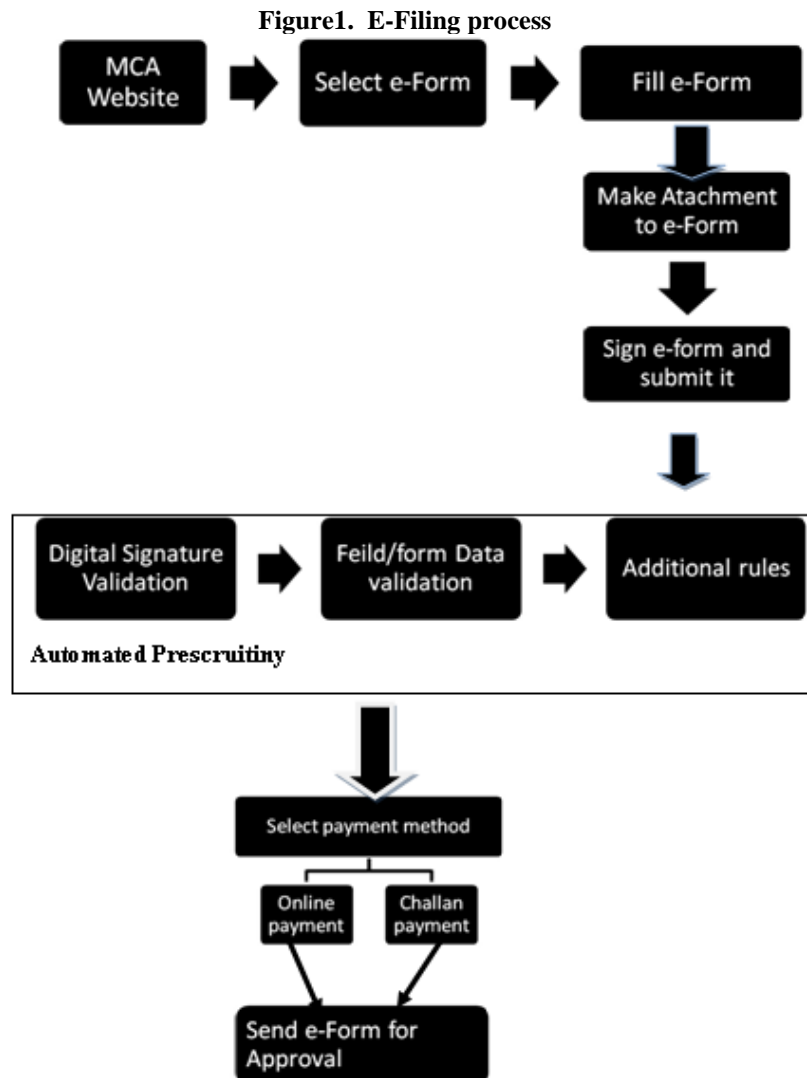
MCA-21 was launched on 18th February 2006 by starting the processing of e-filing at Rocs office at Coimbatore.

The e-forms are available at www.mca.gov.in.

The old format of the forms have been rendered redundant after 27th February 2006.

E-form

E-form is a re-engineered conventional form notified and represents a document in electronic format for filing with MCA authorities through the internet.



This may be either a form filed for compliance or information purpose or an application seeking approval from the MCA.

Directors Identification Number (DIN)

The concept of a DIN has been introduced for the first time with the insertion of Sections 266A to 266G of Companies (Amendment) Act, 2006.

Director Identification Number, is a unique identification number for an existing director or a person intending to become the director of a company.

Any person who is a director of a company or any who one intends/proposed to be a director of company in future needs to apply for DIN

- As per the recent amendment in the Companies Act ,1956 ,DIN has become mandatory for all the directors.

- DIN is individual specific and not company specific, so only one DIN is required per director/person .

-DIN is not mandatory for Director of the foreign Company having branch offices in India.

Corporate Identity Number(CIN)

Each company (Indian or foreign) has a unique CIN. This is required to be quoted on all forms. Once the number is given , company details are automatically filled in by using pre-fill function.

Every company has been allocated a CIN. CIN can be found from the MCA 21 portal through search based on:

ROC Registration No.

Existing Company Name

Old Name of Company

Inactive CIN

Global Location Number-

For foreign companies Global Location Number(GLN) is allotted.

Digital Signature Certificate (DSC)

The electronic forms shall be authenticated by the authorized signatories using digital signature as defined under the Information Technology Act,2000 in order to make use of the facilities.

A digital Signature is the electronic signature duly issued by the Certifying Authority established by the government of India that shows the authenticity of the person signing the same.

All signatories of a company including MD, Directors, Manager or Secretary authorized to sign the various forms to be filed with ROC, RD or MCA are required to obtain DSC. It is also mandatory for all the stakeholders who would interact with the ministry to have a DSC, since without that, it would not be possible to file the returns and other statutory compliance related filing.

All companies whether public, private etc must comply with requirement of registration of DSC by the Director ,manager and secretary.

Foreign Directors are required to obtain digital Signature certificate from an Indian Certifying Authority. The process of registration is same as applicable to others.

Pre- Certification By Professionals

Form Nos.2, 3, 5, 10, 17,18, 23, 24AB,25C and 32 are required to be pre-certified by CA or CS or a Cost Accountant in Whole time Practice. Form No. 1 can be signed by PCS ,CA or Advocate.

Role Check

Role Check has been implemented w.e.f. 1st July, 2007 on MCA portal. This implies if the e-form is not digitally signed by

authorized person; then it shall not be accepted on MCA21 portal. The check shall be performed for Director, Signatory (Manager/Secretary) , Practicing Professional

Front Office (FO)

Front Office represents the interface of the corporate and public user with the MCA 21 system. The implementation of FO is done in two ways.

These can be called as Virtual Front Office(VFO) and Registrar front's Office (RFO).

The **VFO** merely represents a computer facility for filing or digitally signed e-forms by accessing the MCA portal through internet. It also presupposes availability of related facilities to convert documents into PDF Format and scanning of documents wherever required.

The **RFO** will be a replacement to the existing ROC counters. To address the needs of the stakeholders who do not have access to a computer system and Internet connection and those who are not adapt in using computerised applications, a wide network of RFOs are established.

These centers will serve as facilitation centers to receive the documents, convert them into electronic documents, and transfer the same in digital form to the back office (RoC office) for further processing and decision-making. RFO are managed and operated by the operator..

This office is managed by MCA and TCS officials provides free of cost services in all aspects of MCA 21 e-governance projects.

Back Office

Back office represents the offices of Rocs, RDs and Headquarters and take care of internal processing of the forms filed by the corporate user as per MCA norms and guidelines. The e-forms are routed dynamically to the concerned authority for the processing depending upon the assigned role .All the e-forms along with attachments are stored in the electronic depository which the staff of MCA can review depending upon the access rights.

Mode of Payment

MCA 21 system provides for the facility of payment of statutory fees through multiple modes i.e..

(i) Off-line payment through a challan generated by the system and payment of fees at the counter of the notified bank branches through DDs/Cash

(ii) On-line payments through internet Banking and Credit Cards[Master Card/Visa]

Off-line method takes about two to three days time.

On the other hand , the online payment is instant.

Service Request Number (SRN)

Each transaction under e-filing is uniquely identified by Service Request Number (SRN).On filing e-form, the system generates and provides a Service Request Number(SRN). A user can check the status of the document/transaction by entering SRN.

Re-Submission

At times, MCA may ask for some changes before approving/registering the e-form that have been submitted successfully.

MCA will notify about their requirement through email. We will have to make changes and re-submit the e-form.

Re-Submission does not require any payment, if done within prescribed time(30 days in case of form 1A and 60 days in case of other forms)

Payment of Stamp Duty

Stamp Duty is a state subject. Stamp Duty is payable on A.O.A and M.OA and also on authorized capital of company.

Some states have authorized MCA to collect the Stamp Duty on their behalf and to remit the same to them.

Introduction of E-Stamping Facility by MCA

In the present scenario, even though the e-Form is submitted instantly, the Roc office has to wait for the receipt of physical stamp papers to initiate necessary processing. It results in service delivery getting longer time. Hence in furtherance of e-governance initiatives, provisions regarding stamp duty applicable on filing of e-forms have been amended and stakeholders shall have facility to pay stamp duty in electronic manner also.

List of e-Forms to which e-stamping will be applicable

- Form 1
- Form 5
- Form 44
- Form 67

Payment of Stamp Duty through MCA portal is optional till 31/12/2009.

But w.e.f 1st January ,2010, Stamp Duty shall have to be paid only through electronic mode for states which have agreed for e-stamping.

Physical Submission of Certain Documents

In view of practical constraints, certain documents requiring stamp paper or stamp fees like stamped MOA , declaration on Stamp paper ,order of Company Law Board/court are required to be sent by the companies in the physical form to the ROCs.

SRN will be provided while sending these forms documents to MCA. This would ensures the authenticity and reliability of such key documents and enable the MCA authorities to further act upon the same.

Objectives of the study

- What are the current laws and regulations about e-governance and MCA 21 Project.
- To what extent MCA 21 Project is beneficial to the stakeholders.
- Is there any disadvantage to the companies by MCA 21 Project ?
- The aims or goals set up for the project are achieved or not.

Limitation

1.The major limitation of the study is that it is based on Secondary data.

Data Analysis

During the year following initiatives were taken to streamline the filing during the peak filing period.

Table 1. Companies at Work

1956,	30,000
2005	6.83 lakhs
2010	8,72,740

These 8,72,740 comprised

8,71,125	Non-Government companies	
1,615	Government companies	
81,926	public limited	
7,90,814	private limited companies	

➤ New Registration

64,990 companies limited by shares with authorized capital of Rs. 47,161.75 crore were registered under the Companies Act, 1956 during the period from 1st April, 2010 to 31st December, 2010. Out of these, 36 were Government companies with authorized capital of Rs. 23,697.22 crore and 64,954 were Non-

Government companies with authorized capital of Rs. 23,464.53 crore.

The Government companies limited by shares which were registered during the period from 1st April, 2010 to 31st December,2010 comprised 28 public limited companies and 8 private limited companies with authorized capital of Rs.23,649.20 crore and Rs. 48.02 crore respectively. The Non-Government companies limited by shares which were registered during the period from 1st April, 2010 to 31st December, 2010 comprised 2051 public limited companies and 62,903 private limited companies with authorized capital of Rs. 7,257.28 crore and Rs. 16,207.25 crore respectively.

➤ Liquidation

During the period from 1st April, 2010 to 31st December, 2010, a total of 10,185 Non-Government companies limited by shares were reported to have gone into liquidation or to have been struck off U/S 560 (5) of the Companies Act, 1956.

➤ Foreign Companies

3,050 foreign companies, as defined under Section 591 of the Companies Act, 1956 were in the country as on 31.03.2010. During the period from 1st April, 2010 to 31st December, 2010 another 146 foreign companies established their place of business in India and 30 foreign companies have ceased to have their principal place of business in India. Thus there were 3,166 foreign companies in India as on 31.12. 2010.

➤ The number of servers for FO(Front Office) and BL(Business Layer) were increased from 4 to (7 for FO and 7 for BL).

➤ To improve performance of the Gateway layer the payload part of the SOAP message was bypassed and only message part was passed through the Gateway during the peak filing period.

➤ The system was configured to put a cap on the number of simultaneous users in case of sudden spurt in the incoming load..

➤ A dashboard was deployed in Shastri Bhawan for continuous monitoring of the server infrastructure, line server, CPU usage, RAH usage, HTTP services, JVM processes and login connections. The dashboard data was analyzed continuously for early warnings regarding the performance deterioration and excessive user volumes to take corrective actions.

➤ Upgrades were carried out on the database (DB2) and WAS (Web Application Server) to improve performance of the system.

➤ Guidelines were issued to the stakeholders through media & performing financial institutions for staggered E-filing.

Table 2. Filing Status as on December 31, 2010

Particulars	Number
Average portal hits per day	101.46 Lakhs
Total filings through the system till 31.12.2010	119.57 Lakhs
Maximum number of documents filed on a day (29-10-2010)	70034
Number of companies registered online	307556
Total DIN issued till date	19.19 Lakhs
Company records viewed online	15.51 Lakhs
Number of Balance Sheets filed	20.22 Lakhs
Number of Annual Returns filed	20.24 Lakhs
Amount of E-stamp collected upto 31.12.2010	18884.78 Lakhs
Number of E-form revised during the year	All Hindi forms were revised and Form CLSS, 68, EES2011, CSR were introduced

There has been a significant turn around in time for delivery of services with the implementation of the project which is brought out from the following table:

Details of e-Forms

e -Form No	Subject
Form 1	Application and declaration for incorporation of a company
Form 1 A	Application form for availability or change of name
Form 1AA	Particulars of person(s) or director(s) or charged or specified for the purpose of clause (f) or (g) of section 5
Form 1AD	Application for confirmation by Regional Director for change of registered office of the company within the state from the jurisdiction of one Registrar to the jurisdiction of another Registrar
Form 1B	Application for approval of the Central Government for change of name or conversion of a public company into a private company
Form 2	Return of allotment
Form 3	Particulars of contract relating to shares allotted as fully or partly paid-up otherwise than in cash
Form 4	Statement of amount or rate per cent of the commission payable in respect of shares or debentures and the number of shares or debentures for which persons have agreed for a commission to subscribe for absolutely or conditionally
Form 4C	Return in respect of buy back of securities
Form 5	Notice of consolidation, division, etc. or increase in share capital or increase in number of members
Form 8	Particulars for creation or modification of charges (other than those related to debentures)
Form 10	Particulars for registration of charges for debentures
Form 15	Appointment or cessation of receiver or manager
Form 17	Particulars for satisfaction of charges
Form 18	Notice of situation or change of situation of registered Office
Form 19	Declaration of compliance with the provisions of section 149(1)(a), (b) and (c) of the Companies Act, 1956
Form 20	Declaration of compliance with the provisions of section 149(2)(b) of the Companies Act, 1956
Form 20A	Declaration of compliance with the provisions of section 149(2A) or of section 149(2B)
Form 20B [Refer Section 159 of the Companies Act, 1956]	Form for filing annual return of a company having a share capital
Form 21	Notice of the court or the company law board order
Form 21A	Particulars of annual return for the company not having share capital
Form 22	Statutory Report
Form 22B	Form of return to be filed with the Registrar
Form 23	Registration of resolution(s) and agreement(s)
Form 23AA	Notice of address at which books of account are maintained
Form 23AAA	Application to Central Government for modification in the matters to be stated in the company's balance sheet or profit and loss account
Form 23AAB	Application for exemption from attaching the annual accounts of the subsidiary companies
Form 23AAC	Application to Central Government for not providing depreciation
Form 23AC	Form for filing balance sheet, profit and loss account and other documents with the Registrar
Form 23B	Information by auditor to Registrar
Form 23C	Form of application to the Central Government for appointment of cost auditor
Form 24	Form of application to the Central Government for increase in the number of directors of the company
Form 24A	Form for filing application to Central Government (Regional Director)
Form 24AB	Form for filing application for giving loan, providing security or guarantee in connection with a loan
Form 24B	Form of application to the Central Government for obtaining prior consent for holding of any office or place of profit in the company by certain persons
Form 25A	Form of application to the Central Government for approval of appointment and remuneration or increase in remuneration or waive for excess or over payment to managing or whole - time director(s) or manager
Form 25B	Form of application to the Central Government for approval to amendment of provisions relating to managing, whole-time or non-rotational directors
Form 25C	Return of appointment of managing director or wholetime director or manager
Form 32	Particulars of appointment of managing director, directors, manager and secretary and the changes among them or consent of candidate to act as a managing director or director or manager or secretary of a company and/or undertaking to take and pay for qualification shares

Form 32 Addendum	Addendum Particulars of appointment of managing director, directors, manager and secretary and the changes among them or consent of candidate to act as a managing director or director or manager or secretary of a company and/or undertaking to take and pay for qualification shares- addendum to Form 32.
Form 35A	Information to be furnished in relation to any offer of a scheme or contract involving the transfer of shares or any class of shares in the transferor company to the transferee
Form 36	Receiver's or manager's abstract of receipt and payments
Form 37	Application by an existing joint stock company or by an existing company (not being a joint stock company) for registration as a public limited or private limited or an unlimited company
Form 39	Registration of an existing company as a limited company
Form 44	Documents delivered for registration by a foreign company
Form 49	Return of alteration in the charter, statute or memorandum and articles of association, address of the registered or principal office and directors and secretary of a foreign company
Form 52	Notice of (A) alteration in names and addresses of persons resident in India authorised to accept service on behalf of a foreign company (B) alteration in the address of principal place of business in India of a foreign company(C) list of places of business established by a foreign company (D) cessation to have a place of business in India
Form 61	Form for filing an application with Registrar of Companies
Form 62	Form for submission of documents with the Registrar
Form 63	Form for filing application for declaration as Nidhi company
Form 64	Form for filing application for opening branch(es) by a Nidhi company
Form 65	Form for filing application or documents with Central Government
Form II [Pursuant to Rule 2 of the Companies (Appointment of Sole Agents) Rules, 1975]	Form of application for approval of the Central Government for the appointment of sole buying agent by a Company
Form DD - B [Pursuant to section 274(1)(g) read with rule 5 of Companies (Disqualification of Directors under section 274(1)(g) of the Companies Act, 1956) Rules, 2001]	Return by a public company
Form I [Pursuant to Rule 2 of the Companies (Appointment of Sole Agents)]	Form of application for approval of the Central Government for the appointment of sole selling agents by the company
Form DD - C [Pursuant to section 274 read with Companies (Disqualification of Directors under section 274(1)(g) of the Companies Act, 1956) Rules, 2001]	Form of application for removal of disqualification of directors
Form [Pursuant to the Companies (Declaration of Dividend out of Reserve) Rule 1975 for approval for Declaration of Dividend of Reserve Rules, 1975]	Form of application for approval for declaration of dividend out of reserves) Rules, 1975]
Form [Pursuant to section 159 of the Companies Act, 1956 and rule 3 of Application of section 159 to Foreign Companies Rules, 1975]	Form of annual return of a foreign company having a share capital
Form 1 [Pursuant to Rule 3 of Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001]	Statement of amounts credited to investor education and protection fund

Form [Pursuant to section 233B(4), 600(3)(b) of the Companies Act, 1956 and rule 2(c) and rule 4 of the Cost Audit (Report) Rules, 2001]	Form for filing cost audit report and other documents with the Central Government
Investor Complaint Form	Investor Complaint Form

Table 3. Increase in Efficiency of Service Delivery after MCA21Service Metrics

Type of Service	Prior to MCA21	After MCA21
Name Approval	7 days	1-2 days
Company Incorporation	15 days	1-3 days
Change of Name	15 days	3 days
Charge creation/ modification	10-15 days	2 days
Certified Copy	10 days	2 day

Table 4. Registration of Other Documents

Type of Service	Prior to MCA21	After MCA21
Annual Return	60 days	Instantaneous
Balance-sheet	60 days	Instantaneous
Change in Directors	60 days	1-3 days
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	On-line

Table 5. Category wise Complaints and Resolution Status from 01-04-2010 to 31-12-2010

Type of complaint	Nature of complaint	Grievances Received	Rejected, incomplete information	Valid Grievances	Beyond Helpline Mechanism	Balance valid grievance processed	Redressed
Debenture or bond related grievances	Non-receipt of certificate, interest, redemption amount	91	20	71	10	61	28
Fixed/ Public deposits, Collective Investment Schemes related grievances	Non-receipt of matured amounts, interest, returns, etc.	273	15	258	208	50	52
Share-holders grievances	Non-receipt of dividend, share certificates, bonus, allotment advise, rights allotment, Annual Report, AGM notices, demat grievances, etc.	800	203	597	113	484	303
		1164	238	926	331	595	383

Protection of interests of investors

A website namely www.investorhelpline.in has been sponsored and launched in September, 2006 under Investor Education and Protection Fund and created by Midas Touch Investor Association (NGO) to provide a mechanism for redressal of grievances of investors free of cost and acts as an intermediary between investors and companies, stock exchanges, and other authorities. It also educates investors about their lawful rights under various acts and the procedure to get them enforced.

Grievance Redressal Mechanism Service Standard- 30 days for the Complaints received in MCA.

XBRL

XBRL is a data-rich dialect of XML (**Extensible Markup Language**), the universally preferred language for transmitting information via the Internet. It was developed specifically to communicate information between businesses and other users of financial information, such as analysts, investors and regulators. XBRL provides a common, electronic format for business reporting. It does not change what is being reported. It only changes how it is reported.

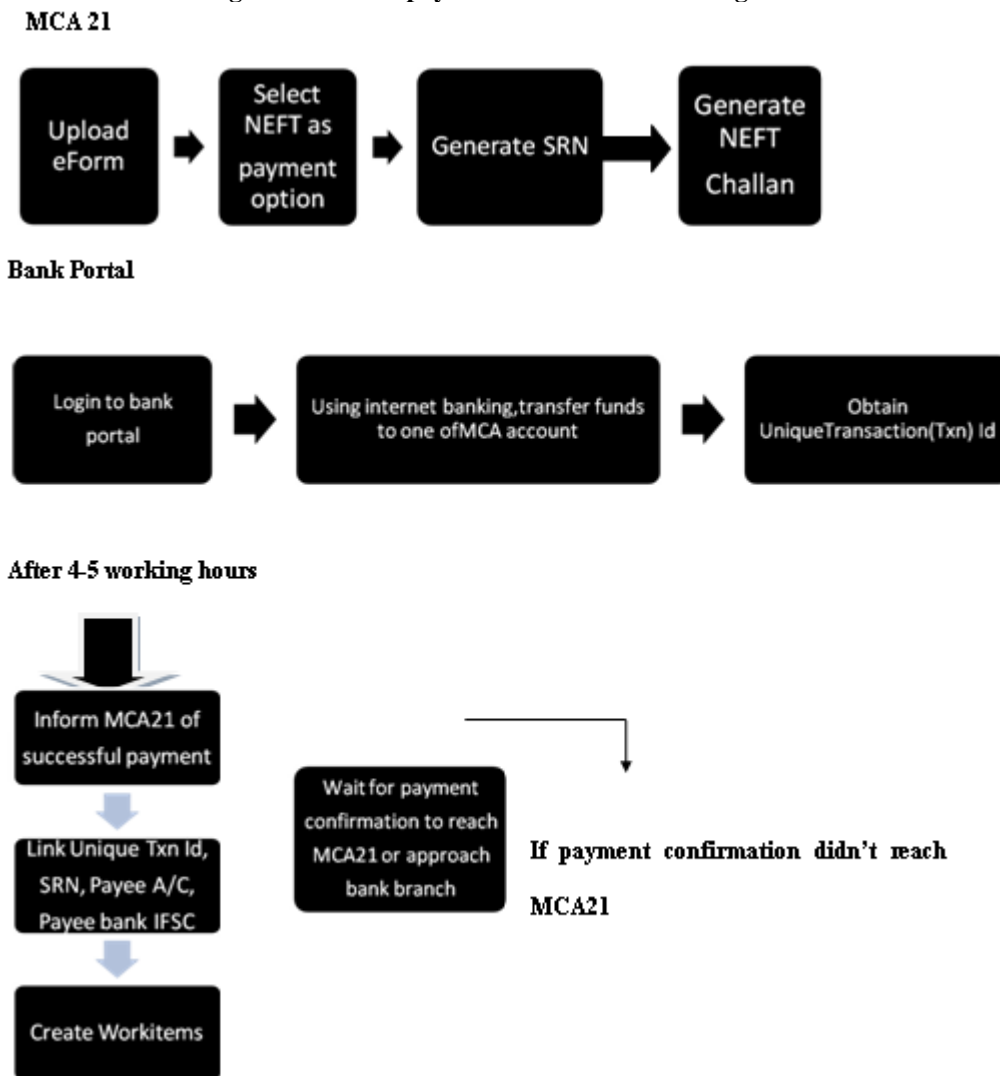
XBRL is a world-wide standard, developed by an international, non-profit-making consortium, XBRL International Inc. (XII). XII is made up of many hundred members, including government agencies, accounting firms, software companies, large and small corporations, academics and business reporting experts. XII has agreed the basic specifications which define how XBRL works.

Benefits of XBRL

- Automation, cost saving, faster, more reliable and more accurate handling of data,
- Improved analysis and better quality of information and decision-making
- **XBRL** enables producers and consumers of financial data to switch resources away from costly manual processes, typically involving time-consuming comparison, assembly and re-entry of data. .
- Data Collection and Reporting.
- Data Consumption and Analysis.

➤MCA XBRL Validation Tool Updated version of MCA XBRL validation tool (Version 1.1.1) has been released on 23rd November 2011.

Figure 2. Flow of payment of MCA21 fees using NEFT



Paying MCA21 fees via NEFT**Introduction:**

Currently MCA21 payments are allowed via Credit Card, Internet Banking & Physical Challan. The Ministry has authorized 5 banks (Indian Bank, HDFC, ICICI, PNB and SBI) for collection of MCA21 fees, which means that only the account holders of these banks can avail Internet banking facility. Further, payment via challan can only be made in the authorized branches of these above five banks. Though this was a major improvement compared to the earlier manual system, it caused delays in incorporation of companies and processing of other e-Forms. In order to eliminate inconveniences caused due to payment processing delays, Ministry is introducing payment of MCA fees via NEFT (National Electronic Fund Transfer) mode, in addition to already existing payment methods.

Information about NEFT

NEFT is a nation-wide system that facilitates electronic transfer of funds from any bank branch to account holder of any other bank branch. The list of NEFT-enabled branches is available in the RBI website. Presently, NEFT operates in hourly batches - there are eleven settlements from 9 am to 7 pm on weekdays and five settlements from 9 am to 1 pm on Saturdays.

NEFT transaction charges are available in the RBI website and are in addition to MCA21 filing fee.

Findings And Conclusion

1. Among the other projects of Government, MCA21 appears to have had the most positive impact on the users
2. MCA 21 does not include other offices like Liquidators, CLB (Company Law Board)/Tribunals and Courts.
3. During peak filing period VPD was blocked during peak hours in last 10 days of September, October and November, 2010. Therefore no of Certified filing center has been increased.
4. Many up gradations were done in MCA 21 project like XBRL, NEFT.
5. In the interest of stakeholders, with a view to improving service delivery time, Ministry has decided to accept payments

of value upto Rs.50,000, for MCA 21 services ,only in electronic mode w.e.f 27th March, 2011

6. For the payments of value above Rs. 50,000, stakeholders would have the option to either make the payment in electronic mode, or paper challan. However such payments would also be made in electronic mode w.e.f .1st October'2011.

7. E- Stamping Facility has been introduced.

8. In order to provide enhanced services to its Stakeholders, MCA in a joined up service with the Trademark Department has provided a facility for searching the Trademark database before applying for Name Availability.

9. Filing of Balance Sheet and profit and Loss Account is made compulsory to be filed in eXtensible Business Language.

10. MCA 21 proves to be a successful tool for the business world.

Limitations of MCA 21

1. A large proportion of Users(77 percent) reported that they had experienced a problem with the online interface.

2. Problems arose on account of incompatibility of software versions, limitations on the size of attachments, and the limited and unclear suggestions /explanations offered by the system in the case of errors.

3. Many users found the website to be slow especially during peak season.

Recommendations

1. There is a need for increasing the awareness about use of online procedures relating to MCA.

2. Reducing the size of e-forms could help to reduce the time taken for downloading them.

3. Other offices like Liquidators, CLB(Company Law Board)/Tribunals and Courts should be included in MCA 21.

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