

MCA21 Road ahead...

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MCA21 is shifting its gear and ready for full speed riding very soon. Use of Digital signatures will be compulsory from mid September for real e-filing. The dream era in the history of India Incp will start.

Very soon MCA will prescribe the form for filing of details of director identification numbers to Registrar. This will open up new chapter in MCA21 i.e. User Registration and Role Checking. Presently systems checks are kept at minimum level and registration of users in specified role is not mandatory to use the MCA21 facilities. Till today anybody can upload any document from his/ her registered user login. More strict norms for users are on card in near future. Now it is going to change.

Following are few important events or changes, which will take place in MCA21 in near future.

Submission of DIN information to ROC

Companies Amendment Act 2006 came into existence in the month of May 2006. We still await the notification from MCA for effective date.

Section 266E of the amendment act requires each company to submit information of its directors together with DIN number to Registrar. MCA will prescribe a separate form for submission of this information.

Lot of debate is presently going on, whether to submit this information by a letter to ROC or to wait for the form to be prescribed. It is essential to understand the objective behind this provision.

MCA21 project needs to capture the information/ data of all the directors and companies in electronic form. The information/ data captured from the process will be used to monitor and regulate the companies and its directors. The data will also be useful to regulate the possible economic offenses by the companies and to find out the defaulting directors.

In the DIN process individual data of each director is already captured. However presently DIN process is in isolation and not connected to mainframe of MCA21. This will happen upon submission of form providing information of DIN and directors to ROC.

Therefore this communication has to be in new form to be prescribed by the MCA. Perhaps, ROC may not be in a position to take any action on the letter submitted by Company in this regard. Compliance of amendment act will be done only upon submission of information in prescribed form.

Compulsory use of digital signature

Use of digital signatures for signing the form is the key objective of MCA21. MCA/ TCS is trying to implement this as soon as possible. However some problems beyond their

control, led to postponement of date of compulsory use of digital signatures. Finally MCA has issued a press notice on 31.7.2006 and intimated that all filing with effect from 16th September 2006 under MCA21 will be accepted only under the digital signature of the Authorized Person of the Company.

All the stakeholders need to obtain their digital signatures before that due date or before the date of submission of forms or returns. PFO facilities will not be available for digital signature after above date for digital signatures.

It is very important to understand that if the individual is acting in multiple capacities then he has to take a digital signature as an individual user. This will allow him to use his digital signature for more than one company and also as a professional for certification of forms. Chartered Accountants and Cost accountants are also need to take the digital signatures. Company user type of digital signature is restrictive and can be used for only that company.

Foreign Nationals are required to apply directly to the Certification Authority (CA) to obtain the digital signature. They will be issued class III digital signature and in a capacity of company user.

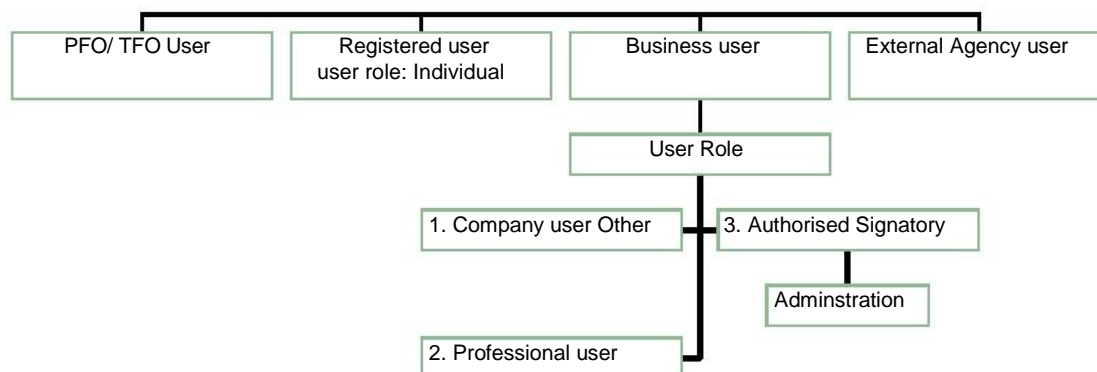
MCA or CA is yet to provide a clarification on the issue of obtaining digital signature by the foreign national as a Company user in absence of his any previous company in India. Whether they are barred from applying for name availability for incorporation of the new company in India?

User Registration on portal

User registration on portal is the next important step in this process. Presently many of users have opted for the simplest form of registration i.e. 'Registered user'. Such users are allowed to upload all forms and avail MCA services through this registration. Once the dead line for digital signature is over there might be stricter norms for user interface with the MCA portal.

Intended users of the portal have been classified under various categories and each one is expected to play a defined role in the process of MCA21.

Users under MCA 21

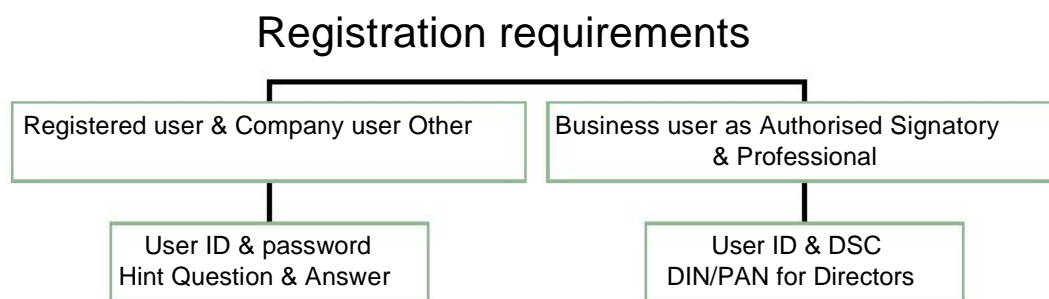


New user registration

Each person who wishes to use advance mode of services of MCA21 need to self register himself/herself/ itself at MCA portal. The user will be then able to avail services offered like eForm filing, tracking transaction status, View public document.

The user can select the category under which he wishes to register.

After successful registration user will be able to login with user ID and password/ Digital certificate. Company Director or Professionals will have to provide their Digital certificate instead of password during registration and login.



User role

Portal will activate the filed as per user role and category.

The Registered User category has one User Role named Individual User.

The Business User category has the following User Roles:

- Authorized Signatory
- Company User-Others
- Professional User

Authorized signatory has a key role to play in the process. They have to administer the entire process of MCA21 within their company. They can authorize others to ply their roles. Portal provides top end facilities to this type of user. He has the authority to interface with all the facilities available on the portal.

Facilities to Business Users

All the following facilities will be available on user's personal page upon login to the portal.

- My Companies
- Services
- eForms
- My Documents •
Administration

My Companies

This facility provides the Business Users (Authorized signatory, Company user-others, Professional user), the detail of companies with whom they are associated. They can see alerts, different services that have been availed by the company earlier and the complaints that are lodged against the company.

List of companies is displayed under Company Name list at the bottom part of this page. User can click on any of the company names to view its details. On clicking a company name under Company Name list, the corresponding page will open. On that page user can get details under two headings: Services Availed and Complaints.

Services Availed: It briefly states the details of service availed by the company. This table will mention

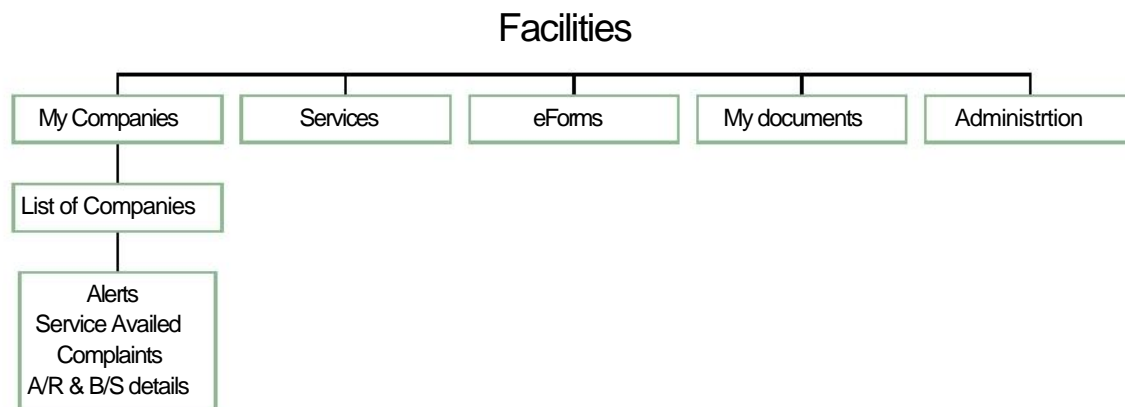
- SRN: SRN or Service Request Number of the company availing service.
- Service Date: It states the date of submission of request.
- Status: It shows the status of the application.

Complaints: This block will display the complaints filed against this company. It will mention

- SRN: It states the Service Request Number of the complaint lodged with MCA.
- Complaint Date: It shows the date on which the complaint has been filed.
- Complaint party: It displays the name of the person lodging the complaint.
- Description: It gives description of the complaint.

Other details shown on this page are

- Last Annual Return Date
- Next Annual Return Date
- Last Balance Sheet Filing Date
- Next Balance Sheet Filing Date



Administrative role of Business user (Authorized Signatory)

Business users with a role of Authorised Signatory can perform the tasks related to user administration. They can authorize another user to transact on behalf of a company. Similarly they can withdraw authorization if another user is no longer required to transact on behalf of the company. They can authorize/ suspend a professional user or a company user. A company can have only one authorized professional user but it can have more than one company user.

Steps for authorizing/ suspending a user

1. Login to the MyMCA portal as Authorised Signatory using your Digital Signature Certificate
2. After logging in, click on the Administration tab. A Screen will be displayed.
3. Select the company for which transaction is to be conducted.
4. The following four options will be displayed:
 - a. Authorize Professional User
 - b. Suspend Professional User
 - c. Authorize Company Representative
 - d. Suspend Company Representative
5. Select the required option to proceed.

Authorize Company User/ Professional User

For authorizing a company user/ professional user perform following steps:

1. Click on the Authorize Company User/ Authorized professional user tab.
2. Enter User ID of the Company User/ professional user whom authorization to be given after entering, click on the Submit button.
3. Verify the information of the Company User/ professional user as displayed and if required correct it and then click on the Submit button.
4. Confirmation message will appear that the user is authorized successfully and e-mail about the authorization has been sent to the user to the mail account shown.
5. More Company Users can be authorized by clicking on the 'Authorize More Company Users' link.
6. Only one professional user allowed for each company at a time.

Suspend Company User/ professional user

For suspending a Company User/ professional user do the following steps:

1. Click on the Suspend Company User/ Suspend Professional User link
2. The above screen shows the User ID of the all the Company User/ professional user. Select the Company User/ professional user whose is to be suspend, by clicking on the respective circle. Click on the Suspend button.
3. Verify the information displayed to and if the information is correct then click on the Submit button.

4. Confirmation that the user is suspended successfully will be displayed and e-mail about the suspension will be sent to the user to the e-mail account displayed.
5. For more suspension of Company Users click on the Suspend More Company Users link and follow the above-mentioned procedure.

Role checking

Role checking is the prominent function of MCA21. Presently the same is in disable mode. One's the same is enabled then system will do the role checking of each user or signer of the form based on the following information.

- DIN of directors
- Digital Signature Certificate of signer of the form
- Information of directors submitted by the Companies in prescribed form
- Information submitted while registering to the site by the user.

For example the system will check the following;

- Whether the director signing the form is a director of the company on the date of signing.
- Whether professional certifying the form is authorized user/ associate of the Company.

System will also do some more role checking functions to ensure that only authorized persons are availing the facilities.

This facility will seal the possibility of submission of documents and forms (specifically form no 32) by the persons not authorized to do so. The role checking will also take care of interest of professionals associated with the company.

Electronic communication/ queries from ROC

Many of us have already started receiving the communication of approval of name via email from ROC. Formation process of the company can be commenced based on that e-mail communication. In the next phase companies will receive the alerts, queries and show cause letters from MCA/ ROC via email or communication facility provided on the portal in my companies section. This will be official communication by the government to company pursuant to the provisions of the Companies Act and needs a serious response from the Company. A continuous watch on the `my companies' section by the authorized company user is essential.

In this scenario role of Business user Authorized Signatory will be very crucial and the right person to perform this is non other but the `Company Secretary'.

Professionals on the other hand need to monitor their status of authorization and suspension from their client companies on daily basis.

So friends its time to gear up for the speed run ahead...
