
CHAPTER – I

OVERVIEW

Introduction

1.1.1 This report covers the period from 1st April, 2006 to 31st December, 2006. The Ministry is concerned with the administration of a wide range of statutes for the regulation of the corporate sector including the Companies Act, 1956 and rules & regulations framed there-under. The Ministry is also responsible for administering the Competition Act, 2002, the Monopolies and Restrictive Trade Practices Act, 1969 under which the Monopolies and Restrictive Trade Practices Commission (MRTPC) is functioning. Besides, it exercises supervision over the three professional bodies, namely, Institute of Chartered Accountants of India (ICAI), Institute of Company Secretaries of India (ICSI) and the Institute of Cost and Works Accountants of India (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 respectively in the country. The Ministry also has the responsibility of carrying out the functions of the Central Government relating to the administration of the Partnership Act, 1932, the Companies (Donations to National Funds) Act, 1951 and Societies Registration Act, 1860. Brief description of the various Acts being administered by the Ministry is given in **Chapter V**.

1.1.2 Shri Prem Chand Gupta assumed the charge as Cabinet Minister in the Ministry of Company Affairs on 29th January, 2006.

1.1.3 Shri Anurag Goel assumed the charge of Secretary, Ministry of Company Affairs on 1st May, 2006 on superannuation of Smt. Komal Anand, on 30th April, 2006.

Comprehensive Revision of the Companies Act, 1956

1.2 During the period under report, the exercise for a comprehensive revision of the Companies Act, 1956 was taken up on the basis of a broad based consultative process following the recommendations of the Expert Committee constituted on 2nd December, 2004 under the Chairmanship of Dr. J.J.Irani, Director, Tata Sons. The Committee submitted its report to the Government on 31st May, 2005. The recommendations made by the Expert Committee were examined in consultation with various stakeholders. Taking into consideration the inputs received from various quarters from time to time, a preliminary draft bill has been prepared. A bill in this regard is proposed to be introduced in the Parliament after due consultation and approvals.

Competition Commission of India

1.3 The Competition Commission of India (CCI) was established on 14th October, 2003 under the Competition Act, 2002. There were legal challenges on certain aspects of the Competition Act which were ruled upon by Supreme Court of India on January 20, 2005. Following Supreme Court ruling, certain amendments were introduced in the Parliament in March, 2006. These were subjected to a detailed examination by the Standing Committee on Finance. The Committee has placed its Report before Both the Houses of Parliament on 12.12.2006. The recommendations contained in the Report of the Parliamentary Standing Committee are under consideration of the Ministry for drawing up the final Amendments to be introduced in the Parliament for consideration for enactment.

MCA21 E-Governance Project

1.4 The Ministry of Company Affairs is in the process of implementing MCA21 e-Governance Project. It is a Mission Mode e-Governance project of the Government of India under National e-Governance Plan. The project envisages easy and secure online access to all the services being provided by the Ministry of Company Affairs, including registration and filing of documents throughout the country for all the corporates and others at any time and in a manner that best suits them. The programme is outcome based and focussed on improving the quality of services to various stakeholders concerned with the corporate sector in the country. The cost of the Project is approved at Rs. 345 crore. The project provides for an Implementation Phase and an Operations Phase which is to last for six years from the implementation date. TCS-led consortium was selected as the Build-Own-Operate-Transfer (BOOT) operator. The Project was initially launched at Coimbatore as a Pilot on February 18, 2006. Hon'ble Prime Minister of India launched the second Pilot at Delhi on March 18, 2006. Thereafter, the project was launched in a phased manner and the nation-wide roll-out was completed across all the Offices of 20 Registrars of Companies as on September 4, 2006. The Ministry has scanned and digitised about 5 crore sheets of legacy data which now form a part of the electronic registry. The wealth of database created in the process would be available for the use of the corporate sector, research institutes, regulators, the general public, etc.

Special Measures to Protect Interests of Investors

1.5.1 Protection of interest of investors is a commitment of the Government in the National Common Minimum Programme (NCMP). Highlights of recent initiatives taken by the Ministry in this regard are:

- Investor complaints to be acknowledged

within 48 hours and to be attended to on highest priority. Progress to be monitored closely;

- Investor Protection Cells opened and made functional not only at the level of the Ministry but also at Regional Directors and Registrars of Companies levels and Nodal Officers appointed and their names & addresses with contact numbers placed on website of the Ministry and also published in all leading newspapers;
- On-line Investors Grievances Redressal System introduced and made functional;
- Field officers directed to encourage Non-Government Organisations (NGOs) at the local level to take up investor protection programmes;
- Investor Education & Protection Fund (IEPF) under the Companies Act, 1956 activated and reputed NGOs are contributing by taking up various programmes aimed at educating the investors;
- Effective action is being taken against Vanishing Companies by seeking cooperation from the State Governments. Prosecutions have been filed under the Companies Act, against 107 companies and their promoters/directors for misstatement in prospectus/fraudulently inducing persons to invest money/false statement made in offer documents etc. FIRs have been filed/Registered against 102/95 Companies and Promoters/Directors under the Indian Penal Code. Particulars of these Vanishing Companies along with the names and addresses of their promoters/directors have been published in various newspapers to facilitate investors to come forward and lodge their complaints against these companies in order to help the Police Authorities in their investigation and prosecution launched against them.

1.5.2 As a long term initiative, comprehensive review of the existing Companies Act has been taken-up with a view to bring the law in tune with changing business models and national and global economic scenario.

Investor Education and Protection Fund

1.6.1 Investor Education and Protection Fund (IEPF) has been established under Section 205C of the Companies Act, 1956 by way of Companies (Amendment) Act, 1999 for promotion of investors' awareness and protection of the interests of investors.

1.6.2 Under IEPF, various programmes on investor education and awareness have been funded and organized through Voluntary associations or organisations registered under IEPF. Six new associations/organizations have been registered under IEPF during the period from 01.04.2006 to 31.12.2006 and thereby the total number of such organizations registered under IEPF is 40.

1.6.3 During the period from 01.04.2006 to 31.12.2006, the Ministry launched awareness/education campaigns through Electronic as well as Print Media:-

- i) Three series of advertisement on investor education were issued in national as well as regional language newspapers. Through these advertisements, efforts have been made to educate investors for investing in IPOs, market instruments, Mutual Funds etc.
- ii) The Media campaign had been launched in various newspapers, wherein, besides the above said educative message, NGOs/VOs involved in investor education and protection activities, especially those with a rural outreach, were being invited to apply for financial assistance under IEPF schemes. Further, organizations, which were keen to

carry out the research on the subjects of investor education/protection, related issues were also invited to submit their proposals to the IEPF.

- iii) Investor Education message was aired on All India Radio through Prasar Bharati to create awareness on the issues concerning investors and about the IEPF.
- iv) An "Investor Helpline" www.investorhelpline.in project has been launched under IEPF through Midas Touch Investors Association to provide a mechanism for redressal of grievances and to create investor awareness.
- v) Besides the above, a website, namely www.watchoutinvestors.com had been created earlier to help the investors to protect themselves from unscrupulous promoters, companies and entities. The website is a national registry of economic defaulters and covers information on convictions by various regulatory bodies and till 30.11.2006, it covered information of about 58,785 entities and 26,510 individual defaulters. During the period from 01.04.2006 to 31.12.2006, a sum of Rs.30 lacs has been released to Prime Investor Protection Association and League (PIPAL) for maintenance of the site.
- vi) Under the Capacity building programme, one "Training of Trainers" programme through Indian Institute of Capital Market (IICM), Mumbai had been conducted especially for the new organizations active at Taluka level.

National Foundation for Corporate Governance

1.7.1 Ministry of Company Affairs has set up National Foundation for Corporate Governance (NFCG) in association with the CII, ICAI and ICSI as a not-for-profit Trust to provide a platform to

deliberate issues relating to good corporate governance and to sensitize corporate leaders on the importance of good corporate governance practices, to facilitate exchange of experiences and ideas amongst corporate leaders, policy makers, regulators, law enforcing agencies and non-government organizations.

1.7.2 The NFCG has a three-tier structure for its management, viz, the Governing Council under the Chairmanship of Minister of Company Affairs, the Board of Trustees and the Executive Directorate.

1.7.3 A website of NFCG had been launched to serve as a vehicle for dissemination of policies for better corporate governance. NFCG had framed an Action Plan, which includes development of good corporate governance principles on identified themes i.e. (i) corporate governance norms for Institutional Investors, (ii) corporate governance norms for independent directors, and (iii) corporate governance norms for Audit. Three core groups were constituted in this behalf. Besides, the NFCG sponsored orientation programmes for Directors through Institutes of Excellence, organized seminars and conferences to propagate the need for following good corporate governance practices. Ministry of Company Affairs, in association with the Organisation for Economic Cooperation and Development (OECD), had organized an International Conference focusing on the theme “2006 Policy Dialogue on Corporate Governance in India” on 16th & 17th February 2006.

1.7.4 Future Plans of NFCG include taking up the issue of adopting a country strategy on corporate governance, encourage corporate governance cooperation in South Asia particularly relating to SAARC countries, dissemination of corporate governance practices for the small and medium enterprises.

Serious Fraud Investigation Office (SFIO)

1.8.1 The Government set up the Serious Fraud Investigation Office in 2003. It started functioning from 1st October, 2003. The organization is a multi-disciplinary investigating agency, wherein experts from the banking sector, capital market, company law, forensic audit, taxation, investigation, income tax etc., are posted. In the initial stages, investigations are being carried out under the provisions of sections 235 and 237 of the Companies Act. In the second phase, a separate Act, to provide adequate powers and reach to this organization, is proposed. An expert committee has been set up by the Central Government to make suitable recommendations on this matter. This organization has completed more than three years of its functioning.

1.8.2 During the current year, three cases were entrusted to officers drawn from the SFIO for investigation. So far, in all, 34 cases have been referred to officers drawn from the SFIO for investigation. The inspectors have already submitted investigation reports in the following 28 cases.

Sl. No.	Name of Company
1.	Daewoo Motors India Ltd.
2.	DSQ Software Ltd.
3.	Design Auto Systems Ltd.
4.	Bonaza Biotech Ltd.
5.	Vatsa Corporation Ltd.
6.	Triumph International Finance India Ltd.
7.	N H Securities Ltd.
8.	K N P Securities Pvt Ltd.
9.	N V Parekh Securities Pvt Ltd.
10.	Panther Fincap and Management Services Ltd.

Sl. No.	Name of Company
11.	Panther Investrade Ltd.
12.	Panther Industrial Products Ltd.
13.	Triumph Securities Pvt. Ltd.
14.	Luminant Investrade Pvt. Ltd.
15.	Classic Credit Ltd.
16.	Saimangal Investrade Ltd.
17.	Classic Shares and Stock Broking Services Ltd.
18.	Goldfish Computers Pvt. Ltd.
19.	Nakshatra Software Pvt Ltd.

Sl. No.	Name of Company
20.	Chitrakoot Computers Pvt Ltd.
21.	Manmandir Estate Development Pvt. Ltd.
22.	Mardia Chemicals Ltd.
23.	Adam Comsof Ltd.
24.	Kolar Biotech Ltd.
25.	Soundcraft Industries. Ltd.
26.	Usha India Ltd.
27.	Malvika Steel Ltd.
28.	Koshika Telecom Ltd.

1.8.3 288 cases of prosecution have already been filed in the different courts against the persons involved in fraudulent activities in the following companies.

S.No.	Name of Company	No. of cases filed under Company Law	No. of cases filed under IPC	Total cases filed	Financial years in which complaint was filed
1.	Daewoo Motors India Ltd.	21	02	23	2005-06
2.	Design Auto Systems Ltd.	11	02	13	2005-06
3.	Bonanza Biotech Ltd	16	01	17	2005-06
4.	Vatsa Corporation Ltd.	106	08	114	2005-06
5.	Mardia Chemicals Ltd.	22	01	23	2005-06
6.	Soundcraft Industries Ltd.	35	09	44	2006-07
7.	Kolar Biotech Ltd.	25	04	29	2006-07
8.	Adam Comsof Ltd	21	04	25	2006-07
9.	DSQ Software Ltd.	23	02	25	2006-07

1.8.4 Filing of prosecution in three cases i.e. Malvika Steels Ltd., Usha India Ltd. and Koshika Telecom Ltd. is under progress. The investigation reports of the 16 cases of Ketan Parekh Group of companies are under examination of the Government

and the sanction of prosecution is expected soon. Investigation in the cases i.e. Shonk Technologies Ltd., Shonk Technologies International Ltd. and M/s. Morepen Laboratories Ltd., is under progress and investigation reports will be finalized shortly.

Accounting Standards

1.9 Pursuant to Section 210A of the Companies Act, 1956 [which was introduced in the Companies Act, 1956 through Companies (Amendment) Act, 1999] the Central Government is empowered to constitute an Advisory Committee to be called the National Advisory Committee on Accounting Standards (NACAS), to advise the Central Govt on the formulation and laying down of accounting policies and accounting standards for adoption by companies or class of companies. NACAS had made recommendations in February, 2006 for prescribing Accounting Standards 1-29 (except AS 8 which has been merged with AS 26) under the Companies Act, 1956. These Accounting Standards have been notified as the Companies (Accounting Standards) Rules, 2006 under the Companies Act, 1956 through notification number GSR 739(E) dated 7th December, 2006.

Limited Liability Partnership Bill, 2006

1.10.1 With the increasing role of services sector in the national economy and a growing diversity in the range of services being offered, a need is increasingly being felt for a new corporate form that would enable professional expertise and entrepreneurial initiative to combine, organize and operate in an innovative and efficient manner. This need has also been recognised for businesses which may require a framework that provides flexibility suited to requirements of service, knowledge and

technology based enterprises, without imposing on them detailed legal and procedural requirements intended for large widely held companies. Internationally, the Limited Liability Partnerships (LLP) structure has emerged as a form of business organization that is common to but not limited to, entities offering professional services.

1.10.2 Keeping in view above, this Ministry has introduced a Bill, namely, the Limited Liability Partnership Bill, 2006 in the Rajya Sabha on 15th December, 2006 to make provisions for the formation and regulation of Limited Liability Partnerships and for matters connected therewith or incidental thereto.

The Companies (Amendment) Act, 2006

1.11 The provisions of the Companies (Amendment) Act, 2006 have been made effective with effect from 16th September 2006 and 01st November 2006. e-filing and obtaining of Director Identification Number have been made mandatory from 16th September 2006 and 01st November 2006 respectively through the rules made under the Act.

Notifications/Circulars/Press Notes

1.12 The following notifications/circulars/press notes have been issued by the Ministry of Company Affairs during the period April, 2006 to December, 2006: -

A. Notifications.

Sl. No.	Notification	Date	Subject
1.	S.O.-1273 (E)	9.8.2006	Constitution of Advisory Committee namely National Advisory Committee on Accounting Standards (NACAS).
2.	S.O.-1274 (E)	8.8.2006	Notification of the Cost and Works Accountants (Amendment) Act, 2006.

Sl. No.	Notification	Date	Subject
3.	S.O.-1275 (E)	8.8.2006	Notification of the Company Secretaries (Amendment) Act, 2006.
4.	S.O.-1276 (E)	8.8.2006	Notification of provision of the Chartered Accountants (Amendment) Act, 2006.
5.	S.O.-1277 (E)	8.8.2006	Notification of provision of the Company Secretaries (Amendment) Act, 2006.
6.	S.O.-1278 (E)	8.8.2006	Notification of provision of the Cost and Works Accountants (Amendment) Act, 2006.
7.	GSR-488 (E)	18.8.2006	Notification of the Cost and Works Accountants (Nomination of Members of the Council) Rules, 2006.
8.	GSR-489 (E)	18.8.2006	Notification of the Company Secretaries (Nomination of Members of the Council) Rules, 2006.
9.	GSR-490 (E)	18.8.2006	Notification of the Chartered Accountants (Nomination of Members of the Council) Rules, 2006
10.	GSR-497 (E)	21.8.2006	Amendment of the Companies Regulations, 1956.
11.	GSR-517 (E)	31.8.2006	Amendment in GSR-978 dated 28.5.1963 published in the Gazette under section 620A of the Companies, Act, 1956.
12.	GSR-525 (E)	31.8.2006	Corrigendum to GSR-148(E) dated 8.3.2006 in respect of the Cost Audit Report (Amendment)Rules, 2006.
13.	GSR-526 (E)	31.8.2006	Corrigendum to GSR-147(E) dated 8.3.2006 in respect of the companies (appointment of Sole Agents) Amendment Rules, 2006.
14.	GSR-533 (E)	5.9.2006	Notification of the Company Secretaries (Election to the Council) Rules, 2006.
15.	GSR-534 (E)	5.9.2006	Notification of the Chartered Accountants (Election to the Council) Rules, 2006
16.	S.O.-1439 (E)	5.9.2006	Notification of Section 6 of the Company Secretaries (Amendment) Act, 2006.
17.	S.O.-1440 (E)	5.9.2006	Notification of Section 6 of the Chartered Accountants (Amendment) Act, 2006

Sl. No.	Notification	Date	Subject
18.	GSR-546 (E)	8.9.2006	Notification of declaration of 34 more Companies as Nidhi Companies.
19.	GSR-556 (E)	14.9.2006	Notification of the (Third Amendment) Regulations, 2006.
20.	GSR-557 (E)	14.9.2006	Notification of the Companies (Electronic filing and Authentication of documents) Rules, 2006
21.	S.O.-1529 (E)	14.9.2006	Notification of Section 4 of the Companies (Amendment) Act, 2006.
22.	GSR-555 (E)	14.9.2006	Notification of the Companies (Central Government's) General Rules and Forms (Second Amendment) Rules, 2006.
23.	GSR-648 (E)	19.10.2006	Notification of Sections 2 and 3 of the Companies (Amendment) Act, 2006.
24.	GSR-649 (E)	19.10.2006	Notification of the Director Identification Number Rules, 2006.
25.	GSR-650 (E)	19.10.2006	Notification of the delegation of Powers under section 266A and 266B of the Companies (Amendment) Act, 2006 to the Regional Director, Joint Director, Deputy Director or Assistant Director posted in the Office of Regional Director, Northern Region.
26.	S.O.-1844 (E)	26.10.2006	Notification of the Scheme for filing of Statutory Documents and other Transactions of companies in Electronic Mode.
27.	GSR-621 (E)	4.10.2006	Corrigendum to GSR-557(E) dated 14.9.2006 in respect of the companies (Electronic filing and Authentication of Documents) Rules, 2006.
28.	GSR-708 (E)	17.11.2006	Notification of the Chartered Accountants (Election Tribunal) Rules, 2006.
29.	GSR-709 (E)	17.11.2006	Notification of the Company Secretaries (Election Tribunal) Rules, 2006
30.	GSR-710 (E)	17.11.2006	Notification of the Cost and Works Accountants (Election Tribunal) Rules, 2006

Sl. No.	Notification	Date	Subject
31.	GSR-711 (E)	17.11.2006	Notification of the Appellate Authority (Allowances payable to, and other Terms and conditions of service of Chairperson and Members and manners of meeting expenditure of the Authority) Rules, 2006.
32.	GSR-712 (E)	17.11.2006	Notification of the Cost and Works Accountants (Election to the Council) Rules, 2006.
33.	S.O.-1983 (E)	17.11.2006	Notification of the Company Secretaries (Amendment) Act, 2006.
34.	S.O.-1984 (E)	17.11.2006	Notification of the Cost and Works Accountants (Amendment) Act, 2006.
35.	S.O.-1985 (E)	17.11.2006	Notification of the Chartered Accountants (Amendment) Act, 2006.
36.	GSR-734 (E)	27.11.2006	Notification of the Cost and Works Accountants procedures of meeting of Quality Review Board and Terms and conditions of service and allowances of the Chairperson and members of the Board Rules, 2006.
37.	GSR-735 (E)	27.11.2006	Notification of the Chartered Accountants procedures of meeting of Quality Review Board and Terms and conditions of service and allowances of the Chairperson and members of the Board Rules, 2006.
38.	GSR-736 (E)	27.11.2006	Notification of the Company Secretaries procedures of meeting of Quality Review Board and Terms and conditions of service and allowances of the Chairperson and members of the Board Rules, 2006
39.	GSR-739 (E)	7.12.2006	Notification of the Companies (Accounting Standards) Rules, 2006.

B. General Circulars

Sl. No.	Circular No.	Date	Subject
1.	05/2006	3.4.2006	Amendment to the Companies (Appointment of Sole Agents) Rules, 1975.
2.	06/2006	2.6.2006	The Companies (Amendment) Act, 2006 (No. 23 of 2006) published on 30.5.2006.
3.	07/2006	17.8.2006	<ul style="list-style-type: none">• Constitution of Advisory Committee namely National Advisory Committee on Accounting Standards (NACAS).• Notification of the Cost and Works Accountants (Amendment) Act, 2006.• Notification of the Company Secretaries (Amendment) Act, 2006.• Notification of provision of the Chartered Accountants (Amendment) Act, 2006.• Notification of provision of the Company Secretaries (Amendment) Act, 2006.• Notification of provision of the Cost and Works Accountants (Amendment) Act, 2006.
4.	08/2005	29.8.2006	<ul style="list-style-type: none">• Notification of the Cost and Works Accountants (Nomination of Members of the Council) Rules, 2006.• Notification of the Company Secretaries (Nomination of Members of the Council) Rules, 2006.• Notification of the Chartered Accountants (Nomination of Members of the Council) Rules, 2006• Amendment of the Companies Regulations, 1956.
5.	09/2006	7.9.2006	Amendment in GSR-978 dated 28.5.1963 published in the Gazette under section 620A of the Companies, Act, 1956.
6.	10/2006	19.9.2006	<ul style="list-style-type: none">• Corrigendum to GSR-148(E) dated 8.3.2006 in respect of the Cost Audit Report (Amendment) Rules, 2006.• Corrigendum to GSR-147(E) dated 8.3.2006 in respect of the companies (appointment of Sole Agents) Amendment Rules, 2006.
7.	11/2006	19.9.2006	<ul style="list-style-type: none">• Notification of the Company Secretaries (Election to the Council) Rules, 2006.

Sl. No.	Circular No.	Date	Subject
			<ul style="list-style-type: none"> • Notification of the Chartered Accountants (Election to the Council) Rules, 2006. • Notification of the Company Secretaries (Amendment) Act, 2006. • Notification of the Chartered Accountants (Amendment) Act, 2006. • Notification of declaration of 34 more Companies as Nidhi Companies • Notification of the (Third Amendment) Regulations, 2006. • Notification of the Companies (Electronic filing and Authentication of documents) Rules, 2006. • Notification of Section 4 of the Companies (Amendment) Act, 2006.
8.	12/2006	4.10.2006	Notification of the Companies (Central Government's) General Rules and Forms (Second Amendment) Rules, 2006.
9.	13/2006	31.10.2006	<ul style="list-style-type: none"> • Notification of Sections 2 and 3 of the Companies (Amendment) Act, 2006. • Notification of the Director Identification Number Rules, 2006. • Notification of the delegation of Powers under section 266A and 266B of the Companies (Amendment) Act, 2006 to the Regional Director, Joint Director, Deputy Director or Assistant Director posted in the Office of Regional Director, Northern Region
10.	14/2006	20.11.2006	Notification of the Scheme for filing of Statutory Documents and other Transactions of companies in Electronic Mode
11.	15/2006	6.12.2006	<ul style="list-style-type: none"> • Corrigendum to GSR-557(E) dated 14.9.2006 in respect of the companies (Electronic filing and Authentication of Documents) Rules, 2006. • Notification of the Chartered Accountants (Election Tribunal) Rules, 2006. • Notification of the Company Secretaries (Election Tribunal) Rules, 2006

Sl. No.	Circular No.	Date	Subject
			<ul style="list-style-type: none"> • Notification of the Cost and Works Accountants (Election Tribunal) Rules, 2006 • Notification of the Appellate Authority (Allowances payable to, and other Terms and conditions of service of Chairperson and Members and manners of meeting expenditure of the Authority) Rules, 2006. • Notification of the Cost and Works Accountants (Election to the Council) Rules, 2006 • Notification of the Company Secretaries (Amendment) Act, 2006. • Notification of the Cost and Works Accountants (Amendment) Act, 2006 • Notification of the Chartered Accountants (Amendment) Act, 2006. • Notification of the Cost and Works Accountants procedures of meeting of Quality Review Board and Terms and conditions of service and allowances of the Chairperson and members of the Board Rules, 2006 • Notification of the Company Secretaries procedures of meeting of Quality Review Board and Terms and conditions of service and allowances of the Chairperson and members of the Board Rules, 2006.

C. Press Notes

Nil

D. Departmental Circular

Sl. No.	Circular No.	Date	Subject
1.	03/2006	6.9.2006	Processing of documents Automatically taken on file by the Registrar of companies on the basis of straight through process (STP).

Ministry's Web Site

1.13.1 Ministry's new web site (<http://www.mca.gov.in>) is now operational in place of the earlier web site (www.dca.nic.in). It contains useful information on organisation of the Ministry, publications, circulars, notifications, citizen's charter, annual report, monthly corporate growth, parliament questions and replies and reports submitted by various committees set up by the Ministry. The new website also provides all the e-services under the MCA-21 project discussed in para 1.4.

1.13.2 Pursuing its endeavor to promote dissemination of corporate information available with the offices of ROCs, search facilities have been made available in respect of the following:

- (i) Company directory
- (ii) Names approved for registration
- (iii) ROC fee computation
- (iv) ROC forms

Citizen's Charter of the Ministry

1.14 The Citizen's Charter of the Ministry of Company Affairs is available on Ministry's website. The commitments, expectations and standards stated in the Charter are given below:

CITIZEN'S CHARTER

"OUR COMMITMENT

WE SHALL CARRY OUT OUR TASKS WITH

integrity and judiciousness
courtesy and understanding,
objectivity and transparency
promptness and efficiency

OUR EXPECTATIONS

We expect the corporate sector to be prompt and reasonable in fulfilling their duties and legal obligations and be true and honest in furnishing information to us.

OUR STANDARDS

WE SHALL

- Acknowledge applications, returns and all communications within 7 days of their receipt.
- Resolve expeditiously complaints regarding delay in issue of allotment letters & share/debenture certificates, refund of application money, delay in transfer of shares & non payment of dividends/interest on shares/debentures/fixed deposits etc. in close co-ordination with agencies.
- Ensure that all applications submitted to the Ministry of Company Affairs, Regional Directors and Registrar of Companies, are processed within the time frame.
- Be courteous, prompt, effective & provide time bound services.
- All services shall be provided without charge or demanding any money other than remuneration prescribed by law."