

MLG E-circular 22-3-2006, on ROC matters,



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MINISTRY OF COMPANY AFFAIRS
Government of India

A Quick look on the New Scheme of MASSIVE CHANGES IN THE R.O.C (Registrar of Companies) , with inputs from the point of view of the interest of our FSIA / MLG Members

Message to FSIA members
Urgent & important for all Pvt Ltd and Limited companies

Background :

This is on the pattern of the ROC's in USA and UK etc.
You do not have to stand in lines for upto 8 hours, to get things done.
You can prepare and file the documents in digital form, from your computer itself (on the internet)/ nodal physical offices.

Even the fees can be paid on the internet via credit cards / on-line banking



Pre-requirements

However this presupposes a lot of things :

a) Existing ROC records must be digitized (and must be correct) So, check the internet and see ,if your records are ok.



b) You must have a digital signature , so that you can sign digitally.

So, get it for all directors

if you do not have it, your company will never be able to file ROC returns electronically.

And you will have to go personally to the ROC front office , to prove your signatures before they scan them.



c) What if I want to continue the old way ?

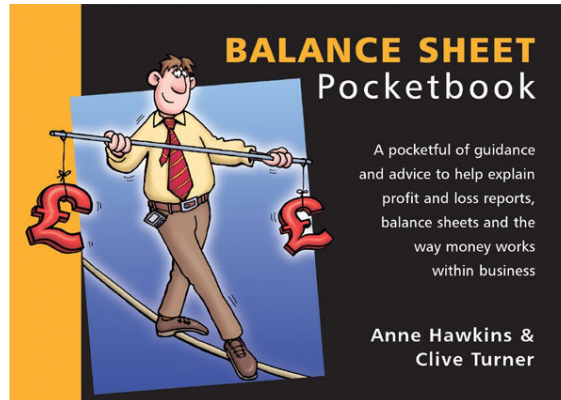
Not possible, No ROC return, Balance Sheets, and no director's appointment changes , no issue of shares etc will be taken by ROC except on digital format in future.



d) Inspection of public documents of companies anytime from anywhere

Yes, it is true, the public documents of any company can be seen on the internet by anybody. Some secrecy goes, a lot of transparency comes in.

Even your Balance Sheets and Profit and Loss Account have to be scanned and uploaded to the Govt's website



Front Office of Govt-ROC in Future

The implementation of Front Offices (FO) is done in two ways. These can be called as Virtual Front Office (VFO) and Physical Front Office (PFO).

a) The VFO is what the citizen has in front while accessing the MCA21 portal.

b) The PFO will be a replacement to the existing RoC counters. The PFO will also accept paper documents. However, these will be converted into electronic documents by customer service agents manning PFO. Also, the authorised person(s) will have to sign these documents digitally.

Consequently the authorised signatories for a given document will need to appear in person at the PFO for the purpose of digitally signing the document.

Some NOTES on this new system are as follows :

Part 1 : Directors Identification number
Compiled by Sangeet Kr Gupta, FCA 93126-08426



Ministry of Company Affairs
Government of India



1. What is Director Identification Number (DIN)?

The Ministry of Company Affairs (MCA) has launched a major e-Governance initiative 'MCA 21'. It envisages e-filing of all documents related to company matters on the MCA portal. Director Identification Number (DIN) is a unique identification number for an existing director or a person intending to become the director of a company. In the scenario of e-filing, DIN will be a pre-requisite for filing of certain company related documents.

2. Are there any eligibility criteria for applying for DIN?

Any individual who is a director or intends to be a director of a company should apply for DIN.

3. What is the procedure to apply for DIN?

Visit MCA Portal and fill DIN application online, which is a simple form available on the link 'Apply For DIN'. On submission of this form, a 'Provisional DIN' is generated by the system and is displayed on the screen. Save and take a print out of the filled form, affix your photograph and send the same by normal post, along with photocopies of proofs of identity & residence, duly attested by Notary/ Gazetted Officer/ Certified Professionals (CA/ CS/ ICWA) to the following address:

**MCA DIN Cell,
P.O. Box No. 03, Noida – 201301,
Uttar Pradesh, India.**

Alternatively, the DIN application form along with the enclosures can also be sent through registered/ speed post or courier to the following address of the Regional Director:

**MCA DIN Cell
A-14, Sector - I
PDIL Bhawan
Noida
U.P.**

The form will be processed by the MCA DIN Cell. Once approved, the DIN confirmation and

activation letter will be sent to the applicant. An email in this regard will also be sent to the applicant on the email id provided in the DIN application.

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4. Can I use the Provisional DIN?

Yes. As of now, the provisional DIN can be used for e-filing until the DIN is approved and activated by the MCA DIN Cell.

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5. What are the documents to be attached with DIN application form ?

Duly attested photocopies of the following should be attached -

A. Identity Proof (Any one of the following)

- PAN Card
- Driving License
- Passport
- Voter Id Card

B. Residence Proof (Any one of the following)

- Driving License
- Passport
- Voter Id Card
- Telephone Bill
- Ration Card
- Electricity Bill
- Bank Statement

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6. Can I enquire the status of my DIN application ?

Yes. You can check the status using the 'Enquire DIN Approval Status' option available under the 'Director Identification Number' link on the home page of the MCA portal (www.mca.gov.in)

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7. Can PAN be used as an alternative to DIN?

No. DIN is mandatory for all Directors. PAN cannot be used in place of DIN.

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8. What are the charges for applying for DIN?

No charges are payable.

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9. Is DIN mandatory for directors of Indian Companies who are not citizens of India?

Yes.

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10. Is DIN mandatory for directors of foreign company having branch offices in India?

No.

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Part 2 : Other notes

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Convenience Drives Innovation

MCA will move from the traditional paper-based operation to a near paperless environment. Consequently, the conventional Forms prescribed for various transactions are proposed to be adapted for use through electronic medium. The processes and forms of MCA have been simplified and standardized for electronic filing (e-filing) in this exercise. MCA services are enabled securely through the Internet and made accessible from the convenience of your office or home. The portal www.mca21.gov.in, which is expected to be operational in January, 2006, will facilitate e-filing, inspection of company documents and requisition of certified copies. However, to those stakeholders who need assistance in e-filing, location of **Facilitation Centres**, also known as Physical Front Offices (PFOs) at 53 places throughout the country is also envisaged. The replacement of paper with secure electronic equivalents would naturally eliminate the shortcomings associated with physical paper. This will not only ensure speed and certainty in the delivery of MCA services but also lead to introduction of more value based services to stakeholders.



Value Proposition to Stakeholders

- **Business** enabled to register a company and file statutory documents quickly and easily
- **Public** to get easy access to relevant records and get their grievances redressed effectively
- **Professionals to be able to offer efficient services to their client companies**
- **Financial Institutions** to find registration and verification of charges easy
- **Government** to ensure proactive & effective compliance of relevant laws and corporate governance
- **MCA Employees** enabled to deliver best of breed services.

Comprehensive Scope

The present scope of this initiative includes services provided by the Secretariat at New Delhi, the four Regional Directorates (RDs) and the twenty offices of the Registrar of Companies (RoC) located all over the country. The e-filing facility includes incorporation of new companies, filing annual and other statutory returns, registration and verification of charges and applying for various approvals / clearances. Besides, inspection of company documents, request for certified copies and reporting investor grievances can be carried out through the MCA21 portal. However, it does not cover the business liquidation functions (winding-up and liquidation of Companies) which is expected to be taken up at a subsequent stage.

Proposed Unique Approach

- A new set of electronic forms or **e-Forms** have been evolved to suit e-filing. The paper-based forms have been revamped leading to a reduction in the total number of forms besides elimination of repetitive data in each of the e-forms.
- **Electronic Payment** mechanisms are envisaged to provide ethos to e-filing, while the traditional payment facility at the Bank counter will also continue to be available.
- **Five Banks**, including two private banks, with 200 branches nationwide have been authorized to accept all MCA payments.
- **Digital Signatures Certificates** are mandatory to ensure authenticity and maximum security of documents that are filed electronically.
- **Facilitation Centers (Physical Front Offices or PFO)** have been established in all major cities including the RoC office locations and 8 Special Economic Zones (SEZs) to support those needing assistance in e-filing and there is no extra charge.
- **Digitization** of about six crore sheets of documents including Memorandum and Articles of Association, other permanent documents, subsisting charge documents and annual statutory filing of the previous two years have been carried out for easy access over the Internet.
- **Stamp Duty** is proposed to be collected for all relevant transactions along with other MCA payments in due course of time, subject to authorizations from the respective State Governments, eliminating the use of physical stamp papers in future.
- **Solution Architecture** based approach for solution development makes adaptation to emerging technologies quicker and easier making it easy to deliver services in multiple devices convenient to the citizen.
- **Robust and Scaleable Computing Infrastructure** established for reliable 24 x 7 access from anywhere including facilitates for business continuity in the case of a disaster.

Part 3 : Steps for Using E-filing of ROC **Compiled by Sangeet Kr Gupta, FCA 93126-08426**

Five Step e-Filing Process

If you have a PC of reasonable configuration, a printer/ scanner, an Internet connection and the Digital Signature Certificate, you can carry out e-filing all by yourself through the five steps described below:

Step 1: Register Yourself

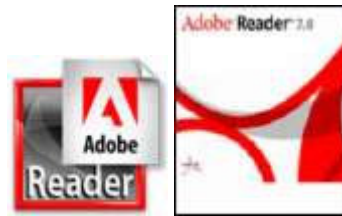
- Only registered users will be allowed to do e-filing

- Registration is a simple, **one-time** process where guidance will be available to you in the MCA21 portal to create your personalized login ID – this is to ensure security and also serves as a channel for providing you personalized information as the functionality evolves
- If you possess a Digital Signature Certificate (DSC) and if you intend to sign the e-forms as an authorized signatory, you will need to also register your DSC. You will need to Register your DSC every time you procure a new DSC or renew/ revalidate your DSC

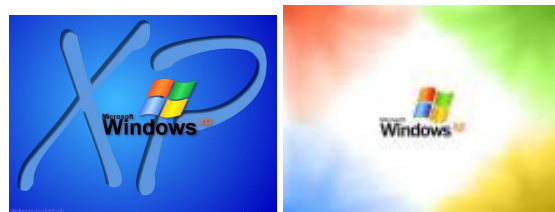
Step 2: Download e-Form

- e-Forms are freely downloadable and are in the ‘PDF’ format
- There are a new set of e-Forms that will be made available in the MCA21 portal and you may need to familiarize yourself with the new set of e-Forms
- These new e-forms will be notified before the commencement of e-filing after which only the new e-forms will be accepted. It is reiterated that the old forms will not be accepted thereafter.
- Instruction kits for each e-Form would also be available alongside the e-Forms
- It is not necessary to download the e-Form each time, but just make sure that you have the latest e-Forms

Important Tip



- FSIA members : Please note , you have to use ACROBAT Reader version 7.0.5 only. We have found that most of the people have older versions - ACROBAT Reader 5.0 or 6.0 and these will not do



- FSIA members :
- Please note , you have to use Windows 2000 or Windows XP
- Your Acrobat reader 7.0 will not load on Windows 98 etc

Step 3: Complete e-Form

- e-Forms are essentially PDF documents, specifically tailored by MCA to meet e-filing needs as required by the Companies Act, 1956
- You may choose to fill-in an e-Form either online or offline
- Online form filling will need you to keep your Internet connection active
- Offline form filling can be done without staying connected
- These e-Forms can be filled-in and signed digitally using an Acrobat Reader that is freely downloadable - the e-forms are specifically adapted for this type of use, though you may be aware that PDF documents cannot be generally modified
- As a part of the simplification of form-filling, certain fields can be filled-up automatically by the System (to the extent such data is available in the database of MCA) by selecting the “pre-fill” option that is available in the form
- You will also be able to do “automated pre-scrutiny”, a step that will ensure that your e-Form is complete in all respects and is good for e-filing
- You may also attach supporting documents, where applicable, but please make sure that these are also in PDF format – support for conversion of popular formats such as Microsoft Office into PDF will be made available in the MCA21 portal
- Make sure that you keep the size of your attachments minimal, wherever possible
- Sign the e-form using the Digital Signature Certificate
- If more than one signatory is involved, you can send the e-form either on suitable media or as an email attachment (or transfer a file over the network) to other individuals who can also sign digitally
- Multiple signatures can be applied on a given e-form, but just make sure that contents of the e-form are not altered after it has been signed, in which case the document will become invalid and will be rejected during the e-filing process
- After all individuals have digitally signed the form, it is ready for submission

Step 4: Submit e-Form

- You will need to be connected to the Internet if you want to carry out e-filing
- Submission will need to be made at the MCA21 portal using specialized functionality that is provided
- Sending the e-Form by email DOES NOT constitute e-filing and should be avoided
- Submission of e-Form will generally take a couple of minutes and will depend on the size of e-form/ attachments and the speed/ quality of your Internet connection – better the connection, faster the process
- If the e-form is defective as may be identified by the MCA21 system during submission, it will be rejected and returned to the user with clear details of the nature of the defect – such defect could be a result of incorrect data that may have been entered in the e-Form or due to missing or invalid digital signatures
- If your e-Form is correct in all respects, you can proceed to the next step
- The copy of the document that has been submitted remains in your possession and you may retain this as a part of your records

Step 5: Make Payment

- Fee calculation will be done automatically by the system as applicable under law and the fee for the service will be displayed to the user
- You will be asked to choose any one of the following methods of payment
 - Credit Card
 - Internet Banking
 - Challan (i.e. at Bank counter)
- A total of two hundred branches of five banks have been authorized to collect MCA payment. These bank branches are fully computerized and have the facility to send data in electronic form to MCA to acknowledge the payment that is made by you.
- The list of Banks is given below and a list of cities where authorized branches are located is provided in Table 1:
 - State Bank of India
 - Punjab National Bank
 - Indian Bank
 - ICICI Bank
 - HDFC Bank
- In the case of Credit Card and Internet Banking method, the computer of the authorized bank will take over at this stage to carry forward the transaction to completion. It is to be noted that the charges/ commissions towards this facility, as may be levied by the Bank, will be charged in addition to MCA payments by the concerned Bank and will need to be borne by you. System will generate a receipt that you can retain as a part of your records.
- In the case of challan payment, a fully completed challan will be generated by the system that can be printed by you and taken to any of the nearest authorized branch. You may choose to pay either through cash (limits as stipulated by Law will be applicable) or through a local cheque or DD. The acknowledged copy of the challan will serve as your receipt.
- Once you have made the payment in the Bank following the challan payment system, the filing is complete. Based on confirmation of payment by the bank to the MCA21 system, the document will be transmitted to the Back Office for further processing.
- **In case you are approaching the last day of time-bound filing (e.g. in the case of ARs and BSs), you have to ensure that you complete the payment process on or before the last day failing which you will have to pay the delayed filing fees.** Suitable arrangements have been made to generate the challans accordingly. Local cheques will need to be remitted well in advance so that the same is cleared before the challan expiry date.
- In case you do not make payment within the period stipulated in the challan i.e. five days from the date of submission (subject to the caveat of last date of time-bound filing), your request submitted earlier will automatically expire. If you are desirous of filing a document that has expired, start the process from Step 4 (or Step 3 if any changes to the e-form are required).

Assistance at the Facilitation Center

If you do not have access to necessary computing infrastructure or you are not familiar with the process of e-filing, you may seek the services of a Facilitation Center i.e. PFO located conveniently near you. List of cities and towns where PFOs are located is specified in Table 2. At the PFO, the following can be accomplished:

- You will have kiosk facility where you can download and fill in the e-form (you may alternatively choose to do this on your home PC or at a cyber café)
- Assistance will be provided to help you digitally sign the e-forms and submit the same. For this, remember to bring your Digital Signature Certificate along with you.
- Scanning facility for attachments is also provided
- A challan copy generated by the system will be provided to you, which you may take to an any authorized Bank branch located conveniently and make necessary payment
- The facilitation centre will assist you in completing your transaction as explained under Step 5 above.

Completion of e-Filing

e-Filing will be completed once the necessary payment is remitted either through electronic payment means or through the challan based method. Banks will authorize the transactions after which the documents filed by you will be electronically forwarded to the concerned RoC office (also referred to as Back Office) for further processing within two working days. You will also be provided a facility at MCA21 portal to check if the e-filing has been completed successfully. The challan number that is printed on the challan or the computer generated receipt will be helpful for future referencing of your service request.

Getting Ready for e-Filing

Change is not easy and MCA has taken all steps to make this as simple as possible. There are, however, a few simple steps that need to be followed in order to get ready for e-filing. These are:

- **Register yourself as a Director:**
 - All directors, be it those of existing companies or first time directors, will need to register themselves online for obtaining the Director Identification Number (DIN). Details for obtaining a DIN will be made available as soon as the MCA21 portal is made operational.
 - Two months' time will be provided for this purpose from the date of commencement of this facility, within which directors of existing companies will need to complete this process.
 - In case you have difficulty doing it by yourself, please visit any of the facilitation centers where assistance will be available.
 - Make sure you carry one photograph of yours, a photo identity card and address proof when you visit the facilitation center to complete this process.
 - After obtaining the DIN, intimate the same to all companies in which you are a Director.
- **Acquire a Digital Signature Certificate (DSC):** A director or authorized representative of a company (including branches of foreign companies) engaged in signing documents and professionals who wish to attest documents that will be e-filed, will need to obtain a DSC from any of the authorized agencies by the Government. A list of authorized agencies are published in the website of Controller of Certifying Authorities www.cca.gov.in and, for your ready reference, the list of authorized agencies is reproduced in Table 3. MCA will shortly notify the requirements related to the type of DSC that will need to be procured. Typically, these certificates are provided on a variety of media, the most popular being the

USB token or a smart card. These DSCs are generally valid for a period of one year and will need to be renewed thereafter each year. There is a cost associated with the first time procurement and subsequent renewal of these DSCs that will need to be borne by you. It will be essential to submit only digitally signed electronic documents as part of e-filing as per the requirements of the Information Technology Act, 2000. It is sufficient that you procure one DSC irrespective of the role you play i.e. director or professional in practice, as long as there is no conflict of interest (i.e. professionals will not be able to attest documents of the companies if they serve as directors in the same company).

- **Register your DSC:** Once you have procured your DSC, you will also need to register your DSC with the MCA21 portal using your personalized login. In case you have multiple DSCs or renew your DSC, you will need to register these as well. Thereafter, you can also use your DSC to login to the MCA21 system directly.
- **Familiarize Basics:** Familiarize yourself with the new e-forms and find out the facilitation center (PFO) and Bank branch that is conveniently located nearest to you.

Detailed Information

For further Detailed information , remain in touch with us, we will try to keep you posted.

FSIA is also planning to conduct a proper dedicated seminar on this matter, if the number of candidates is sufficient.

To show your interest, email to

GroupMLG@eth.net
 rajivchawlaindia@yahoo.com ,
 FSIA4u@rediffmail.com,
 fsia_india@yahoo.co.in

Table 1: Bank List

State Bank of India

Agartala	Delhi (4 Branches)	Kolhapur	Silvassa
Ahmedabad	Dehradun	Kolkatta	Thane (2 Branches)
Aizwal	Dimapur	Kottayam	Thrissur
Ajmer	Falta SEZ	Lucknow	Varanasi
Aurangabad	Guwahati	Mumbai	Vijayawada

		(6 Branches)	
Bangalore	Imphal	Nagpur	Vishakapatnam SEZ
Bhopal	tanagar	Noida	Vishakapatnam
Calicut	Jabalpur	Port Blair	
Chandigarh	Jaipur	Ranchi	
Chennai	Jodhpur	Shillong	
Cochin SEZ	Kandla SEZ	Shimla	

Punjab National Bank

Agra	Delhi (14 Branches)	Indore	Patna (2 branches)
Ahmedabad	Dehradun	Jaipur	Pondicherry
Allahabad	Ernakulum	Jalandhar	Pune
Ambala Cantt	Faridabad	Jammu	Ranchi
Aurangabad	Gandhinagar	Kanpur	Rohtak
Bangalore	Ghaziabad	Kolkatta (2 branches)	Shillong
Chandigarh	Goa	Meerut	Srinagar
Chennai (2 Branches)	Gurgaon	Mumbai Kandla SEZ (5 Branches)	Thane
Cuttack	Gwalior	Nagpur	Vadodra
Coimbatore	Hissar	Noida	
Dehradun	Hyderabad	Panipat	

Indian Bank

Palakkad	Tiruchirapalli	Madurai	Virudanagar
Mangalore	Bollary	Coimbatore	
Hubli	Guntur	Udhagamandalam	
Raichur	Chennai SEZ (3 Branches)	Tirunalveli Junction	

ICICI Bank

Ahemdabad	Delhi	Trichy	Pondichery
Bhillai	Hyderabad	Mumbai (3 branches)	Solapur
Chandigarh	Kota	Mysore	Udaipur
Chennai	Ludhiana	Neyveli	Vadodra
Coimbatore	Thiruvananthapuram	Patiala	

HDFC Bank

Ahemdabad	Dehradun	Mohali	Silvassa
Ahmednagar	Indore	Navi Mumbai	Varanasi
Aurangabad	Jammu	Nasik	Vasco de Gama
Bhatinda	Jaipur	Noida	
Bhopal	Jalgaon	Patna	
Bhubaneswar	Jodhpur	Pune	
Daman	Kolhapu	Raipur	
Delhi (3 branches)	Kolkatta (7 branches)	Siliguri	

Table 2: Physical Front Offices

Agartala	Ahmedabad	Aizawal
Baddi (HP)	Bangalore	Vadodara/Baroda
Bhubaneswar	Chandigarh	Chennai
Chennai SEZ	Cochin SEZ	Coimbatore
Cuttack	Dehradun	Daman & Diu
Dadra & Nagar Haveli	Delhi	Dimapur
Ernakulum	Falta SEZ	Goa
Guwahati	Gurgaon	Gwalior
Hyderabad	Imphal	Indore

Indore SEZ	Itanagar	Kandla SEZ
Lakshadweep	Jaipur	Jalandhar
Jammu	Jodhpur	Kanpur
Kolkatta	Mumbai (2 Locations)	Mumbai SEEPZ
Nagpur	Noida SEZ	Patna
Pondichery	Port Blair	Pune
Ranchi	Raipur	Shillong
Siliguri	Srinagar	Thiruvananthapuram
Vizagapattinam		

Table 3: Licensed Certifying Authorities

TCS Ltd.	www.tcs-ca.tcs.co.in → tata consultancy services
NIC*	www.nic.in
IDBRT**	idrbtca.org.in
Safescrypt Ltd.	www.safescrypt.com → unit of SATYAM infoway Ltd
MTNL	www.mtnltrustline.com
Customs & Central Excise	icert.gov.in
(n) Code Solutions CA	www.gnvfc.com

* Limited to Government sector only

** Limited to Banking sector only

with warm regards ,



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