

MCA STRATEGIC PLAN DOCUMENT

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MINISTRY OF CORPORATE AFFAIRS - STRATEGIC PLAN

Section 1: Ministry's Vision, Mission, Objectives and Functions

Ministry's Vision

"To facilitate corporate growth with enlightened regulation"

Ministry's Mission

To be responsive and sensitive to changes in the business environment and suitably formulate and modify corporate laws and regulations from time-to-time

Objectives of MCA

1. To provide simplified laws governing Corporate Sector to facilitate effective compliance and regulatory regime.
2. Delivery of all registry related services with speed, certainty and transparency, access to public information and effective monitoring of statutory compliance by the companies
3. To encourage corporate sector to adopt good corporate governance practices and corporate social responsibility
4. To promote investor education and awareness for creation of appropriate business environment that facilitate growth of corporate sector in the country
5. To develop capacity building and secure policy advisory support through IICA
6. Administration of Companies Act and other Acts under purview of Ministry (effective enforcement for prevention of Corporate Frauds)
7. To promote competition and curb anti-competition practices.

Functions of MCA

1. Administration of the Companies Act, 1956 and other related Acts
2. Formulation of Rules and regulations under various Acts administered by the Ministry.
3. Convergence of Indian Accounting Standards with IFRS.
4. Implementation of Competition Act through the Competition Commission of India.
5. e-Governance in MCA.

6. Build systems for early detection of irregularities in corporate functioning.
7. Undertaking investor education and awareness programmes.
8. To undertake investigation of serious frauds through the Serious Fraud Investigation Office.
9. Cadre administration of the Indian Corporate Law Service.

Section 2: Assessment of the Situation

The Ministry of Corporate Affairs is concerned with the administration of a wide range of statutes for the regulation of the corporate sector including the Companies Act, 1956. Besides, it also administers the following Acts:

- i) The Chartered Accountants Act, 1949
- ii) The Cost and Works Accountants Act, 1959
- iii) The Company Secretaries Act, 1980
- iv) The Partnership Act, 1932
- v) The Societies Registration Act, 1860
- vi) The Companies (Donations to National Funds) Act, 1951
- vii) The Monopolies and Restrictive Trade Practices (MRTP) Act, 1969
- viii) The Competition Act, 2002 as amended by Competition (Amendment) Act, 2009
- ix) The Limited Liability Partnership (LLP) Act, 2008

Organisational Set-up

The Ministry has a three tier organizational set-up for administration of the Companies Act, 1956 namely,

- the Secretariat at New Delhi,
- the Regional Directors at Mumbai, Kolkata, Chennai and Noida (U.P.) 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.

The Emerging Corporate Scenario in India

The Corporate form is increasingly emerging as the preferred vehicle for economic and commercial activity, with mobilization of public resources. The **number of companies** has expanded from about 30,000 in 1956 to nearly 9 lakhs as on date. In this background there is a need to help sustain this growth by enabling a legal framework that would enable the Indian corporate sector to operate in an environment of the best international practices in a globally competitive manner, while fostering a positive environment for investment and growth.

The basis for growth of a nation is the quality, effectiveness and efficiency of its regulatory framework. The law prescribing such a framework, therefore, needs to be compact, amenable to clear interpretation, enabling the required regulatory institutional structures to develop and respond in a timely and appropriate manner to meet the requirements of ever evolving economic activities and business models.

With the phenomenal economic growth, India has become a preferred destination for international investment. Corporate Sector is a major contributor in building up India's brand equity. There is a constant need to further facilitate corporate sector for its accelerated growth. The Ministry of Corporate Affairs has to play a major and active role in this endeavor and has to partner with all stakeholders for this purpose. The Ministry has to increase its capability for catering to the emerging needs of the corporates for their regulation, growth and development.

With a view to achieve above mentioned targets, the Union Cabinet approved the setting up of **Indian Institute of Corporate Affairs (IICA)** under the auspices of Ministry of Corporate Affairs. IICA will provide institutional support to the Ministry, corporate, professionals, entrepreneurs, shareholders and other stakeholders. The Institute through its state of the art Knowledge Management System and focus on action learning will facilitate today's business and shape tomorrow's.

Since many international investors are looking towards the statutory and regulatory framework for the corporate sector in India while deciding on their investment options. **Modernization of corporate regulation**, governing various aspects of setting up of enterprises, structures for sharing of risk and reward, their governance and accountability to stakeholders, financial procedures and responsibility for disclosures, procedures for rehabilitation, liquidation and winding up is, therefore, critical to the perceptions of investors and determining their business and investment decisions.

In line with the Best Practices Globally, **Limited Liability Partnership (LLP)** form of corporate entities has been introduced in India. Limited Liability Partnership (LLP) is a legal form which is governed by the Limited Liability Partnership Act, 2008. LLP is a new business vehicle in body corporate form and therefore a separate legal entity which limits the liability of the partners to their agreed contribution. Any two or more individuals or bodies corporate may incorporate an LLP for carrying on a lawful business with a view to profit. LLP structure is not restricted to any specific trade, business, profession or service. LLP is a legal entity separate from its partners and has perpetual succession. The LLP structure allows the enterprises the flexibility of organizing internal structure as a partnership

The Ministry of Corporate Affairs has implemented **MCA21 e-Governance Project**. It is a **Mission Mode Project (MMP)** of the Government of India under the **National e-Governance Plan (NeGP)**. The project envisages easy and secure online access to all registry related services provided by the MCA, including registration and filling of documents throughout the country for all the corporates and other stakeholders at any time and in a manner that best suits them. The programme is outcome based and focused on improving the quality of services to various stakeholders concerned with the corporate sector in the country.

The project is fully operational from all 20-registry locations. During the year 2009, E-stamping has been introduced in MCA-21 portal itself. The revenue collected by way of stamp duty is remitted to RBI at the end of the week and the RBI remits the same to the respective State Governments on the same day.

Office of the Competition Commission of India (CCI) has been established on 14th October, 2003. Under the Competition Act, 2002, the Commission is mandated to:

- a) To prevent practices having adverse effect on competition
- b) To promote and sustain competition in markets
- c) To protect the interests of consumers, and
- d) To ensure freedom of trade

Accounting Standards are policy documents relating to various aspects of measurement, treatment, presentation and disclosure of accounting transactions and events. The purpose of Accounting Standards is to standardize diverse accounting policies with a view to eliminate incomparability of financial statements. The objective is to provide a set of standard accounting policies which are in conformity with generally accepted principles and policies.

Pursuant to the provisions of section 211(3C) of the Companies Act, 1956, **the Companies (Accounting Standards) Rules, 2006** were notified in the Gazette of India dated 7th December 2006. Before this, Accounting Standards issued by the Institute of Chartered Accountants of India were in force in the nature of advisories. At present, 28 Accounting Standards have been notified. Every company registered under the Companies Act, 1956 is required to comply with these Standards.

International Financial Reporting Standard (IFRS) is considered a “principles based” set of standards in that they establish broad rules as well as dictate specific treatments. There is also a Framework for the Preparation and Presentation of Financial Statements which describes some of the principles underlying IFRSs.

The objective of financial statements is to provide information about the financial position, performance and changes in the financial position of an entity that is useful to a wide range of users in making economic decisions, and to provide the current financial status of the entity to its shareholders and public in general.

India has adopted policy of **Convergence with IFRS** keeping in view the requirements of change and transition necessary to be followed by Indian companies and regulatory bodies. Therefore, the initiative for harmonization of Indian Accounting Standards with the IFRS has been taken up with the intention of achieving convergence with IFRS by 2011.

In this rapidly emerging scenario of corporate growth, there also have been instances of Corporate Fraud reported, more frequently, in recent times. There is high investor and public expectation to plug in the loop holes in the corporate laws that make such frauds possible and difficult to track for the regulator. As shown by the success of MCA 21 in creating stakeholder convenience, **Technology** will play a critical role- along with enlightened regulations- in making the processes more transparent and difficult to temper with.

2A. What External Factors will impact us?

In the above background as the Ministry of Corporate Affairs moves ahead- as a buildup of Strategic Planning exercise for the Ministry an Analysis of the Opportunities, threats, tailwinds (supporting factors) and headwinds (Opposing factors) was made which is summarized below-

Factors	Opportunities	Threats	Tailwinds	Headwinds
Political	Political Commitment for Inclusive Corporate Growth	Scams could result in loss of public confidence	Strong public support for effective action to prevent corruption and punish the guilty	Lack of consensus on degree of Government regulation on Corporate Sector
Economic	Tremendous potential for growth in Corporate Sector post liberalization	Corporate Growth not inclusive enough	Markets are pushing for reforms	'Aam Aadmi' left out of the growth
Socio-Cultural	Increased employment opportunities	Cases of Socially or environmentally Unsustainable Projects (For example, Mining)	Availability of trained and mobile population	Marginalized sections of population are not integrated with the Corporate Growth Low level of ethics in behavior in many Corporate and Government personnel as well as professionals Inherent weaknesses of a Government structure such as low motivation of manpower which is

				resistant to change in the processes and technology
Technological	Technology is partner in Corporate Growth Improving Monitoring and Compliance Mechanism through IT	Increased use of technology may dilute the traditional employment opportunities	Competition and liberalization has led to reduction of cost of new technology	Technology becomes obsolete very fast and it's a recurring cost. MCA data on Companies is underutilized in current MCA 21 structure
Environmental	Environmental Concern help create a better corporate brand	Corporate growth increasingly seen as environmentally unsustainable	Instances of Corporate championing the Environmental cause	Interest of Corporate to hide the Environmental damage
Legal	Enlightened Regulation could create Sustainable Business	Over Regulation hampers Business	Increased participation by Media and Social Groups bringing legal defaults into notice	Slow and cumbersome legal processes

2B. Who are our Stakeholders?

It is urgent to ensure full commitment and support of all the stakeholders towards the identified objectives and strategies, in this Strategic Planning exercise. An analysis was made of the stakeholders to understand what power they command and what are their stakes in the entire planning, strategies and change management process.

This will enable us to pre-empt unforeseeable events and resistances which we might otherwise face during the implementation phase of the Strategic Plan, so that we are better prepared in the long run. The analysis below focuses on the two relevant aspects of stakeholders, viz .,what is the Power they wield over us, and what are their Stakes or interests in the work of the Ministry:

- (i) Power
 - a. How they can Help us?
 - b. How they can Block us?
- (ii) Stakes
 - a. What would they want from us?
 - b. What do we want from them?

Group/ Individual	Power		Stakes	
	How they can Help us?	How they can Block us?	What would they want from us?	What do we want from them?
1 Business Organizations	Engaging Corporate Sector in discussion with Ministry before any new legislation	Being intrinsically anti regulation, it may be in their interest to stall new regulations	Enlightened Regulations A legal framework to facilitate easy exit	Better Compliance by Companies
2 Professional(s)/ Institutes and bodies	(a)Provide key inputs into stakeholders' expectations (b)Impressing upon their members to respond to MCA compliance	By giving incorrect feedback to Corporates they can collude in illegal/ unethical behaviour and they can impact new regulations	Enlightened Regulations	Better Compliance by Companies Better ethics and integrity

3 Field level offices (Officers and Staff)	Being face of Ministry's Service Delivery in the Field they can provide key inputs into stakeholders' expectations	Being intrinsically resistant to change like most Government officials, they may impact the roll out of any new service or regulation	Simpler laws and with more regulatory independence	To deliver Ministry's services in a transparent, fair and accountable manner, thereby improving the image of Ministry
4 Investors	Pushing for strengthening of corporate governance through effective regulations	Excessive push for higher returns presses Corporate towards breaching regulations and adopting environmentally damaging technologies	(a) Ministry's guidance in making correct and informed investor decision, (b) Curb Corporate frauds (c) Action against rogue companies (d) A legal framework to facilitate easy exit	To be aware, informed and responsible investors
5 Banks	By keeping pace with the MCA technological innovations Fast processing of MCA funds	Too complicated Banking Regulations could influence MCA policy making	To create a level playing field and generate more business opportunities for them	Fast, Transparent and efficient functioning in transactions of Government funds Faster Reconciliation and responding to the stakeholders' concerns
6. Other Government Ministries/ Departments	Data availability and exchange facilities to MCA and its stakeholders	Conflicting Services or compounding identical services creating end	(a) Technical knowhow on the most successful e-Gov initiative-	Process and Technical Compatibility, wherever needed. Faster

		user confusion	MCA 21. (b)Corporate Information for their internal processes (c)MCA 21 data for their statistics and Reports	and considered response from concerned Ministries to MCA requests.
7. State Governments (Stamp Duty etc)	Provide a communication channel for spread of MCA services	May not locally support some of the MCA programmes and schemes	(a)Efficient and responsive field offices. (b)Smooth revenue collection and transfer of Stamp Duty and other revenues.	Protection and facilitation of MCA offices, assets and propagating widely the MCA policies and regulations
8. MCA 21 Operator	Faster Response to the urgent Ministry requirements and stakeholders' concerns	Losing or damaging the MCA data and infrastructure Raising the cost of service	Partnership in a highly rated e-governance Programme	Perfect integrity in maintenance of MCA infrastructure and data.
9 Technology makers and R&D innovators	Developing such technology that propagates and can implement MCA Vision and Mission in a successful manner	Prohibitive costs and monopolistic approach	Continued patronage to the technological innovations & transparent procurement processes	Aligning the best technologies to MCA requirements
10 Media	Steady source of Information to MCA and also to public on MCA policies and regulations	By spreading wrong and malefic information	(a)Partnering with MCA for closer scrutiny of the Corporate frauds (b)Better and faster information flow	Healthy and Responsible Media Coverage
11 Other Regulators (SEBI, RBI, IRDA)	Sharing of Information and working closely	Delayed Information Sharing.	MCA 21 data for their statistics and Reports	Identifying areas of Regulatory

	to mutually assist in detection of frauds and protection of investors	Frequent Policy changes and Amendments. Procedural Red tapes and technology gaps	Identifying areas of Regulatory Overlap so as to simplify laws for stakeholders which are under both the regulators	Overlap so as to simplify laws for stakeholders which are under both the regulators To collaborate in preparing common reporting platform to reduce compliance for the users Access to their relevant data.
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2C. What are our Strengths and Weaknesses?

Ministry of Corporate Affairs is a relatively young Ministry. However, in its existence over the last few years, MCA has experienced and build certain strengths which have enabled the Ministry to create a congenial environment for a rapidly growing corporate sector in India. At the same time, the instances of a few Corporate frauds have enabled us to understand our weaknesses so that we can draw learnings from the past and make improvement for the future.

We undertook an exercise to understand our strengths and weaknesses on the following parameters:

- **Strengths**
 - *What made us?*
 - *What drove our success in the past?*
 - *What internal skills and knowledge do we possess?*
 - *What do the other stakeholders see as our strengths?*
- **Weaknesses**
 - *What is hindering our aspirations?*
 - *What were the causes of failures in the past?*
 - *What additional knowledge and skills do we need?*
 - *What do others see as our weaknesses?*

The exercise of identifying our strengths and weaknesses was undertaken in order to ensure that we are able to overcome internal and external hindrances and bottlenecks, and simultaneously build up and upgrade on our skills, knowledge and strengths.

These strengths and weaknesses are summarized in the table given below:

Strengths	Weaknesses
<p><i>What made us?</i></p> <p>(a) Progressive approach to Corporate Laws and Regulations (b) Openness to new ideas and technological changes (c) Transparent Operations, supported by Online Service Delivery through MCA 21 (d) Good Understanding of Corporate Stakeholders' expectations from MCA (e) Educated and Literate stakeholders (f) Good outreach throughout the country</p>	<p><i>What is hindering our aspirations?</i></p> <p>(a) Ineffective law not acting as a deterrent against Corporate frauds. (b) Creation of large number of inoperative companies by stakeholders (c) Poor level of ethics in companies/ professionals (d) Initial Act is old which needs rapid changes in the emerging environment</p>
<p><i>What drove our success in the past?</i></p> <p>(a) Well established and matured Corporate Law (b) Leadership in e-Governance initiatives (c) Presence of matured Professional Institutions in the field</p>	<p><i>What were the causes of failures in the past?</i></p> <p>(a) Gaps in total compliance (b) Lack of Access to critical Company Information (c) Poor disciplinary mechanism of the Professional Institutes</p>
<p><i>What internal skills and knowledge do we possess?</i></p> <p>(a) Corporate Law, Regulations and Policy (b) e-Governance Implementation Support teams</p>	<p><i>What additional knowledge and skills do we need?</i></p> <p>(a) Exposure to the International Legal Corporate Law related best practices (b) Upgraded Technology and environmental issues</p>
<p><i>What do the other stakeholders see as our strengths?</i></p> <p>(a) The only complete and reliable single</p>	<p><i>What do others see as our weaknesses?</i></p> <p>(a) Inability to track down and punish the</p>

largest repository of data of companies in the country	companies and individuals involved in Corporate Frauds
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2D. Learning for the future?

Having identified who are our key stakeholders and their concerns and also having identified our strengths and weaknesses, the next step in the Strategic Planning exercise was to elaborate what should be the learning agenda for the ministry. This learning agenda can be categorized into- Critical agenda and Necessary agenda.

Critical learning agenda, as per the guidelines provided, is most important area in our functioning where we have a substantial gap with the stakeholders' expectation and in-house desired status of knowledge. Necessary learning agenda is where we have some capabilities and where we have further potential of improvement.

Learning Agenda	
Critical Learning Agenda	Necessary
(a)Alignment with International Business Practices and standards (b)Improving World Ranking on ease to do business (c)How to close businesses quickly and effectively (d)How to block Legal loopholes against Corporate frauds etc. (e) Uniformity and consistency in disposal of applications for various services across the RoCs (f) How to create a supportive environment for detection and reporting of fraud	(a)Improving our Administrative Structure (b)Improving response mechanism towards stakeholders' complaints (c)Improving service delivery through complete change management of field offices, especially Offices of the Official Liquidators; including IT acceptance and integration (d) Impact evaluation/ concurrent evaluation of the Ministry's initiatives

Section 3: Outline of the MCA Strategy (A follow up of Assessment Phase Section 2)

3A. The Potential Strategies

The next step towards finalizing strategic plan is the selection of the potential strategies and initiatives to be undertaken by the Ministry of Corporate Affairs. This selection is in tune with the identified Strengths and Weaknesses of MCA. The outline of the strategy also takes into account the opportunities available to the ministry and the expected threats during the implementation phase of the 12th Five Year Plan.

These strategies have been structured into major categories as listed below-

- **Political**
- **Legal**
- **Socio-Economic**
- **Environment related**
- **Technology related**
- **Manpower and Training (Change management) related**

Based on analysis of external forces and internal capabilities as well as strengths and weaknesses of the Ministry, the related potential strategies are presented in the table below:

Identified Strengths (Opportunities)	Identified Weaknesses (Threats)	Related Potential Strategy
<i>Political</i>		
Strong Political Commitment for Inclusive Corporate Growth Strong and Stable Central Government is able to push reforms		Involve the proactive political leadership in the goal setting, consensus building and change management of complicated issues.
<i>Legal</i>		
Tremendous potential for growth in Corporate Sector post liberalization	Over Regulation hampers business while lesser regulation could result in scams	Comprehensive Review of the Companies Act, 1956 to ensure that there are minimal impediments in early disposal of cases, by plugging

<p>Markets are pushing for reforms</p>	<p>Slow and cumbersome legal processes</p>	<p>the legal loopholes therein</p> <p>Simplifying legislation and developing a single set of circulars/ guidelines/ instructions/ notifications (Master Circular) which can be updated at regular intervals</p> <p>Identify the areas of Regulatory overlap, for instance, with SEBI and RBI and streamline the same.</p> <p>Improving mechanism for interdepartmental consultations</p> <p>MCA to play a proactive role in moving towards a 'single window' clearance for businesses.</p> <p>Also introduce effective deterrent measures to prevent scams.</p> <p>Develop a crisis management plan (with Standard Operating Procedures) of ministry to deal with corporate frauds</p>
<p><i>Socio-Economic</i></p>		
<p>Increased awareness among Government Officials, political leadership and public stakeholders regarding concepts of 'Sustainable Business' and 'Inclusive Growth'</p> <p>Increased participation by Media and Social Groups bringing growth disparities to notice</p>	<p>Corporate Growth not inclusive enough</p> <p>Marginalized sections of population are not integrated with the Corporate Growth</p>	<p>Introduce, review and revise voluntary guidelines on Corporate Governance.</p> <p>Develop a Code for Corporate ethics in line with the Best Practices in developed countries</p> <p>Build Consensus through national workshops with the Business, Professionals and Officials on the critical regulations which are necessary or need update to ensure Inclusive Growth.</p>
<p><i>Environmental</i></p>		
<p>Instances of Corporate championing the Environmental cause</p>	<p>Cases of Socially Unsustainable Projects coming into light</p>	<p>Introduce, review and revise voluntary guidelines on Corporate Social Responsibility.</p>

<p>Enlightened Regulation could create Sustainable Business</p>	<p>Interest of Corporate to hide the Environmental damage</p> <p>Corporate growth increasingly seen as environmentally unsustainable</p>	<p>Build Consensus through national workshops with the Business, Professionals and Officials on the critical regulations which are necessary or need update to ensure Sustainable Business.</p> <p>Environmental Concern helps create a better corporate brand. Provide incentives to “Green Brands”, to compensate part of cost incurred. Energy usage to be a criterion of Company Identification. Build a system of Colour Coding the companies to reflect their environment sensitivity.</p>
<p><i>Technology Related</i></p>		
<p>Technology is partner in Corporate Growth</p> <p>Competition and liberalization has led to reduction of cost of new technology</p>	<p>Technology becomes obsolete very fast and it’s a recurring cost. MCA data on Companies is underutilized in current MCA 21 structure</p>	<p>Improving Monitoring and Compliance Mechanism through IT. Update the technology with the latest measures like XBRL to ensure that the Company Information is recorded and tracked effectively by Ministry.</p> <p>Build an SPV for MCA to handle all Technology issues and develop new Value Added Services.</p> <p>Focused approach to use of Corporate database and effective monetization of the resources</p>
<p><i>Manpower Issues (Change Management)</i></p>		
<p>Availability of Educated, talented and mobile population in India</p>	<p>Inherent weaknesses of a Government structure such as low motivation of manpower which is resistant to change in the processes and technology</p>	<p>Train the manpower, including officers and staff, in the latest technology being adopted by MCA. A round the year training curriculum- Domain training in Company Law to field officers to ensure uniformity and consistency in disposal of applications across the country.</p> <p>Update the functioning of the Office of the Official Liquidator by making the Liquidation process more</p>

		<p>transparent, faster and effective by using Technology; as was used to strengthen MCA functioning through MCA 21.</p> <p>Identify the leaders of change management</p> <p>Comprehensive Study of International Best Practices, including policies, processes and instruments, to curb the Corporate Frauds</p>
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3B. How will we engage out stakeholders?

Once the strategic plan is finalized, it also has to be implemented. Hence at the planning stage itself, it is imperative to be also aware of the steps to be undertaken for engaging the stakeholders. This engagement is planned as a continuous process and is structured in the manner given below (the broad structure of engagement of identified stakeholders lays out the following-what questions to ask them, what would be the mode of interaction, when should this interaction take place and who would be responsible for carrying out this interaction) :

Stakeholders (from 2B)	Questions we must ask?	Mode of Interaction	When	Who will be responsible for doing it?
1. Business Organizations	How to ensure that Ministry effectively engages the Corporate Sector in all its major initiatives	Seminars, Workshops, meetings	At regular intervals, preferably once every month (with special drive during the 'India Corporate Week' every year)	Ministry in partnership with Business chambers and professional institutes
2. Professional(s)/ Institutes and bodies	How to ensure that Ministry effectively engages the Corporate Sector in all its major initiatives	Seminars, Workshops, meetings	At regular intervals, preferably once every month (with special drive during the 'India Corporate Week' every year)	Ministry in partnership with Business chambers and professional institutes
3. Field level offices (Officers and Staff)	How to ensure that Ministry effectively addresses the concerns of the Corporate Sector	Meetings, Video Conferences, teleconferences and Regular Exchanges via E-mails	Regularly on a daily basis (At least on e-mails and phone)	Two Way communication between Ministry (HQ) and field offices
4. Investors	How to ensure that Ministry effectively addresses the investors' concerns	Seminars, Workshops, Dissemination of information through Website and Brochures	Frequently, with special drive during the 'India Investor Week' every year	Ministry
5 Banks	Whether the partnership	Meetings, e-Mail and Phone	Regular Meetings,	Two Way communication

	<p>between Ministry and Banks (especially in MCA 21) is beneficial to the Public, Banks and Ministry?</p> <p>What measures could be taken to improve the transaction processes?</p>		usually once a month, and daily feedback via e-mail and phone	between Ministry and Banks
6. Other Government Ministries/ Departments	<p>How to ensure that other Ministries and Departments support MCA initiatives?</p> <p>How MCA can support and assist in initiatives of other Ministries and departments</p>	<p>One on One Meetings between concerned officials in respective departments; escalation to higher level on need basis</p> <p>One on One Meetings between concerned officials in respective departments; escalation to higher level on need basis</p>	<p>As and when required</p> <p>As and when required as per mutual convenience</p>	<p>MCA</p> <p>Two Way communication between concerned Ministry and MCA</p>
7. State Governments (Stamp Duty etc)	<p>How states can support MCA in delivering high quality services to stakeholders?</p> <p>How MCA can</p>	Meetings, e-mails and telephonic discussions	As and when required (Atleast Once in a quarter)	Two Way communication between concerned State and MCA

	plug revenue leakages and improve stamp duty collection of states?			
8. MCA 21 Operator	How operator can assist MCA in continuing and ensuring high quality services to stakeholders	Meetings, teleconferences, e-mails and telephonic discussions and also through Project Monitoring Unit	Meetings atleast twice a week, continuous communication via e-mail and phone	Two Way communication between Operator and MCA; PMU is involved in most communications
9. Technology makers and R&D innovators	How MCA can use Cutting edge technology to provide services to stake holders? How the technology could be aligned to Indian Business requirements?	Discussions, Workshops and e-mails and occasional meetings	As and when a new technology is introduced or being introduced	Usually Ministry is approached by the R&D innovators; Ministry follows up on the same
10. Media	How media can disseminate correct and disseminate information about enlightened corporate regulations to corporate sector, investors and public at large.	Advertisements, Press Briefings, Press Conferences, Interviews, Updates on MCA website and other events	Atleast once a quarter with special drive during events like India Investors Week and India Corporate Week.	Usually Media approaches MCA; regular Press Briefings are given by Ministry when a new initiative is to be announced.

3C. How will we build our knowledge and capabilities?

What do we need to learn? (From 2D)	From where and from what can we learn?	Who will organize this?	Who is responsible?
<p>(a)Alignment with International Business Practices and standards</p> <p>(b)Improving World Ranking on ease to do business</p> <p>(c)How to close businesses quickly and effectively-learnings from International experience.</p>	<p>International and National bodies of eminence such as Leading Chambers of Industries, Professional Institutes and Autonomous bodies like OECD, GRI, GTZ, NSE, BSE and MCX-SX etc.</p>	<p>Ministry organizes several such exchanges through its Indian Institute of Corporate Affairs (IICA); sometimes such organizations also invite Ministry to participate in their events.</p>	<p>Two way communication between Ministry and Autonomous bodies</p>
<p>(d)How to block Legal loopholes against Corporate frauds etc.</p> <p>(e) Uniformity and consistency in disposal of applications for various services across the RoCs</p>	<p>Leading Chambers of Business and Professional Institutes</p> <p>Feedback from Ministry's own officials is critical for improving service delivery.</p>	<p>Ministry organizes workshops and seminars in partnership with Leading Chambers of Business and Professional Institutes</p> <p>Bi-annual RoC and RD Conferences to be held at National Level; Regional Conferences to be organized atleast once in a quarter</p>	<p>Two way communication between Ministry and Leading Chambers of Business and Professional Institutes</p> <p>Ministry (MCA)</p>
<p>(f)Improving our Administrative Structure</p> <p>(g)Improving response mechanism towards stakeholders' complaints</p>	<p>Feedback from Ministry's own officials is critical for improving service delivery.</p>	<p>Bi-annual RoC and RD Conferences to be held at National Level; Regional Conferences to be organized atleast once in a quarter</p>	<p>Ministry (MCA)</p>

<p>(h) Improving service delivery through complete change management of field offices, especially Offices of the Official Liquidators; including IT acceptance and integration</p>	<p>Relevant inputs and complaints from individual stakeholders and organized bodies such as Chambers of Business and Professional Institutes</p>	<p>Workshops and seminars in partnership with Leading Chambers of Business and Professional Institutes</p>	<p>Two way communication between Ministry and Leading Chambers of Business and Professional Institutes</p>
<p>(i) Impact evaluation/ concurrent evaluation of the Ministry's initiatives</p>	<p>For MCA 21, structure for Programme Audit/ Impact Evaluation already exists; similar structure needs to be build for other MCA initiatives</p>	<p>MCA to arrange such impact assessment and audit.</p>	<p>Ministry (MCA)</p>

3D. What are the priorities?

Identifying the priorities of the Ministry

After identifying the key stakeholder and the issues faced by MCA and the most relevant initiatives to resolve the issues, we now need to list out the priority areas of the ministry and give them relative weight. This exercise will also help us in finalizing the next few RFD documents of the Ministry, because in RFD we are supposed to prioritize key areas of the Ministry and to assign them relative weights.

This Prioritization activity is based on the criteria of **Suitability** (Effectiveness and Impact), **Feasibility** (Ease of Implementation) and **Acceptance** (By Stakeholders). **This prioritization is in tune with the broad objectives of the 12th Plan.**

Scale: 1 to 5 in each block

Initiative/ Identify Weightage:	Suitability (Effectiveness and Impact)	Feasibility (Ease of Implementation)	Acceptance (By Stakeholders)	Overall Priority
Legal: Enlightened Regulations (Weightage: 25%)	5	4	3	4
Socio-Economic: Improved Corporate Governance Norms and moving towards inclusive growth (Weightage: 20%)	5	4	4	4.33
Environmental: Improved Corporate Social Responsibility Norms and moving towards Sustainable Business (Weightage: 15%)	4	4	3	3.67
Technology Related: Using Technology to deliver high quality services to citizens (Weightage: 20%)	5	5	4	4.67
Manpower Issues: Ensuring Accountability and transparency in decision making (Weightage: 15%)	5	3	3	3.67

<p>Political: Involve the proactive political leadership in MCA initiatives <i>(Weightage: 5%)</i></p>	5	4	5	4.67
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Section 4: Implementation Plan

(i) Strategic Initiatives

Political

- Involve the proactive political leadership in the goal setting, consensus building and change management of complicated issues.

Legal

- Comprehensive Review of the Companies Act, 1956 to ensure that there are minimal impediments in early disposal of cases, by plugging the legal loopholes therein
- Also introduce effective deterrent measures to prevent scams (for example through new technology usages like XBRL)

Socio-Economic

- Introduce, review and revise voluntary guidelines on Corporate Governance.
- Build Consensus through national workshops with the Business, Professionals and Officials on the critical regulations which are necessary or need update to ensure Inclusive Growth.

Environmental

- Introduce, review and revise voluntary guidelines on Corporate Social Responsibility.
- Build Consensus through national workshops with the Business, Professionals and Officials on the critical regulations which are necessary or need update to ensure Sustainable Business.
- Environmental Concern helps create a better corporate brand. Provide incentives to “Green Brands”, to compensate part of cost incurred. Energy usage to be a criterion of Company Identification. Build a system of Colour Coding the companies to reflect their environment sensitivity.

Technology Related

- Improving Monitoring and Compliance Mechanism through IT. Update the technology with the latest measures like XBRL to ensure that the Company Information is recorded and tracked effectively by Ministry.
- Build an SPV for MCA to handle all Technology issues, build a strategy for effective and productive usage of MCA Company Data and develop new Value Added Services.

Manpower Issues (Change Management)

- Train the manpower, including officers and staff, in the latest technology being adopted by MCA. A round the year training curriculum- Domain training in Company Law to field officers to ensure uniformity and consistency in disposal of applications across the country.
- Update the functioning of the Office of the Official Liquidator by making the Liquidation process more transparent, faster and effective by using Technology; as was used to strengthen MCA functioning through MCA 21.
- Identify the leaders of change management
- Comprehensive Study of International Best Practices, including policies, processes and instruments, to curb the Corporate Frauds

(ii) **Stakeholder engagement: Who, when and how?**

Who?	When ?	How?
1. Business Organizations	At regular intervals, preferably once every month (with special drive during the 'India Corporate Week' every year)	Through Seminars, Workshops and meetings organized by Ministry in partnership with Business chambers and professional institutes
2. Professional(s)/ Institutes and bodies	At regular intervals, preferably once every month (with special drive during the 'India Corporate Week' every year)	Through Seminars, Workshops, meetings and surveys Ministry in partnership with Business chambers and professional institutes
3. Field level offices (Officers and Staff)	Regularly on a daily basis (At least on e-mails and phone)	Through Meetings, Video Conferences, teleconferences and Regular Exchanges via E-mails Two Way communication between Ministry (HQ) and field offices
4. Investors	Frequently, with special drive during the 'India Investor Week' every year	Through Seminars, Workshops, Dissemination of information through Website and Brochures organized by Ministry
5 Banks	Regular Meetings, usually once a month, and daily feedback via e-mail and phone	Through Meetings, e-Mail and Phone in a Two Way communication between Ministry and Banks
6. Other Government Ministries/ Departments	As and when required as per mutual convenience	Through One on One Meetings between concerned officials in respective departments; escalation to higher level on need basis coordinated by MCA or the concerned Ministry/ Department
7. State Governments (Stamp Duty etc)	As and when required (Atleast Once in a quarter)	Through Meetings, e-mails and telephonic discussions in a Two Way communication between concerned State and MCA
8. MCA 21 Operator	Meetings atleast twice a week, continuous communication via e-mail and phone	Through Meetings, teleconferences, e-mails and telephonic discussions and also through Project Monitoring Unit in a Two Way communication between Operator and MCA; PMU is involved in most communications
9. Technology makers and R&D innovators	As and when a new technology is introduced or being introduced	Through Discussions, Workshops and e-mails and occasional meetings in which Usually Ministry is approached by the R&D innovators; Ministry follows up on the same
10. Media	Atleast once a quarter with	Through Advertisements, Press Briefings,

	special drive during events like India Investors Week and India Corporate Week.	Press Conferences, Interviews, Updates on MCA website and other events wherein generally Media approaches MCA; regular Press Briefings are given by Ministry when a new initiative is to be announced.
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(iii) **Learning Agenda: What, when and How?**

Learning Agenda		
	When?	How?
<p>Critical Learning Agenda</p> <p>(a)Alignment with International Business Practices and standards (b)Improving World Ranking on ease to do business (c)How to close businesses quickly and effectively (d)How to block Legal loopholes against Corporate frauds etc. (e) Uniformity and consistency in disposal of applications for various services across the RoCs</p> <p>Necessary</p> <p>(a)Improving our Administrative Structure (b)Improving response mechanism towards stakeholders' complaints (c)Improving service delivery through complete change management of field offices, especially Offices of the Official Liquidators; including IT acceptance and integration (d) Impact evaluation/ concurrent evaluation of the Ministry's initiatives</p>	<p>At regular intervals, preferably once every month (with special drive during the 'India Corporate Week' every year)</p> <p>Ministry also is engaged in a continuous learning process by having exchanges with its stakeholders as well as autonomous bodies regularly on a daily basis (At least on e-mails and phone)</p>	<p>Through Seminars, Workshops and meetings through International and National bodies of eminence such as Leading Chambers of Industries, Professional Institutes and Autonomous bodies like OECD, GRI, GTZ, NSE, BSE and MCX-SX etc.</p> <p>Ministry organizes several such exchanges through its Indian Institute of Corporate Affairs (IICA); sometimes such organizations also invite Ministry to participate in their events.</p> <p>Ministry also organizes Video Conferences and teleconferences and has regular exchanges with above bodies via E-mails</p> <p>Ministry also conducts Quarterly Surveys of its Flagship Programme MCA 21, through PMU, and similar exercise can be carried out for other initiatives of MCA</p>

(iv) Resources Required: People, Money and Infrastructure

- A vibrant and well trained workforce
- Technological tools
- Ministry of Corporate Affairs engages with Finance Ministry and Planning Commission as and when required for resources and funds from Government.

(v) Tracking and Measuring: Measurables and observables to assess progress, methods of reviews, methods of corrective actions

RFD is designed as progress report card of Ministry and is sufficient for tracking progress of our Strategy Initiatives. Ministry's strategic initiatives have a bearing upon and direct link with its RFD.

The hierarchical structure in a Secretariat is designed in such a way that it ensures rigorous review, monitoring with inbuilt checks and balances.

A file/note starts from the level of Section Officer on any matter of relevance; it is scrutinized by the Under Secretary who forwards it to Deputy Secretary or Director, who are both senior officials with extensive field experience. After examination and updates at this level the file goes through review, comments and suggestions of the Joint Secretary to Special Secretary / Additional Secretary and then to the Secretary of the Ministry who is the Head of the Ministry/ Department and senior most officer in Government of India.

In some instances, the file is sent to the Hon'ble Minister of Corporate Affairs for his review and approval.

Quite a few files are sent to other Ministries like Law for their review, comment or suggestions. In case of inter-ministerial or inter-departmental matters, meetings could be

Hence the current process of review and monitoring is highly exhaustive.

(vi) Overall Plan and milestones: Detailed activities, points of coordination, milestones and review points

The detail activities as finalized in the RFD will be undertaken, as demonstrated below, with fixed timelines, SMART objectives and identified milestones.

The milestones and timelines are purely indicative and may be revised depending on the achievement of Strategic Initiatives, especially in cases where the dependency on other ministries/ departments is very high.

	2011-12	2012-13	2013-14	2014-15	2015-16
Legal	<p>Comprehensive Review of the Companies Act, 1956 to ensure that there are minimal impediments in early disposal of cases, by plugging the legal loopholes therein</p> <ul style="list-style-type: none"> • Examination of report of Expert Group on the Companies (Court) Rules, 1959. • Convergence of Accounting Standards with International Financial Reporting Standards, (IFRS) • Revision of Schedule VI (Format of Balance Sheet and Profit and Loss Account) & Schedule XIV (Rates of Depreciation) to the Companies Act, 1956 according to converged Accounting Standards. • Review/Revision of LLP Rules & Forms after revision of the processes prescribed under LLP Rules, 2009. • Re-Introduction/ Extension of Easy Exit Scheme. • Review/Revision of Rules & forms after revision of the processes, prescribed in Companies (Central Government's) General Rules and Forms, 1956. 				

	Simplifying legislation and developing a single set of circulars/ guidelines/ instructions/ notifications (Master Circular) which can be updated at regular intervals				
	Identify the areas of Regulatory overlap, for instance, with SEBI and RBI and streamline the same.				
	Improving mechanism for interdepartmental consultations				
	MCA to play a proactive role in moving towards a 'single window' clearance for business.				
	Introduce effective deterrent measures to prevent scams.				
	Develop a crisis management plan (with Standard Operating Procedures)				
Socio-Economic	← Review and Revision of guidelines on Corporate Governance →				
	Develop a Code for Corporate ethics in line with the Best Practices in developed countries				
	Build Consensus through national workshops with the Business, Professionals and Officials on the critical regulations which are necessary or need update to ensure Inclusive Growth.				
Technology	← XBRL →				
	← LLP Back Office →				
	← OL e-Gov →				

	← Exit Management Plan in MCA 21 →				
	← Build an SPV for Value Added Services & Monetization of MCA Data →				
			← Next Generation MCA 21 →		
Environmental	Review and Revision of guidelines on Corporate Social Responsibility				

The prioritization, phasing and process details in Implementation

The Ministry has undertaken some of the activities on a very high priority. As per the RFD 2011-12, the key objectives for this year and their Weightage (which shows the relative priority) include:

- a) To provide simplified laws governing Corporate Sector to facilitate effective compliance and enlightened regulatory regime (Weight 29 points)
- b) On line delivery of all registry related services with speed, certainty and transparency, access to public information and effectively monitoring of statutory compliance by the companies (Weight 25 points)
- c) To promote investor education and awareness for creation of appropriate business environment that facilitate growth of corporate sector in the country (Weight 6 points)
- d) To develop capacity building and secure policy advisory support through operationalizing IICA- 10 points
- e) Administration of Companies Act and other Acts under the purview of MCA (Effective Enforcement)- 15 points
- f) Efficient Functioning of the RFD System- 3 points
- g) Improving Internal Efficiency / responsiveness / service delivery of Ministry / Department (10 points)
- h) Ensuring compliance to the Financial Accountability Framework- 2 points

As per the identified high priority objectives, the Ministry has already continued and builds up upon the ongoing activities towards the objective of facilitating effective compliance and enlightened regulatory regime as given below:

- a) Simplification of DIN Process
 - One single number for Directors/Designated Partners[merging of DPIN and DIN]
- b) Faster Incorporation of Section 25 Company
- c) Review of Name availability guidelines
- d) Improving monitoring of End use of funds- Public deposits, shares, debentures, private placement etc.
 - Building a Sub-site on the Ministry's website iepf.gov.in for the firms to provide such information

- e) Clearer Name Availability Guidelines for Establishment of principal place of business in India by a foreign company
- f) Simplification of process in the closure of Liaison Office of a foreign company in India
- g) Simplified process for Compounding of Offence by RD u/s 621
- h) Simplified process for Related Party Transactions u/s 297
- i) Order of Rectification of name by RD u/s 22
- j) Simplified process for Application for Approval of Appointment and payment of remuneration to MD/ WTD
- k) Creating consistencies in the process of Registration of Companies across the RoCs
- l) Creating a Refund Policy for the MCA users
- m) Simplifying Issues relating to Mergers and acquisitions
- n) Creating Unique CIN including mapping of Codes- NIC 2004 to NIC 2008
- o) Resolving Issues regarding Master Data Correction
- p) Modification in the Form 21 is required to enable this update for resolving user problems in Amalgamation order issued by BIFR under SICA Act

Similarly towards the objective of registry related services with speed, certainty and transparency, access to public information and effectively monitoring of statutory compliance by the companies, the following activities are being done on high priority:

- a) Paper Less Communication Between the RD-RoC Offices
- b) Drawing priority order afresh for Queue in approvals with highest priority for the forms related to Company Incorporation
- c) Making Online Payments mandatory for Fees payments below Rs 50000 in MCA services

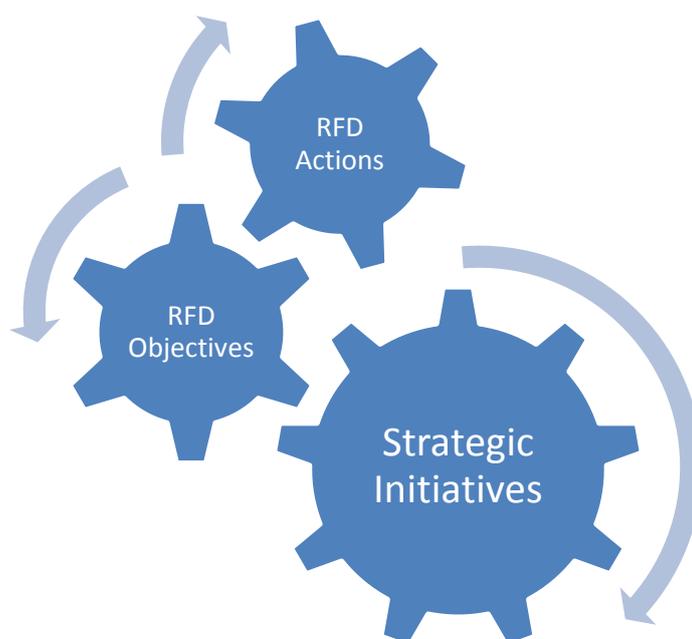
The PMD under Cab Sec has introduced a mandatory Action Point under the Objective “Improving Internal Efficiency / responsiveness / service delivery of Ministry / Department” namely “Identify potential areas of corruption related to departmental activities and develop an action plan to mitigate them” With the Success Indicator ‘Finalize an action plan to mitigate potential areas of corruption’.

By doing so the PMD has shown us the way by helping us to align one of our strategies in the plan namely to address the “low level of ethics in the behaviour” with the RFD for the year 2011-12. Although it can be argued that mitigation of corruption is a long term objective and action plan, it is a fact that due to pre occupation with routine work of Ministries no focused attention is usually paid on addressing the issue of low ethics among

the Government officials. It is hoped that like other Ministries MCA would be able to define certain achievable targets for the year 2011-12 and achieve them as is desired in the RFD.

Section 5: Linkage between Strategic Plan and RFD

Strategic Initiative would be the main driving force in the Ministry for next 5 years. These strategic Initiatives would guide the future RFDs starting from RFD for 2011-2012. The detailed activities will be decided at the time of finalization of subsequent RFDs



Case 1

For instance, for a particular strategic initiative under the head 'Technology' such as OL E-Governance, the entire roll-out of the project starting from RFP finalization and bidding upto complete implementation will be spread out over next 2 financial years, and accordingly, will be reflected in the RFDs of MCA for future years.

Case 2

Another such example for MCA is the implementation of XBRL. It will have different processes enroute the final implementation, such as

- a) Finalization of XBRL Taxonomy (Date 1)
- b) Approval and publication of the Taxonomy and revised Schedule VI (Date 2)
- c) Time required by the vendors to update their Applications accordingly (Date 3)

- d) As per implementation schedule,select class of companies to file their Annual Returns in XBRL (Date 4)
- e) Date for making XBRL compliance mandatory for all the companies (Date 5)
- f) Extending XBRL to LLP firms (Date 6)

The activities (a) to (d) above will be part of the RFD 2011-12 while activities (e) and (f) will be part of RFD 2012-13

Case 3

Incorporation of Companies within 24 hours is also one of the key objectives of MCA. Its main Action Points include :

- Simplification of DIN process
 - Hard Copy of Application to be discontinued
 - RoC to submit report Online to RD
 - No requirement for applicant to come and make physical corrections in Hard Copy of application, RD can do this online. Physical Copy in RD office to be discontinued
 - Time Limit to be prescribed for the entire process
- Incorporation of Section 25 Company
 - Issue of License to be dispensed with
 - RoC Report to be dispensed with
 - Draft specimen of MoA/ AoA may be posted on website to reduce corrections
- Name Availability within 24 hours
 - To make name availability guidelines and the allocation process simple and consistent across the RoCs
 - Usage of System, as much as possible, for the allocation of name

The action points are further divided into important success indicators as shown above and the RFDs will have the detailed timelines for these activities

Section 6: Cross Departmental and Cross Functional Issues

The works of MCA has links of SEBI, RBI, IRDA and the Comptroller and Auditor General, and the ministry will ensure close coordination through institutional mechanism like boards, committees and core groups etc.

6A. Linkage with potential challenges likely to be addressed in the 12th Plan

i. Enhancing Capacity for Growth

Our vision “To facilitate corporate growth with enlightened regulation” has a direct linkage with this 12th plan issue. By facilitating corporate growth, the Ministry is enhancing capacity of the economy for growth. By providing guidelines through our guidelines on CSR, Ministry is encouraging responsible business, which in turn is resulting in better allocation of our nation’s resources. Moreover, by guiding investors through a massive investor awareness drive, we are setting the right priorities to the investors and nudging investor saving towards responsible and better businesses. Thereby MCA is encouraging higher investment in areas which are relevant to achieve higher national growth targets.

ii. Enhancing skills and faster generation of employment

Growth of Corporate Sector also results in higher generation of employment opportunities including in the small and micro enterprises thereby boosting the economic growth of country. MCA is enhancing the number of banks which are working with it in providing MCA services. At the same time the banks are expected to increase the number of branches from where MCA related payments can be done. This is expected to enhance the reach of the MCA services, as a chain effect, it is expected to increase the industrial/ corporate growth in far off places and create more employment.

iii. Managing the environment

Ministry’s thrust on Sustainable Business ensures that corporate growth is encouraged without compromising on environmental concerns. The revised Voluntary guidelines on ‘Corporate Social Responsibility’, being released by the Ministry adequately addresses such concerns.

iv. Open Markets for efficiency and inclusion

The Ministry has been emphasizing the Inclusive Growth of Corporate Sector, the ministry has brought out voluntary Corporate Governance Guidelines which are meant to ensure that the growth of Corporate Sector reaches the ‘Aam Aadmi’. Also Corporate Governance norms are meant to ensure that corporate function in a fair and transparent manner without engaging in fraudulent practices and hence contribute to growth of the country.

v. *Decentralization, Empowerment and Information*

Ministry through its leading e-Governance program MCA 21 has ensured that the information on registration of Companies is available in a transparent manner to all citizens. This sort of initiatives leads to empowerment of the investors and the other users of MCA services. MCA is enhancing the number of banks which are working with it in providing MCA services. At the same time the banks are expected to increase the number of branches from where MCA related payments can be done. This is expected to enhance the reach of the MCA services, as a chain effect; Greater outreach through e-Governance initiatives ensures delivery of information to citizens in a fair and transparent manner, thereby empowering the citizens

vi. *Technology and Innovation*

MCA has been the leader in the usage of technology for enabling better governance. Ministry's flagship e-Governance Programme i.e. MCA 21, is considered one of the most successful e-Governance initiative in country as it is an end to end MCA service delivery solution for the Corporate Sector. MCA 21 is continuously engaging with stakeholders to review and improve its initiatives. E-Stamping is one such recent initiative of MCA 21 whereby State Governments have authorized MCA to collect stamp duty on their behalf. This initiative has reduced time of service delivery, plugged stamp duty leakages and also ensured better and faster reconciliation of accounts and remittances of stamp duty into state government heads. It is also a successful "GREEN" Initiative in Government of India

vii. *Securing the energy future of India*

Ministry has been emphasizing on Sustainable Growth of Corporate Sector, this includes concerns including securing energy future of country. The ministry has been issuing Guidelines of CRS to Corporate which encourages Corporate to think of new and creative solutions towards energy concerns facing the nation.

The MCA 21 has e-Filing of various forms as one of its features. This has considerably reduced the consumption of paper in MCA offices and by its service users. Through its single initiative of e-Stamp Duty collection the Ministry had saved over 45 lakhs pages that would otherwise have been used by the end users.

6B & 6C. Linkages with other Ministries and Departments and related Strategic Initiatives

Ministry of Corporate Affairs engages with Finance Ministry for resources for each of its projects and with Law Ministry for legal vetting of corporate law from time to time. It also discusses its ICT initiatives closely with the Department of Information and Technology. All these consultations will continue.

Related Potential Strategy

Political

Involve the proactive political leadership along with a committed bureaucracy in the goal setting, consensus building and change management of complicated issues

Ministry looks upto Cabinet Secretariat through its Project Management Division to continue supporting MCA in planning our Strategic Initiatives and also in prioritizing our key areas each year through RFD document and its associated exercises.

Legal

Comprehensive Review of the Companies Act, 1956 to ensure that there are minimal impediments in early disposal of cases, by plugging the legal loopholes therein

Identify the areas of Regulatory overlap, for instance, with SEBI and RBI and streamline the same.

Improving mechanism for interdepartmental consultations.

MCA to play a proactive role in moving towards a 'single window' clearance for businesses.

Also introduce effective deterrent measures to prevent scams.

Develop a crisis management plan (with Standard Operating Procedures) of ministry to deal with corporate frauds

Law Ministry is a critical strategic partner in all the Policy related issues of the ministry. From time to time, the Ministry approaches the Department of Legal Affairs for vetting its notifications, circulars and amendments to companies law. Ministry also requires the assistance of the Department of Legal Affairs in filing of Writ Application in HC and Special Leave Petitions in Hon'ble SC in policy as well as Administrative issues.

Technology Related

Improving Monitoring and Compliance Mechanism through IT.

Update the technology with the latest measures like XBRL to ensure that the Company Information is recorded and tracked effectively by Ministry.

Build an SPV for MCA to handle all Technology issues and develop new Value Added Services.

Focused approach to use of Corporate database and effective monetization of the resources

Ministry discusses its key strategic initiatives on one to one basis with concerned departments.

MCA 21, the flagship programme of Ministry is the first and most successful MMP, under NeGP initiative of DIT.

Ministry has also been actively involved DIT- directly as well as through its organizations like NIC, CDAC and STQC etc- in other initiatives such as LLP project, Integration with Trademark authority and eBiz Project under DIPP (Ministry of Commerce).

- Integration with Trade Mark authority is nearing completion.
- For e-Biz project, 4 services of MCA, viz., Form 1, Form 1 A, have been identified for offering on E-Biz portal. MCA is closely working with e-Biz in helping them to develop their technological solutions through regular meetings every fortnight to once a month

Ministry also coordinates with RBI for regulatory work related to MCA. We engage with Finance ministry for our finances and eGov initiatives. We also take advice from Planning Commission regarding our new initiatives such as SPV for E-Governance.

6D.Organizational Review and Role of agencies and wider public service

Ministry is conscious of need to review its policies and initiatives regularly. Most of the recommendations of the 2nd Administrative Reforms Commission have been acted upon and an Action Taken Report (ATR) has been sent recently.

Citizen Charter has been reviewed and implemented all over the Ministry and subordinate bodies along with Grievance Redressal Mechanism

Regular updates in the form of monthly D.O.'s are being sent to other Government Organizations like Cabinet Secretariat & DIT (on NeGP).

Consultative Committees consisting of members of both the Houses of Parliament are constituted by the Ministry of Parliamentary Affairs for various departments. The committees are meant to provide a forum for informal discussions between the members and officers of the ministries on the policies and the working of the department. Consultative committees of MCA meet as per a pre-decided calendar for discussion on key issues in MCA.

Also, Parliamentary Standing Committee on Finance reviews all schemes and projects of the Ministry on a regular basis.

Section 7: Monitoring and Review Arrangements

Consultative Committees consisting of members of both the Houses of Parliament are constituted by the Ministry of Parliamentary Affairs for various departments. The committees are meant to provide a forum for informal discussions between the members and officers of the ministries on the policies and the working of the department. Consultative committees of MCA meet as per a pre-decided calendar for discussion on key issues in MCA.

Also, Parliamentary Standing Committee on Finance reviews all schemes and projects of the Ministry on a regular basis.

MCA 21, the flagship programme of Ministry is regularly audited every year.

Ministry is setting into place an independent review and audit of all its Strategic Initiatives that are also part of / linked to its RFD, Citizen Charter and GRM