

Minutes of XBRL Software Vendors Meeting on 08.08.2012 at MCA

The MCA financial statement Taxonomy and Business Rules for XBRL filings by select class of companies for FY 2011-12 were finalized and hosted on MCA portal on 2nd August 2012. To ascertain the preparedness of XBRL software vendors and consulting firms for convenience of companies, 2nd consultative meeting of XBRL software vendors was held on 08.08.2012 at the Conference Room, MCA, under the Chairpersonship of Sh Avinash K Srivastava, Joint Secretary, MCA. The agenda of the meeting is enclosed as Annexure-I. A list of participating firms is enclosed as Annexure-II. The meeting was attended by XBRL software vendors and consulting firms located at Delhi-NCR, Mumbai, Bangalore, Chennai, Jaipur, etc. While welcoming the participants, Director (PS) briefed them about the agenda of the meeting. After a brief round of introduction by the participants, JS (A) desired to know their initial comments on the final taxonomy and business rules published by MCA on 02.08.2012.

1. Final Taxonomy and Business Rules

Participants highlighted that the Taxonomy appears to be exhaustive and well structured, and the Business Rules have more or less remained unchanged this year. The comments on Taxonomy and Business Rules offered by Shri Shailesh Gupta, IRIS were discussed in the meeting and Ms. Ruchika Bachnani, ICAI said that the same would be clarified/ resolved with minor changes in the Business Rules. Shri Nimesh Mittal, TCS suggested that the issue needs to be examined by them and an appropriate solution would be provided soon.

In general, participants said that they are comfortable with the Taxonomy & Business Rules, and would soon be developing their XBRL software to meet the requirements of corporates. Shri Ravendra Vadali (RAAS) suggested that Business Rules may be elaborated at few places for easy understanding of stakeholders. Participants suggested that, as like last year, intensive consultation with MCA/TCS would be required during finalization of the validation tool. JS (A) agreed to it and said that the MCA Validation Tool is expected to be finalized by 2nd week of September, 2012. JS (A) desired that Shri Bhagwan Vanjani, PMU and his team should also be involved in the activity this time.

2. Sample Instance Document

The issue of hosting few sample instance documents on the MCA portal for benefit of software vendors was also discussed in the meeting. Shri Rajendra Kapoor, Webtel requested that MCA should host few typical published financial statements and their XBRL converted files so that software vendors are able to develop their conversion tool as per MCA's expectation. Ms. Ruchika Bachnani, ICAI, said that they are already in the process of identifying few companies whose published financial statements are to be converted in the XBRL as a sample instance document, and the same would be provided to the Taxonomy developer (Fujitsu) very soon. Shri Amit Sharma, Fujitsu said that they would be able to provide the required the sample instance documents in 15 days time. It was decided that these XBRL conversion would first be examined by ICAI for their accuracy, rendering, etc. before being hosted on MCA XBRL portal for usage of stakeholders. Shri Rajesh G. (DataTracks), Shri Arun Bhatnagar (softpark) and Shri Rajinder Kapoor (Webtel) also offered to convert published financial statements in to XBRL for the purpose of hosting as Sample Instance Document on MCA Portal.

3. Integration of MCA Validation Tool with XBRL Conversion Tool

The issue of providing a linkage between MCA validation tool and XBRL conversion tool by vendors was also discussed in the meeting. Shri Vijaya M.M. (CCH Prosystem) said that integration between XBRL conversion tool and MCA Validation Tool would significantly ease the MCA XBRL filing process. Shri Ravendra Vadali (RAAS) said that such an arrangement was also being considered by MCA last year and this would be a definite a help to filers, if provided by MCA this year. JS (A) said that it could be considered if the security of MCA21 system is not compromised and asked Ms. Sharmila Sahai, TCS to explore this possibility.

4. Training & Awareness Activities

CCH Prosystem representative also suggested that they have been conducting training on XBRL to several stakeholders on a regular basis and requested that a speaker from MCA in these trainings, seminars etc. would be a great help in the MCA XBRL initiative. He suggested that video conference facility at MCA may be used in such trainings, in case of physical unavailability of concerned MCA official at the venue. Director (AB) agreed that such an arrangement could be explored to reach to wider spectrum of stakeholders. Ms. Richa Sharma (KDK Software) also offered to support MCA in conducting training programmes. Director (PS) suggested that Computer Based Training (CBT) and audio visual module on MCA XBRL filings could be developed by the vendor concerned.

5. Improvement in quality of XBRL filings

The quality of previous year XBRL filings was elaborately discussed in the meeting. Director (PS) highlighted that MCA has already requested professional institutes to organize trainings, seminars, etc to increase understanding and awareness of 'tagging-process' of their professional members. Professional institutes have been requested to emphasis on this component for coming training programmes. Shri Vinod Kashyap (NextGen Knowledge) said that he has analyzed few previous year XBRL filings with their corresponding published annual reports and have found that there are significant variations between these two. He suggested that the wordings in present e-form Certification and Authentication by professionals may be made more stringent for greater sincerity and better scrutiny by the professional. JS (A) said that quality of XBRL tagging is an important issue and would be address by the Ministry in a more focused way in this year. He requested Shri Vinod Kashyap to share his finding with MCA officials so that an appropriate strategy may be designed to improve the quality of XBRL filings. Shri Rajendra Kapoor, Webtel also shared the concern of the Ministry and said that he would also be providing a list of common error to the MCA.

6. Listing of XBRL Software Vendors on portal

The issue of renewed listing of XBRL software vendors on the MCA portal was elaborately discussed in the meeting. Dir (PS) highlighted that due to such a listing previous year, there has been (a) significant reduction in XBRL conversion cost, (b) availability of bigger pool of resources, (c) improved awareness & understanding of MCA XBRL initiative, etc. This lead to better compliance by companies. However, despite MCA having a well laid down eligibility criterion for listing, few not fully competent firms also got listed on the portal. And this led to 'less-than-expected' quality of XBRL filings last year, he added. It was accordingly decided that a better filtering mechanism/eligibility conditions would be applied for the current year listing of XBRL software vendors and firms. Shri Vijaya M.M. (CCH Prosystem) suggested that 'stamp' of XBRL software tool and vendor's name may be captured by MCA system while accepting the XBRL filings by a company, and the same may be used by MCA to identify software vendors with their error percentage. He suggested that Income Tax e-filing system may offer some guidance, etc for putting up such a mechanism for MCA filings. JS (A) desired that TCS may evaluate the possibility of capturing name of XBRL software tool and vendor. Further, he directed that PMU may develop and finalize an appropriate modality for listing of XBRL vendors on the MCA portal in the current year.

7. Short Course on Understanding of Balance Sheet

It was highlighted in the meeting that an in-depth understanding of financial statement is important to analyze the XBRL filings of the companies. JS (A) desired that a short module on “Understanding Balance Sheet” may be conducted by the ICAI for all willing MCA officials. He directed JD (JNT) and Dir (PS) to coordinate with ICAI for an early conduct of such training.

The Meeting ended with thanks to the Chair.

The agenda of XBRL Software Vendors Meeting is as under:

1. Comments on MCA Taxonomy and Business Rules for FY 2011-12 published on 2nd August 2012.
2. Expectations of XBRL software vendors from MCA
3. Measures to improve quality of XBRL filings
4. Criterion for Listing of Software Vendors on MCA portal so that Only Genuine Vendors are listed.
5. Any other related issue.

List of Participant in XBRL Vendor Meeting on 08.08.2012 at MCA

Sr. No	Name of Participant	Organization	Contact No/ e-mail id	Signature
1.	Avinash Srivastava	JS,MCA		
2	Anil Bhardwaj	Dir, MCA		
3.	Pankaj Srivastava	Dir, MCA		
4.	J.N. Tikku	JD,MCA		
5.	Sanjay Gupta	DD, MCA		
6.	Joseph Jude	E.gov.		
7.	Bhagwan Vasujani	PMU		
8.	Ruchika Bachani	ICAI		
9.	Vivek Baid	ICAI		
10	Vinod Kashyap	Next Gen Knowledge	9654455392	
11	Neveen Garg	-do-	9910332115	
12	Ravinder Mishra	Sensys Technologies Pvt.	9867573715	
13	Umesh Mahadik	-DO--	9867307971	
14	VinojkumarV. Nair	Ez.XBRL, Navi Mumbai	9821132972	
15	Chandan Goyal	Blue Consulting Pvt. Ltd.	9810410421	
16	Akash Grover	Professional Softech (P) Ltd.	011-49181100	
17	Balaji Muthukrishna	Datatracks Chennai	09500094283	
18	Nimesh Mittal	TCS	9312069084	
19	Santosh Wilson	Data tracks Chennai	09840779490	
20	Rajesh.G.	Data Tracks,Chennai	09500043480	
21	Amit Sharma	Fujitsu,noida	9711099444	

22	Vijay Sahni	Webtel electrosoft Pvt. Ltd.	9811399991	
23	Rajendra Kapoor	-do--	9811056067	
24	Shailesh Gupta	IRIS, Mumbai	9810766773	
25	Vikas Malhotra	CCH/Delhi	vikas.m.@cchprosystem.in	
26	Vijay Hebbar	CCH/Bangalore	vijay@cchprosystem.in	
27	Richa Sharma	KDK.Softwares(Jaipur)	richa.sharma@kdksoftware.com	
28	Arun Bhatnagar	Softpark		
29	Ravindra Vadali	RAAS		
30	Dhananjay Kr. Singh	Tally Solutions		
31	Sharmila Sahai	TCS		