

**GOVERNMENT OF INDIA
COMPANY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:3351
ANSWERED ON:12.05.2006
MODERNISATION PROGRAMME
Sippiparai Shri A. Ravichandran

Will the Minister of COMPANY AFFAIRS be pleased to state:

- (a) whether all the Registrars of Companies (RoCs) in the country covered under the e-governance project MCA21;
- (b) if so, the details thereof alongwith status of project upto April 30, 2006;
- (c) whether the Government has any proposal for reforming the liquidation process for quick realisation of distressed assets; and
- (d) if so, the details thereof?

Answer

MINISTER OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA)

(a) Yes, Sir.

(b) The Ministry of Company Affairs (MCA) has launched 'MCA21 e-Governance Project' for providing all the services online through Internet. As a part of the complete process of introduction of e-Governance, following steps have already been taken:

(i) Business process re-engineering;

(ii) Notification of e-Forms in respect of various services;

(iii) Scanning and digitisation of permanent records and Balance Sheets and Annual Returns for a period of two years immediately preceding in respect of all active companies, while the balance work is under progress. It is estimated that about 5 to 6 crore pages will be scanned and digitised in this process;

(iv) IT infrastructure consisting of Data Centre and Disaster Recovery Centre have been set up. Computing equipments have been installed in the ROC offices;

(v) Non-IT infrastructure in the form of Physical Front Offices to serve as Facilitation Centres for e-filing have been set up at a number of locations, while these are in the process of being set up at the remaining places;

The arrangements for e-filing under the Project have been made at Registrar of Companies, Coimbatore, Pondicherry, Ernakulam, Delhi, Jaipur, Pune, Goa, Ahmedabad, Hyderabad, Bangalore, Mumbai and Gwalior upto April, 2006, and various processes associated with the above are in the process of validation to enable smooth operation of the new system.

(c) & (d): Yes, Sir. For the purpose of reforming the liquidation process, necessary changes were made in the Companies Act, 1956 by the Companies (Second Amendment) Act 2002, which provides for setting up of National Company Law Tribunal (NCLT) and National Company Law Appellate Tribunal (NCLAT) to enable completion of the liquidation proceedings in a time bound manner. The said Act has not been implemented in full as certain provisions of the above Amendment Act were challenged in the Courts and the matter is subjudice in the Hon'ble Supreme Court of India.