



ORIGINAL RESEARCH PAPER

Commerce

E-FILING MAGIC THROUGH MCA21 PORTAL - PROCESS CARRIED ON BY COMPANY SECRETARIES IN COIMBATORE DISTRICT

KEY WORDS: Ministry of Corporate Affairs 21st Century (MCA21), electronic Filing (e-Filing), Ministry of Corporate Affairs (MCA), Registrar of Companies (RoC).

Dr. A. Senthilnathan

Associate Professor in Commerce, St. Peter's University, Avadi, Chennai

Dr. N.A. Krishnamurthi

Associate Professor in Corporate Sec. Ship, Erode Arts and Science College (Autonomous)

ABSTRACT

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 13, 30,000 up to the year 2013¹ calculus. In this background there is a need to help and sustain this growth by enabling a legal framework (legal compliance) 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. In an attempt to eliminate the unhealthy practices, the Ministry of Corporate Affairs has come up with certain disciplinary measures to curb them. MCA21 is therefore envisaged as a comprehensive service delivery project and is being implemented a Public-Private Partnership model. The programme, launched with a view to introducing efficiency and transparency in delivery of services, focuses on a customer-centric approach (emphasis supplied) as the principal driving factor and transform the manner in which working of the corporate sector is regulated.

INTRODUCTION

In the matter of fact defending the clarity of the system, the Ministry of Corporate Affairs (MCA) embarked upon an ambitious e-Governance project called the MCA21, an e-Governance Program in 2006. MCA21 is the only authentic information repository on the corporate sector and serves as the registry for all filings / public records. It is a flagship of transformational change in the corporate affairs. MCA21 has utilized the possibilities offered by technology to simplify the interfaces between the Government and the stakeholders. It aims at continuously repositioning the Ministry of Corporate Affairs as an organization capable of fulfilling the aspirations of its stakeholders in a globally competitive business environment. The comprehensive, end-to-end service oriented solution has helped to establish a fine balance between facilitation and compliance.

The project has made good progress and the MCA has launched on February 18, 2006 it e-Governance MCA21 project by commencing the process of e-Filing of company documents with the Registrar of Companies (RoC), Coimbatore and by the end April, 2006, all RoC offices in the country started accepting company documents in e-Form.

OBJECTIVES OF THE STUDY

The following are the objectives of the present study: -

1. To study the e-Filing process carried on by select Companies in Coimbatore District.
2. To analyze the feedbacks of the respondents (select companies) for assessing out their attitude towards e-Filing system.
3. To offer suggestions to improve the e-Filing system.

Stratified Random Sampling technique was employed to select the sample respondents. For the present study, the companies having paid up capital from Rs.10 lakh to less than Rs. 25 crore are considered (2491 Companies in total). Out of which the researcher has selected 249 (10 percent of the total population) companies for the present research.

TABLE - 1 DISTRIBUTION OF RESPONDENT COMPANIES

S. No	Paid up Capital (in Rs.)	Number of Companies
1.	Rs. 10 lakh to less than Rs. 1 crore	2177
2.	Rs. 1 crore to less than Rs. 10 crore	236
3.	Rs. 10 crore to less than Rs. 25 crore	78
Total		2,491

Source : The office of Registrar of Companies (RoC) Coimbatore.

PERCEPTION TOWARDS MCA21 PORTAL AND LEVEL OF SATISFACTION ON E-FILING SYSTEM

Keeping in tune with the e-Governance initiatives all over the world, the Ministry of Company Affairs (MCA), Government of India has initiated the MCA21 project, which will enable an easy and secured access to MCA services in a manner that best suits the corporate entities and professionals besides the public. MCA21 is intended to achieve all the objectives of a versatile e-Governance project.

The records which occupied a large amount of space in the offices of the Registrar of Companies have been scanned and saved as electronic documents. These documents are now available through the computer system (MCA21 Portal) without making any physical visit to the RoC office. For the purpose of this study the MCA21 Portal was studied by selecting nine factors viz., Performance of portal, downloading and uploading of e-Forms, contents of the e-Forms and its revisions, space availability in MBs (Mega Bytes), the convenience of STP (Straight Through Process Method), the instruction kit and its contents, time taken for incorporation of companies, the status of director of a defaulted company and the steps taken by MCA to enhance and inculcate the habit of prompt filing. Likerts five point scaling technique was employed to measure the level of satisfaction on MCA Portal.

The sample consist of 50 (20.1%) respondents who have perceived low level of satisfaction on MCA21, 129 (51.8%) respondents who were medium level satisfiers on MCA21 portal and 70 (28.1%) respondents were high level satisfiers on MCA21 portal. The distribution of sample respondents according to MCA21 portal and the level of satisfaction perceived on e-Filing system are presented in Table 2.

TABLE 2 PERCEPTION TOWARDS MCA21 PORTAL AND LEVEL OF SATISFACTION ON E-FILING SYSTEM

S. No	Perception towards MCA21	No. of Respondents	%	Mean	Min	Max	S D
1	Low	50	20.1	38.26	12	57	11.591
2	Medium	129	51.8	39.33	12	57	11.472
3	High	70	28.1	36.86	23	57	9.670
Total		249	100.0	38.42	12	57	11.028

It could be observed from Table 2 that the level of satisfaction perceived on e-Filing system among the respondents who expressed low level of satisfaction ranged between 12 and 57 with an average of 38.26. The same among the respondents who expressed medium level of satisfaction on MCA21 portal ranged

between 12 and 57 with an average of 39.33. On the other hand, the respondents who have perceived high level of satisfaction on e-Filing system on MCA21 portal ranged between 23 and 57 with an average of 36.86.

From the analysis, it is concluded that the respondents who expressed medium level satisfaction on MCA21 portal have perceived maximum level of satisfaction on e-Filing system than the respondents who perceived low level of satisfaction and medium level of satisfaction on MCA21 portal.

With a view to find the degree of association between the perception on MCA21 portal and the respondents' level of satisfaction on e-Filing system, a two-way table was prepared and is exhibited in Table 3.

TABLE 3 PERCEPTION TOWARDS MCA21 PORTAL AND LEVEL OF SATISFACTION ON E-FILING SYSTEM (TWO - WAY TABLE)

S. No.	Perception towards MCA21 Portal	Level of satisfaction on e-Filing system			Total
		Low	Medium	High	
1	Low	18 (22.8%)	17 (19.5%)	15 (18.1%)	50 (20.1%)
2	Medium	40 (50.6%)	35 (40.2%)	54 (65.1%)	129 (51.8%)
3	High	21 (26.6%)	35 (40.2%)	14 (16.9%)	70 (28.1%)
Total		79 (100 %)	87 (100 %)	83 (100 %)	249 (100 %)

It is highlighted from Table 3 that the percentage of high level of satisfaction perceived on e-Filing system was high (65.1 %) among the respondents having medium level of perception on MCA21 portal and the same was the lowest (16.9%) among the respondents having high level of perception on MCA21 portal. The percentage of medium level satisfaction perceived on e-Filing system was high (40.2%) among the respondents having medium and high level of satisfaction on MCA21 portal. On the other hand, the percentage of low level of satisfaction perceived on e-filing was high (50.6%) among the respondents who have medium level of perception on MCA21 portal and the same was low (22.8%) among the respondents having low level satisfaction on MCA21 portal.

In order to find out the relationship between respondents' perception on MCA21 portal and the level of satisfaction perceived on e-Filing system, a Chi-square test was used to test the hypothesis and the result of the test is shown in Table 4.

HYPOTHESIS

Null Hypothesis (H₀):

There is no significant relationship between respondents' perception on MCA21 portal and the level of satisfaction perceived on e-Filing system.

Alternative Hypothesis (H₁):

There is a significant relationship between respondents' perception on MCA21 portal and the level of satisfaction perceived on e-Filing system.

TABLE 4 PERCEPTION TOWARDS MCA21 PORTAL AND LEVEL OF SATISFACTION ON E-FILING SYSTEM (CHI-SQUARE TEST)

Factor	Calculated Chi-Square Value	Table Value	D.F	Remarks
Perception towards MCA21 Portal	13.896	13.28	4	Significant at 1 % Level

It was learnt from Table 4 that the calculated Chi-Square value is greater than the table value and the result is significant at 1% level. Hence, the null hypothesis (H₀) is rejected and the alternative hypothesis (H₁) is accepted. The hypothesis, "Respondents'

perception on MCA21 portal and the level of satisfaction on e-Filing system", are associated, holds good. From the analysis, it is concluded that there is a close relationship between MCA21 portal and the level of satisfaction perceived by the respondents on e-Filing system.

FINDINGS

The perception towards MCA21 portal and the respondents level of satisfaction was studied and it was learnt that the respondents who expressed high level satisfaction on MCA21 portal have perceived maximum level of satisfaction on e-Filing system than the respondents perceived low level satisfaction and medium level satisfaction on MCA21 portal. The chi-square test also proved that there is a close relationship between MCA21 portal and the level of satisfaction perceived by the respondents on e-Filing system.

SUGGESTIONS

There is a need for technological upgradation and restructuring in MCA21 portal to make it well equipped with novel features and user friendly.

In order to avoid the complaints from clients, especially delay in services, it is suggested that the number of servers could be increased for speedy e-Filing transactions.

CONCLUSIONS

Technological advancement and the Information Technology adopted by our government is an essential tool for the professional's to make use and comply with the legal provisions governing corporate e-Filing. This research has concentrated to ascertain the need, knowledge, potential skills and attitude of the professionals working in incorporated companies under the companies Act, 1956. The system should be more users friendly and simplified so that the professionals are afforded the chance to get familiarity.

References:

1. Malik Y.S, Joint Secretary, Ministry of Company Affairs; R. Sumanthra, MCA21 program and Renu Budhiraja (2005); "Secure Electronic Filing: MCA21 Program - A Case Study" Source : <http://www.icsi.edu/Member/MCA21.aspx>
2. The Hindu, May 1, 2006 Article Title : "Better working of company law through e-governance".
3. Javier De Andres, Pedro Lorca, and Martinez Ana B. (2010); "Factors influencing web accessibility of big listed firms: an international study", Online Information Review, Vol. 34 Iss: 1, pp.75 – 97
4. Ya-Ching Lee, Pin-Yu Chu and Hsien-Lee Tseng (2011); "Corporate performance of ICT-enabled business process re-engineering", Industrial Management & Data Systems, Vol. 111 Iss: 5, pp.735-754
5. Saurabhi Borthakur, Purnashree Das (2014); "e-Governance and Financial Reporting through XBRL", Sai Om Journal of Commerce & Management A Peer Reviewed International Journal), (March 2014, Vol. 1, ISSUE 3, Online ISSN 2347-7571,
6. Sunitha and Minny Narang (2014); "e-Governance: A move towards Better Governance", The International Journal of Business & Management, The International Journal of Business and Management. pp 6-8/Vol 2 Issue 2 (ISSN2321-8916) www.theijbm.com