UNIT-5

THE COMPANY'S ACT:

Indian Companies Act was an Act of the Parliament which was enacted in 1956. It was enabled the companies to be formed by registration, sets out the responsibilities of companies, their executive director and secretaries. It provides for the procedures for its winding.
Later in 2013, the Government of India has amended the Indian Companies Act 1956 and added a new Act called as Indian Companies Act 2013.

The Companies Act, 1956 has been replaced in a partial manner by the Indian Companies Act 2013. The President of India gave his assent to the bill on 29 August 2013. Subsequently, it became the act and finally it into force on 12 September 2013.

Why is the Indian Companies Act, 2013 in news?

Recently, the Parliament of India has passed the Companies (Amendment) Bill, 2020, on 19 September 2020 to further amend the Companies Act and decriminalise various compoundable offences as well as promote ease of doing business in the country.

The Companies (Amendment) Bill, 2020 was passed by a voice vote from Rajya Sabha and also got approval from the Lok Sabha.

The Companies (Amendment) Bill, 2020 looks for to decriminalise several penal provisions, permit the direct overseas listing of Indian corporate and to introduce a new chapter related to producer organisations in the legislation.

Reduction in penalties for certain offences as well as in timeline for rights issues, relaxation in corporate social responsibility (CSR) compliance requirements and creation of separate benches at the National Company Law Appellate Tribunal (NCLAT) are among the proposed changes too.

Features of the Companies Act of 2013

1. It regulates incorporation of a company, responsibilities of a company, directors, and dissolution of a company.
2. It is divided into 29 chapters which containing 470 sections as against 658 Sections in the former Companies Act, 1956 and has 7 schedules. However, there are only 438 (470-39+7) sections remains in this Act currently.
3. It provides a maximum of 200 members, earlier the private companies the maximum number of members were 50.
4. A new term of 'one-person company' is included in this act.
5. It notified 98 provisions of the Act, and has a total of another 184 sections.

The Act has been so far amended four times, first in 2015 and till this year 2020.

1. Companies (1st amendment) Act 2015
2. Companies (2nd amendment) Act 2017
3. Companies (3rd amendment) Act 2019
4. Companies (4th amendment) Bill 2020

Memorandum of Association (MOA)-

A **Memorandum of Association** (MOA) represents the charter of the company. It is a legal document prepared during the formation and registration process of a company to **define** its relationship with shareholders and it specifies the objectives for which the company has been formed.

Purpose of Memorandum of Association-

The main **purpose** of the **memorandum** is to limit the scope of activities and powers of the company. Thus, any act outside the **memorandum** is ultra vires the company. Such an act is not enforceable and directors involve personal liability for it.

How do you write Memorandum of Association-

I/WE, the undersigned whose name(s), address(es) and description(s) is/are given below, wish to form a **company**, in pursuance of this **memorandum of association**, and I/we respectively agree to take the number of share(s) in the capital of the **company** set opposite my/our respective name(s).

What are the features of Memorandum of Association?

The following information is mandatory in an MOA:

- Name Clause. For a public limited company, the name of the company must have the word 'Limited' as the last word. ...
- Registered Office Clause. ...
- **Object** Clause. ...
- Liability Clause. ...
- **Capital** Clause. ...
- Association Clause. ...
- For One-Person-Company. ...
- A few things to remember

ARTICLES OF ASSOCIATION:

Articles of Association is an important document of a Joint Stock Company. It contains the rules and regulations or bye-laws of the company. They are related to the internal working or management of the company. It plays a very important role in the affairs of a company. It deals with the rights of the members of the company between themselves.

The contents of articles of association should not contradict with the Companies Act and the MOA. If the document contains anything contrary to the Companies Act or the Memorandum of Association, it will be inoperative. The Pvt concern that are limited by shares and those limited by guarantee and unlimited companies must have their articles of association. Public companies may not have their articles but may adopt Model articles given in Table A of Schedule I of Companies Act, 1956. If a public company has only some articles of its own, for the rest, articles of Table A will be applicable.

Articles that are profound to be registered should be printed, segmented well and sequenced consecutively. Each subscriber to Memorandum of Association must sign the articles in the presence of at least one witness.

Contents of articles of association:

The articles generally deal with the following

1. Classes of shares, their values and the rights attached to each of them.

2. Calls on shares, transfer of shares, forfeiture, conversion of shares and alteration of capital.
3. Directors, their appointment, powers, duties etc.
4. Meetings and minutes, notices etc.
5. Accounts and Audit
6. Appointment of and remuneration to Auditors.
7. Voting, poll, proxy etc.
8. Dividends and Reserves
9. Procedure for winding up.
10. Borrowing powers of Board of Directors and managers etc.
11. Minimum subscription.
12. Rules regarding use and custody of common seal.
13. Rules and regulations regarding conversion of fully paid shares into stock.
14. Lien on shares.

Alteration of articles of association:

The alteration of the Articles should not sanction anything illegal. They should be for the benefit of the company. They should not lead to breach of contract with the third parties. The following are the regulations regarding alteration of articles:

A company may alter its Articles with a special resolution. Due importance and care should be given to ensure that the alteration of AOA does not conflict with the provisions of the Memorandum of Association or the Companies Act. A copy of every special resolution altering the Articles must be filed with the Registrar within 30 days of its passing.

1. The proposed alteration should not contravene the provisions of the Companies Act.
2. The proposed alteration should not contravene the provisions of the Memorandum of Association.
3. The alteration should not propose anything that is illegal.
4. The alteration should be bonafide for the benefit of the company.
5. The proposed alteration should in no way increase the liability of existing members.
6. Alteration can be made only by a special resolution.
7. Alteration can be done with retrospective effect.
8. The Court does not have any power to order alteration of the Articles of Association.

Features of Articles of Association(AOA):

The major features of articles of association are as follows.

- Structure of the organization along with control mechanism.
- Voting pattern and rights of the employees.
- Mode of conduct of director's meetings.
- Mode of conduct of AGM of shareholders.
- The difference in rights of different kinds of shares.

DIFFERENCES BETWEEN MOA AND AOA:

The difference between article of association and memorandum of association are as follow.

- The first difference between MOA and AOA while the MOA (Memorandum of Association) describes the powers and objects of the company, the AOA (Article of Association) defines its rules.
- The MOA is subordinate to the Companies Act, and the AOA (Articles of Association) is subordinate to the memorandum.
- The memorandum cannot be amended retrospectively while an AOA (Article of Association) may be changed.
- The main difference between memorandum of association and article of association is that the memorandum includes six clauses while an article may be drafted as per the company's need.
- The MOA is mandatory for all companies while a public share company can use Table A in place of an AOA (Article of Association).
- An alteration may be made in an MOA only after passing Special Resolution in Annual General Meeting after obtaining prior approval from the Central Government while changes in an AOA may be made by passing Special Resolution (SR) at Annual General Meeting (AGM).

PROSPECTUS:

A company's prospectus is a formal legal document designed to provide information and full details about an investment offering for sale to the public. Companies are required to file the documents with the Securities and Exchange Commission (SEC). The prospectus documents must be made available to a prospective public investor prior to purchase. Investors are encouraged to read and understand the terms of the offering before making a purchase decision.

A prospectus will include the following information at a minimum:

- A brief summary of the company's background and financial information
- The name of the company issuing the stock
- The number of shares
- Type of securities being offered
- Whether an offering is public or private
- Names of the company's principals
- Names of the banks or financial companies performing the underwriting

Content of prospectus:

The prospectus contents are specified in the Companies Act. The prospectus must touch over the following content points:

1. Details of the company, such as name, registered office address, and objects
2. Details of signatories to the Memorandum and their shareholding particulars
3. Details of the directors
4. Details of shares offered and the class of the issue as well as voting rights
5. Minimum subscription amount
6. The amount payable on application, on allotment, and on further calls
7. Underwriters of the issue
8. Auditors of the company
9. Audited reports regarded profit and losses of the company

Types of prospectus:

According to Companies Act 2013, there are **four** types of prospectus.

Deemed Prospectus – Deemed prospectus has mentioned under Companies Act, 2013 Section 25 (1). When a company allows or agrees to allot any securities of the company, the document is considered as a deemed prospectus via which the offer is made to investors. Any document which offers the sale of securities to the public is deemed to be a prospectus by implication of law.

Red Herring Prospectus – Red herring prospectus does not contain all information about the prices of securities offered and the number of securities to be issued. According to the act, the

firm should issue this prospectus to the registrar at least three before the opening of the offer and subscription list.

Shelf prospectus – Shelf prospectus is stated under section 31 of the Companies Act, 2013. Shelf prospectus is issued when a company or any public financial institution offers one or more securities to the public. A company shall provide a validity period of the prospectus, which should not be more than one year. The validity period starts with the commencement of the first offer. There is no need for a prospectus on further offers. The organization must provide an information memorandum when filing the shelf prospectus.

Abridged Prospectus – Abridged prospectus is a memorandum, containing all salient features of the prospectus as specified by SEBI. This type of prospectus includes all the information in brief, which gives a summary to the investor to make further decisions. A company cannot issue an application form for the purchase of securities unless an abridged prospectus accompanies such a form.

Importance of a Prospectus:

A prospectus is a document that companies and others file with the Securities and Exchange Commission when they are offering new shares of a security to the public. One of the most common reasons for issuing a prospectus is when a company is making an initial public offering, putting shares of stock up for sale for the first time. Mutual funds issue a prospectus at regular intervals because they routinely make new shares available.

SHARES:

A share is a unit of ownership delivered by a capital company. In most cases, it is a commercial company with a limited liability. Holding one of several shares – in other words, being a shareholder means that you own a part of the company's capital but you are not held personally liable for the company's debts.

Generally, shares are freely negotiable and transferable. As a shareholder, you can decide at any time to sell all or some of your shares to other investors. You can sell them or buy them at a stock exchange if the company is listed on a regulated market or in a private exchange (in this case, the transaction takes place between the vendor and the buyer).

Different types of shares

- Cumulative Preference **Shares**: ...
- Non-cumulative Preference **Shares**: ...
- Participating Preference **Shares**. ...
- Non-participating Preference **Shares**: ...
- Convertible Preference **Shares**. ...
- Non-convertible Preference **Shares**: ...
- Redeemable Preference **Shares**: ...
- Irredeemable Preference **Shares**:

Shares vs. Stocks:

The distinction between stocks and shares in the financial markets is blurry. Generally, in American English, both words are used interchangeably to refer to financial equities, specifically, securities that denote ownership in a public company. (In the good old days of paper transactions, these were called stock certificates). Nowadays, the difference between the two words has more to do with syntax and is derived from the context in which they are used.

Some of the benefits of investing in shares.

- **Capital** Growth. Selling a share for more than you paid for it is known as **Capital** Gain. ...
- **Dividends**. Dividend is a cash reward given out to shareholders as part of the profit made by the company at the end of each financial year. ...
- **Liquidity**. ...
- Shareholder **Benefits**.

DIRECTORS:

A company acts through two bodies of people – its shareholders and its board of directors. The board of directors are in charge of the management of the company's business; they make the strategic and operational decisions of the company and are responsible for ensuring that the company meets its statutory obligations. Your role as an individual director is to

participate in board meetings to enable the board to reach these decisions and make sure that the company's obligations are fulfilled.

The directors are effectively the agents of the company, appointed by the shareholders to manage its day-to-day affairs. The basic rule is that the directors should act together as a board but typically the board may also delegate certain powers to individual directors or to a committee of the board.

You may also be a shareholder or an employee of the company (or both) and, if so, will have additional rights and duties going beyond those purely connected with your office as a director. It is crucial that you draw a distinction between these separate roles and 'wear the right hat for the job'.

What are the Duties of Directors in Company Law?

The Companies Act 2006 puts 'meat on the bones' of the duties of directors by outlining the statutory duties that apply to all company directors.

1.To exercise reasonable skill, care and diligence

Company directors must exercise skill, care and diligence in regard to the functions they carry out on behalf of the business. Failure to act with a certain degree of competence for the benefit of others could give rise to negligence claims to compensate the company for mistakes the directors make.

2. To promote the company's success

A company director must act in a way that demonstrates good faith in the business and promotes the company's success for the shareholders as a whole. This duty relates to the purpose of the company as set out in the company's constitution (the Memorandum of Association and Articles of Association). For example, if the company is set up for charitable purposes then the directors are obliged to work for the benefit of others.

3. To act within their powers

Company directors are given certain powers to enable them to manage the company. They must use those powers in the best interests of the company as set out in the company's constitution and not to further their own narrow interests.

4. To exercise independent judgement

Directors must exercise independent judgement when making decisions and not subordinate their power to the will of others. While directors can seek professional advice, they should exercise their own judgement when deciding whether to follow it.

5. Not to accept a benefit from third parties

Company directors must work to promote the success of the business and cannot accept a benefit (a bribe) from a third party that may cause them to do or not do something. Offers of corporate hospitality or gifts should be regarded with caution as benefits provided to a director with the intention of winning new business could be considered a bribe.

6. To avoid conflicts of interest

It is a legal obligation for company directors to avoid conflicts of interest that relate to situations and transactions the company is involved in. Each director has a personal responsibility to avoid circumstances where they have or could have a direct or indirect interest that conflicts with the interests of the company. Non-compliance is seen as a serious breach of director duties and criminal action could follow.

7. To disclose any interest in a proposed transaction or arrangement

If the director of a business has an interest in a proposed transaction or arrangement then it must be declared to all members of the board either at a board meeting or in writing. For example, if the company is considering using a new supplier and a director is also on the board of the potential supplier, that must be disclosed.

POWER OF DIRECTOR OF COMPANY:

The board of directors can exercise the following powers, only by passing a resolution in the meetings of the board:

- Make calls on shareholders.
- Authorise the buyback of securities and shares.
- Issue securities and shares.
- Borrow monies.
- Investing the funds.
- Grant loans.
- Approve the financial statement.

GENERAL MEETINGS:

An Annual General Meeting (AGM) is held to have an interaction between the management and the shareholders of the company. The Companies Act, 2013 makes it compulsory to hold an annual general meeting to discuss the yearly results, auditor's appointment and so on. A company should follow the procedures under the Companies Act, 2013 to conduct the AGM

What is the Procedure to Hold an AGM?

The company must give a clear 21 days' notice to its members for calling the AGM. The notice should mention the place, the date and day of the meeting, the hour at which the meeting is scheduled. The notice should also mention the business to be conducted at the AGM.

A company should send the notice of the AGM to:

- All members of the company including their legal representative of a deceased member and assignee of an insolvent member.
- The statutory auditor(s) of the company.
- All director(s) of the company.

The notice may be given in writing through speed post or registered post or via electronic mode. The notice should be sent to the address of the member as per the records of the company. In the case of electronic communication, the notice should be sent to the e-mail address of the member as per the records of the company. The notice can be text typed in an email or an attachment to an email.

The notice of the AGM should be placed on the website of the company or any other website as may be mentioned by the government.

An AGM can be called at a notice period shorter than 21 days' if at least 95% of the members entitled to vote in the meeting agree to the shorter notice. The consent may be given in writing or through electronic mode.

Matters Discussed in an AGM or Agenda for an AGM:

The matters discussed or business transacted in an AGM consists of:

- Consideration and adoption of the audited financial statements
- Consideration of the Director's report and auditor's report
- Dividend declaration to shareholders
- Appointment of directors to replace the retiring directors
- Appointment of auditors and deciding the auditor's remuneration
- Apart from the above ordinary business, any other business may be conducted as a special business of the company.

Type of meeting-

The six most common types of business meetings are as:

- Status Update **Meetings**.
- Decision-Making **Meetings**.
- Problem-Solving **Meetings**.
- Team-Building **Meetings**.
- Idea-Sharing **Meetings**.
- Innovation **Meetings**.

AUDITOR:

An auditor is a person authorized to review and verify the accuracy of financial records and ensure that companies comply with tax laws. They protect businesses from fraud, point out discrepancies in accounting methods and, on occasion, work on a consultancy basis, helping organizations to spot ways to boost operational efficiency. Auditors work in various capacities within different industries.

Types of Auditors:

- **Internal auditors** are hired by organizations to provide in-house, independent, and objective evaluations of financial and operational business activities, including corporate governance. They report their findings, including tips on how to better run the business, back to senior management.
- **External auditors** usually work in conjunction with government agencies. They are tasked with providing an objective, public opinion concerning the organization's financial statements and whether they fairly and accurately represent the organization's financial position.

- **Government auditors** maintain and examine records of government agencies and of private businesses or individuals performing activities subject to government regulations or taxation. Auditors employed through the government ensure revenues are received and spent according to laws and regulations. They detect embezzlement and fraud, analyse agency accounting controls, and evaluate risk management.
- **Forensic auditors** specialize in crime and are used by law enforcement organizations.

Who are eligible to be appointed as auditor?

The following person/(s) or firm shall not be eligible for appointment as an auditor of a company, namely:

1. A body corporate other than a limited liability partnership registered under the Limited Liability Partnership Act, 2008;
2. An officer or employee of the company;
3. A person who is a partner, or who is in the employment, of an officer or employee of the company;
4. A person who, or his relative or partner—
5. Is not holding any security of or interest in the company or its subsidiary, or of its holding or associate company or a subsidiary of such holding company of face value not exceeding rupees one lakh
6. Is indebted to the company, or its subsidiary, or its holding or associate company or a subsidiary of such holding company, in excess of rupees five lakh
7. has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, or its subsidiary, or its holding or associate company or a subsidiary of such holding company, of one lakh rupees
8. Person or a firm who, whether directly or indirectly, has business relationship with the company, or its subsidiary, or its holding or associate company or subsidiary of such holding company or associate company.
9. A person whose relative is a director or is in the employment of the company as director or key managerial personnel
10. A person who is in full time employment elsewhere or a person or a partner of a firm holding appointment as its auditor, if such persons or partner is at the date of such appointment or reappointment holding appointment as auditor of more than twenty companies.

11. A person who has been convicted by a court of an offence involving fraud and a period of ten years has not elapsed from the date of such conviction;

What are duties of auditor?

The auditor shall make a report to the members of the company on the accounts examined by him and on every financial statements which are required by or under this Act to be laid before the company in general meeting. The auditor's report shall also state.

1. whether he has sought and obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit and if not, the details thereof and the effect of such information on the financial statements;
2. whether, in his opinion, proper books of account as required by law have been kept by the company so far as appears from his examination of those books and proper returns adequate for the purposes of his audit have been received from branches not visited by him;
3. whether the report on the accounts of any branch office of the company audited by a person other than the company's auditor has been sent to him under the proviso to that sub-section and the manner in which he has dealt with it in preparing his report;
4. whether the company's balance sheet and profit and loss account dealt with in the report are in agreement with the books of account and returns;
5. whether, in his opinion, the financial statements comply with the accounting standards
6. the observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the company;
7. whether any director is disqualified from being appointed as a director
8. any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;
9. whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

Which companies required to appoint auditor?

Every company is required to appoint, whether it.

1. One person company
2. **Private Company**
3. **Public Company**

What are the formalities regarding appointment of auditor?

We can divide this into two (2) parts:

1. First appointment of Auditor within thirty (30) days from the incorporation of company:-

In this case passing the Board resolution and taking consent from the proposed auditors is done. The company needs to file form ADT-1 within fifteen (15) days from the passing of Board resolution.

2. Appointment of auditor in First Annual General meeting and all subsequent meeting:-

In this case, first pass Board resolution proposing the appointment of concerned auditor. Fixing the annual general meeting and approving the notice of Annual general meeting. In the General meeting pass the resolution by members.

What are various documents which are prepared to appoint auditor?

There are various documents required like:

1. Consent from proposed Auditor
2. Certificate that they are eligible to be appointed as auditor
3. Board resolution
4. Annual General Meeting resolution and notice of Annual General Meeting
5. Non objection certificate from old auditor

Rights of Company Auditor: The Companies Act, 1956

- **Rights** to access the books and records.
- **Right to** get explanations from **company** staff.
- **Right to** receive notice of general meetings.
- **Right to** visit branches.
- **Right to** seek legal and technical advises.
- **Right to** claim remuneration.
- **Right to** refuse to commence the **audit**.

WINDING UP OF COMPANY:

The winding up or liquidation of a company is the process by which a company's assets are collected and sold in order to pay its debts. Any monies remaining after all debts, expenses and costs have been paid off are distributed amongst the shareholders of the company. When the winding up has been completed, the company is formally dissolved and it ceases to exist.
Broadly speaking, a company can be wound up in one of two ways. First, the Court can compulsorily wind up a company. Secondly, the shareholders or the creditors of the company can themselves apply to wind up the company in proceedings known as "voluntary winding up".

The following is a brief overview of compulsory winding up.

The three modes of winding up are-

(a) **Winding Up** by the National **Company** Law Tribunal (the Tribunal)

(b) Voluntary **Winding Up** under section 59 of the Code;

(c) The 'Fast Track Exit Scheme' applicable to defunct **companies** under section 248 of the Act.

Reasons for winding up a company

- **Company** has ceased business activities.
- Management deadlock.
- Oppression - shareholders dispute under section 216 of the **Companies** Act (Cap. ...
- **Corporate** or financial restructuring of the group to which the **company** belongs.

INTRODUCTION OF E-GOVERNANCE

E-Government can be defined as- The use of information and communications technologies by governments to enhance the range and quality of information and services provided to citizens, businesses, civil society organizations, and other government agencies in an efficient, cost-effective and convenient manner, making government processes more transparent and accountable and strengthening democracy.

Defining e-Governance

Basically, e-Governance is generally understood as the use of Information and communications Technology (ICT) at all levels of the Government in order to provide services to the citizens, interaction with business enterprises and communication and exchange of information between different agencies of the Government in a speedy, convenient efficient and transparent manner. Dr. APJ Abdul Kalam, has visualized e-Governance in the Indian context to mean: "A transparent smart e-Governance with seamless access, secure and authentic flow of information crossing the interdepartmental barrier and providing a fair and unbiased service to the citizen."

Why e-Governance

E-Government can transform citizen service, provide access to information to empower citizens, enable their participation in government and enhance citizen economic and social opportunities, so that they can make better lives, for themselves and for the next generation.

Components of E-governance:

- The following components can be identified
- Technological Component with Electronic dimension.
- Social Component with Egalitarian dimension.
- Cultural Component with Ethical dimension.
- Political Component with Enactment dimension.
- Psychological Component with Extensional dimension.
- Service Component with Empowerment dimension.

Benefits of e-Governance:

1. Better access to information and quality services for citizens:

ICT would make available timely and reliable information on various aspects of governance. In the initial phase, information would be made available with respect to simple aspects of governance such as forms, laws, rules, procedures etc later extending to detailed information including reports (including performance reports), public database, decision making processes etc. As regards services, there would be an immediate impact in terms of savings in time, effort and money, resulting from online and one-point accessibility of public services backed up by automation of back end processes. The ultimate objective of e-Governance is to reach out to

citizens by adopting a life-cycle approach i.e. providing public services to citizens which would be required right from birth to death.

2. **Simplicity, efficiency and accountability in the government:**

Application of ICT to governance combined with detailed business process reengineering would lead to simplification of complicated processes, weeding out of redundant processes, simplification in structures and changes in statutes and regulations. The end result would be simplification of the functioning of government, enhanced decision making abilities and increased efficiency across government – all contributing to an overall environment of a more accountable government machinery. This, in turn, would result in enhanced productivity and efficiency in all sectors.

3. **Expanded reach of governance:**

Rapid growth of communications technology and its adoption in governance would help in bringing government machinery to the doorsteps of the citizens. Expansion of telephone network, rapid strides in mobile telephony, spread of internet and strengthening of other communications infrastructure would facilitate delivery of a large number of services provided by the government.

Role/Impact of Engineers and technology on E-Governance:

In E-Governance, we can use all the services of E-Governance online. So Technology Impact is more on E-Governance.

1. Security: Security plays vital role when information are available for more users at one platform. External attacks have overcome on system by hacking the information related to user and government. this information is prevent only by using different virus defending technique such as using antivirus and different encryption techniques for data or information transfer. This reduces virus attacks and data hacking from unwanted users or peoples. By using standard security measures, we can easily overcome these security failures.

2. Privacy: Because of open access of information related to peoples or any business community on E-Governance website or portal, it creates serious problem with their privacy.

So, to overcome this problem using technology we can used some privacy measures or setting up some privacy measures, we can easily overcome these problem by using technology impact.

3. 24/7 services available to user: Using E-Governance technology we can easily provide 24/7 services to the user for their convenience. Where user can easy to access their services on any time when they want.

4. Updating the content: In any E-Governance model, services of Government facility and new projects related to government are updated day by day, so updating the information related to new government projects are becomes very easy to updating the information on E-Governance sites online using technology.

5. Access of services of E-Governance: Using technology which we were used for implementing the E-Governance project, it becomes very easy to accessing the information related to government projects.

Challenges faced by E-Governance in India:

1. Low technology literacy: In India, there is less awareness and understanding about Information technology. Due to these most of people in India cannot use E-Governance. So one the important challenge in front of us to literate everyone not in just education but also in use of technology.

2. Language Problem: In India, most of the people only Understand Hindi. They cannot understand English, and haul E-Governance project is in English language. That‘s why we have to create an E-Governance projects in different languages.

3. Contradiction regarding Government services: Most of people in India, considered government services as late mark, so when E-Governance model implemented by government, we have to provide fast services than others to the people. By using it we can remove the contradiction between citizens and government.

4. Lack of Internet facility in Villages: In India, there is lack of internet facility; Due to this most of peoples are unable to use E-Governance services mainly coming from villages. So to

overcome this problem we have to spread wide area network widely in India in low cost, because cost also plays an important role while developing anything regarding to government project.

5. Population: One of the most important challenges in front of India is to control the population. In implementing the E-Governance project in India become difficult because of the population. It's very hard to store update of each of the people because of number of peoples are more as compared to other countries. In any E-Governance activity, we have to store a unique identity of each of the citizen in large database. Because of large database, its handling becomes more complex as well as all database related problems arises.

ROLE OF I.T. PROFESSIONALS IN JUDICIARY-

Introduction:

Technological Developments in the field of information and introduction of computers have made a turning point in the history of human civilization. It has brought about a sea change in all fields of human activity. It has resulted in enhanced efficiency, productivity, and quality of output in every walk of life.

Extensive use of Information Technology by diverse organizations the world over has resulted in enhanced efficiency, effectiveness and optimal use of resources. Computers as well as electronic communication devices such as facsimile machines, electronic mail, video conferencing, provide the ability to process large volumes of data with speed and accuracy, exchange of useful information between different locations and support a higher quality of decision making. These capabilities have contributed to more efficient and responsive systems not only in business organizations but also in legal, governmental and other public systems.

While the Information Revolution arrived in India some years ago, automation has not transformed all facets of life in equal measure. It has not permeated to the Subordinate judiciary, in particular, resulting in old work methods based on manual systems being continued even now. The enormous problems being faced by the judiciary due to arrears, backlogs, and delays can be partly resolved by the introduction of automation in subordinate courts.

The problems faced by courts, judiciary, and public seeking justice in terms of backlogs, delays and expense are well known. While there are many dimensions to these problems, improvements in operational efficiency, coordination, accessibility and speed which IT could bring about can contribute significantly towards improvement and alleviation of difficulties.

However, the present pace of development, particularly at the subordinate court level is too slow and is unlikely to have the desired impact in the near future. Massive problems need appropriately large commitments and major initiatives if a significant dent is to be made.
Most of the bottlenecks identified by Judicial Commissions and Committees referring to delays, arrears and backlog be partly overcome if a sound judicial management information system is introduced in India. Case Management, File Management, and Docket Management will be vastly improved by resorting to the use of computers.
The following are areas where the use of computers will result in enhanced productivity and reduction of delays.

a) Legal Information Data Bases.
b) On line query system for precedents, citations, codes, statutes etc.
c) Generation of Cause List and online statistical reports.
d) Online Caveat matching.
e) Online updating of data, monitoring and “flagging” of events.
f) Pooling of orders and judgments.
g) Daily List generation with historical data of each case.
h) Word processing with standard templates including generation of notices/processes.
i) Access to international databases.
j) Feedback reports for use of various levels.

Alienation:

The term ‘alienation’ denotes a feeling of estrangement from other people and of confusion about existing norms. Many writers include in the concept of alienation, to explain notions such as lack of power, meaninglessness, sense of isolation and self- estrangement. The causes of alienation are many. In the present context a few factors seem to be important.

i) Generation Gap One of them is a cleavage between young and old generation. The youths especially of urban areas depend much on their parents. On the one hand, there has been considerable rise in their level of aspirations and expectations; on the other, they confront the forces of traditions. Majority of the modern Indian youth are not interested to be bound by the traditional norms and values. They are interested to adopt the secular life-style and a rational outlook. These causes conflict which at some later stage leads to alienation.

ii) Unemployment The second important contributing factor to alienation is widespread phenomenon of unemployment. Soon after completing a particular stage they require economic security. But as they fail to find a job they feel like living in an isolation. This is very crucial stage. Here they may become victim of other evils, such as mental illness, criminal activities, drug addiction. Here both rural and urban youth are almost in similar situation. Sachchidananda (1988) writes:

“Those (rural) boys who cannot go to the town for continuing their studies and remain in the village spend their time in idle gossip and in some cases turn to anti-social activities. It has been found that many such educated young men take active part in dacoities, road hold-ups which are extremely common in many parts of India”.

Some studies carried on in parts of northeastern and central India have pointed out widespread phenomenon of, ‘drug addiction” in university and college campuses. It is not well established those whether alienated youth are victim of drug addiction or drug addiction alone leads to alienation. Both these factors influence each other and operate together.

iii) Identity Crisis Identity signifies a sense of awareness that people consciously or unconsciously assert for survival, recognition and reward in the existing social

structures. Youth in recent time try .to define their own identity in order to obtain the resources for survival and try to get a place in the existing social order.

It is being felt that the youth have not satisfactorily been placed in the matter of education and occupation. Instead of being in search for identity youth are undergoing turmoil of identity crisis. This has led them to attract towards the forces of revivalism as remedy to inadequacies. In absence of adequate model to deal with rising identity crisis, the youth especially the educated unemployed youth indulge in non-institutionalised channels of socio-economic betterment.

Secessionism:

Secession in India typically refers to state secession, which is the withdrawal of one or more states from the Republic of India. Some have argued for secession as a natural right of revolution.

Many Separatist movements exist with thousands of members, however, with moderate local support and high voter participation in the democratic elections. The Khalistani Insurgency in Punjab was active in the 1980s and early 1990s, but is now largely crushed and subdued within India. Insurgency has occurred in North-East India, in the states of Tripura, Meghalaya, Mizoram, Manipur, Assam,Nagaland and Arunachal Pradesh. But now, the separatism and insurgency in northeast india has now become largely insignificant due to lack of local public support.

India has introduced several Armed Forces Special Powers Acts (AFSPA) to subdue insurgency in certain parts of the country.The law was first enforced in Manipur and later enforced in other insurgency-ridden north-eastern states. It was extended to most parts of the Indian state of Jammu and Kashmir in 1990 after the outbreak of an armed insurgency in 1989. Each Act gives soldiers immunity in specified regions against prosecution under state government unless the Indian government gives prior sanction for such prosecution. The government maintains that the AFSPA is necessary to restore order in regions like Indian territories Kashmir and Manipur.