

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
RAJYA SABHA
UNSTARRED QUESTION NO. -1656
ANSWERED ON - 06/08/2024.

IMPLEMENTATION STATUS OF THE MCA21 e-GOVERNANCE PROGRAMME

1656. SHRI KARTIKEYA SHARMA

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) the details of implementation status of the MCA21 e-Governance Programme across the country, State-wise;
- (b) the details of Certified Filing Centres (CFC) established in the State of Haryana, district-wise;
- (c) whether there has been any increase in filings by corporate entities as a result of the said programme, if so, the details thereof, State-wise; and
- (d) the future steps proposed by the Ministry to increase ease of compliance by corporate entities, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS; AND MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

(SHRI HARSH MALHOTRA)

(a): Ministry of Corporate Affairs (MCA) has been operating the end-to-end e-Governance MCA-21 Project for registry and company incorporation related services, across all cities of Registrar of Companies (RoCs), Regional Directors (RDs) and Official Liquidators (OLs) in the Country. The MCA21 System provides the stakeholders convenient, easy to use and secured access and delivery of all MCA services and improved speed and certainty. It has brought about transparency, quickness, and efficiency in the functioning of the Ministry. The Ministry has been continuously making efforts to introduce best practices in the online delivery of services. Sustained efforts have resulted in recognition of MCA21 as a successful Mission Mode Project of National e-Governance Plan (NeGP).

MCA21 portal was launched in 2006 with the aim to digitize corporate filings and to improve compliance. After Version-1 and Version-2, Version-3 of MCA21 has been launched now as a technology-driven forward-looking project, envisioned to strengthen enforcement, promote EoDB and enhance user experience.

(b): A network of Certified Filing Centres (CFC) were setup during the initial phase of introduction of electronic filing through MCA21 portal across the country to provide services free of cost for e-Filing of documents to the stakeholders who did not have the necessary computing/ IT infrastructure or capability to use the same for e-Filing from their own locations. With adoption of the electronic filings over the years, stakeholders are now being facilitated through Centralized Helpdesk operations for any assistance.

(c): During Financial Year 2023-24, more than 80 Lakh forms have been filed on MCA21 Portal against about 74 Lakh forms filed during FY 2022-23. Further, during Financial Year 2023-24, 2,44,304 companies and LLPs (185,314 companies and 58,990 LLPs) have been incorporated as against 79,077 companies and LLPs (64,395 companies and 14,682 LLPs) during the F.Y. 2014-15.

(d): The Ministry of Corporate Affairs has been taking various steps to provide Ease of Doing Business and ease of living by reducing various compliance burden to law abiding corporates and simplified procedure for Starting a Business in the Country. These include the following:

- i. Central Registration Centre (CRC) has been set up for processing of “Name Availability” and “Incorporation” relating e-Forms. Integrated Web Form SPICe+ Portal has been deployed, which provides various services through a single integrated web form, namely Name Reservation, Incorporation, PAN, TAN, Director Identification Number (DIN), Registration of EPFO, ESIC, GST, Profession Tax for the State of Maharashtra, Karnataka & West Bengal and Delhi Shops and Establishment and Opening of Bank Account Number.
- ii. Companies with authorized capital upto INR 15,00,000 may be incorporated at zero fee.
- iii. To improve Ease of Doing Business and Ease of Living for law abiding corporates, 63 offences have been decriminalized in the Companies Act, 2013 and LLP Act, 2008.
- iv. Concept of “Small LLP” in line with the concept of “Small Companies” based on the criteria of turnover or contributions has been introduced along with recognition of startup LLPs, which shall be subject to lesser compliances, lesser fee or additional fees etc. so as to reduce the cost of compliances.
- v. Provisions with regard to incorporation and functioning of one-person companies (OPCs) have been revised so as to incentivize incorporation of more OPCs. NRIs are now also allowed to incorporate OPCs. Earlier only Indian resident citizens were permitted. Such companies are now allowed to convert into private or public companies at any point of time. The restrictions with regard to maximum amount of paid-up Capital and turnover for OPCs has also been removed so that there is no undue restriction on the growth of OPCs.
- vi. To facilitate the ease of doing further and reduce compliance burden on "small companies", the thresholds for Paid up capital and Turnover for the small companies has been increased from Rs. 50 Lakh and 2 Crores to Rs. 4 Crore and Rs 40 Crore respectively.
- vii. In order to ensure easy exit process for the companies and improve the ease of doing business, para 77 of the Budget Speech (2022-23) of Finance Minister envisioned that through C-PACE the time taken to process the application for closure of companies would be reduced from 2 years to less than 6 months. Centre for Processing Accelerated Corporate Exit (C-PACE) has been set up and operationalized w.e.f. 01.05.2023 to facilitate and expedite the applications filed for voluntary exit under the provisions of Section 248(2) of the Companies Act, 2013 (Act). The time taken under C-PACE for voluntary exit has reduced to less than 90 days.