

New and Innovative Measures to Improve Working in MCA

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The Ministry of Corporate Affairs (MCA) has taken several initiatives to achieve the vision of being a facilitator of world class governance of corporates and Mission of easing compliance, balancing interest of stakeholders and achieving excellence in service delivery. This was stated by Shri Anurag Singh Thakur, Union Minister of State for Finance & Corporate Affairs, in a written reply to a question in Rajya Sabha today.

Shri Thakur stated the following initiatives have been taken by the MCA:

Ease of Doing Business:

Ministry of Corporate Affairs has significantly contributed towards achieving the goal of Ease of Doing Business and is focused on improving corporate governance practices as the objectives of raising corporate governance standards and ease of doing business go hand in hand. In order to facilitate **Ease of Doing Business (EoDB)** in India and to improve India's ranking, the Ministry has strengthened effective enforcement of Companies Act 2013, Insolvency and Bankruptcy Code 2016, Competition Act 2002, Limited Liability Partnerships Act 2008 and other allied Acts.

MCA-21:

It is an end-to-end holistic e-Governance project which has been running successfully and has enabled the Ministry to achieve very high standards of service delivery, besides providing the Government with a comprehensive National Corporate Information Database. MCA21 system is also integrated with registration of EPFO, ESIC, GST, PAN and TAN at the time of incorporation of companies.

"RUN":

Introduction of new web service facility called "Reserve Unique Name" (RUN) for name reservation for companies & LLPs which dispenses with the need for filing a detailed six page application form, (erstwhile e-form INC-1) and replaces it with a simple web service wherein only three fields are required to be filed after login.

Central Registration Center (CRC):

A Central Registration Centre is been set up at Indian Institute of Corporate Affairs (IICA), Manesar for processing applications for name reservation and incorporation of

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companies & Limited Liability Partnership (LLPs), within 1-2 days as opposed to an average of an average of at least 15 days earlier.

SPICe and SPICe+:

The Ministry introduced an Integrated Incorporation Form – a Simplified Proforma for Incorporating Company Electronically (SPICe) which extends over 8 different services from three Ministries in a single form. Recently, the Ministry has notified a new Web Form christened ‘SPICe+’ (pronounced ‘SPICe Plus’) and AGILE – PRO replacing the existing SPICe form. SPICe+ would offer 10 different services by three Central Government Ministries & Departments (Ministry of Corporate Affairs, Ministry of Labour & Department of Revenue in the Ministry of Finance), One State Government (Maharashtra) and Banks. The services provided are: **(i) Name reservation, (ii) Incorporation, (iii) PAN, (iv) TAN, (v) DIN, (vi) EPFO, (vii) ESIC, (viii) GST number, (ix) opening of bank account (x) Profession Tax (Maharashtra)**, at the time of incorporation itself. This shall greatly reduce the number of procedures, time and cost in Starting a Business as measured in Doing Business Report, 2021 and ultimately improve work culture in the country. It would be applicable for all new company incorporations. Also, all new companies incorporated through SPICe+ would also be mandatorily required to apply for opening the company’s Bank account through the AGILE-PRO linked web form.

A Call Centre with Helpline No. 1800-114-667:

Was inaugurated by Investor Education and Protection Fund Authority (IEPFA) in order to facilitate investors with smooth information flow that helps speeding up the process of addressing the queries of claimants.

In addition to the above systemic changes, other initiative taken by the Ministry include: Introduction by CCI of an automatic system of approval for Combinations under Green Channel, de-criminalization of 16 compoundable offences under the Companies Act, revised De-Minimis exemption under Competition Act 2002 for speeding up Mergers & Acquisitions of companies in the country, launch of Independent Director’s databank, setting up of Cyber Forensic Lab by CCI, institution of National CSR awards etc.