

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

RAJYA SABHA
UNSTARRED QUESTION NO. 1796
ANSWERED ON 19.12.2023

Status of C-PACE

1796 Shri S. Niranjan Reddy :

Will the Minister of Corporate Affairs be pleased to state:

- (a) whether the Centre for Processing Accelerated Corporate Exit (C-PACE) has been set-up;
- (b) if so, the details thereof;
- (c) the number of cases solved as part of C-PACE since its inception; and
- (d) the details of ways in which artificial intelligence and machine learning are being incorporated in registration, compliance and other regulatory action by Government?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION; MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS.

(RAO INDERJIT SINGH)

(a) to (c): 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 applications for voluntary closure under C-PACE are being processed in a centralized manner for an efficient and uniform outcome. Since the setting up of C-PACE, 8306 companies have been struck off till 12.12.2023, under section 248 (2) of the Act.

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 had 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. The time taken under C-PACE for voluntary exit has reduced to around 110 days during the current year.

(d) : The MCA21 Version 3 of the Ministry envisages various areas such as Name reservation, Helpdesk Solution, e-Consultation Module, Security and Threat Management for utilizing the capabilities of Artificial Intelligence and Machine Learning (AI/ML).
