

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA
STARRED QUESTION NO. 116
ANSWERED ON TUESDAY, FEBRUARY 10, 2026**

EASE OF DOING BUSINESS AND CORPORATE GOVERNANCE

QUESTION

*116. SMT. MAMATA MOHANTA:

Will the Minister of CORPORATE AFFAIRS
be pleased to state:

- (a) the impact of the major reforms carried out during the year 2025 under The Companies Act, 2013 on Ease of Doing Business (EoDB) in emerging industrial States such as Odisha;
- (b) the tangible benefits accrued to MSMEs, start-ups and enterprises operating in rural and tribal areas of Odisha as a result of compliance simplification through the MCA-21 V3 platform; and
- (c) whether any preliminary assessment regarding transparency and regulatory certainty arising from these reforms has been undertaken at the State level , if so, the key findings thereof?

ANSWER

THE MINISTER OF FINANCE & CORPORATE AFFAIRS

[SMT. NIRMALA SITARAMAN]

(a) to (c): - A statement is laid on the Table of the House

**STATEMENT REFERRED TO IN REPLY TO PART (a) TO (c) OF RAJYA SABHA
STARRED QUESTION NO. 116 (11th POSITION) FOR 10th FEBRUARY, 2026
REGARDING EASE OF DOING BUSINESS AND CORPORATE GOVERNANCE.**

(a): The major reforms carried out during the year 2025 under the Companies Act, 2013 and their impact on Ease of Doing Business (EoDB) in the country, including in the emerging industrial States such as Odisha is as per Annexure.

(b): Version-3 of MCA21 (MCA21 V3) has been launched to promote Ease of Doing Business, simplify compliance and enhance transparency for companies, including MSMEs and start-ups. These services include functionalities like Web filings, LLP Module, Company module, e-Enforcement, e-Adjudication, etc. The V3 portal provides real time validation with pre-filled master data reducing manual errors, re-submissions and compliance timelines. Additionally, the e-Adjudication module has helped companies in responding to the notices online and ensure timely compliances as per statutorily prescribed timelines. The above has benefitted all companies including MSMEs, start-ups in the country, including those in Odisha.

(c): The Ministry lays down a report on working and administration of the Companies Act, 2013 in both the Houses of the Parliament every year. This report gives State/UT wise details of registration, amalgamation, conversion of companies, number of active companies, etc. According to the reports of FY 2023-24 and FY 2024-25, the number of active companies in Odisha as on 31.3.2024 was 26,554, which became 29,630 as on 31.3.2025.

Annexure

Refer to part (a) of Rajya Sabha Starred Question no. 116 for 10.02.2026

The major reforms carried out during the year 2025 under the Companies Act, 2013 and their impact on Ease of Doing Business (EoDB) in the country, including in the emerging industrial States such as Odisha is as under:

- A. The Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 was amended in September 2025 to widen the scope of Fast Track Mergers and Demergers. Additional classes of companies that can avail this route are: 1. Two or more unlisted companies (other than Section 8 companies) meeting prescribed thresholds, 2. Holding and subsidiary companies, excluding cases where the transferor is a listed company, 3. Two or more subsidiaries of the same holding company, excluding cases where the transferor is a listed company. This will allow more companies to avail the fast-track route of mergers, thereby speeding up restructuring in the country.
- B. MCA vide notification no. G.S.R. 880(E) dated 01.12.2025 has enhanced the threshold limit of paid-up share capital and turnover from Rs. 4 crore and Rs. 40 crore to Rs.10 crore and Rs.100 crore respectively for small companies. This will allow more companies to be covered within the ambit of small companies and thus get the benefit of simplified compliance, and it will also encourage formalization of small businesses.
- C. The Companies (Removal of Names of Companies from the Register of Companies) Rules, 2016 have been amended on 31st December, 2025 to provide easier procedure for closure of government companies filing application with Registrar C-PACE under section 248(2) of the Companies Act, 2013. The amendment provides that in such cases, the indemnity bond in respect of one or more directors appointed or nominated by the Central Government or State Government shall be given by an authorised representative (not below the rank of Under Secretary or equivalent) in the administrative Ministry or Department of the Government of India or the State Government on behalf of the Company. This will ease the process of striking off of government companies.
- D. Annual KYC filing requirement has been replaced with a simpler KYC intimation once in every three years vide amendment in the Companies (Appointment & Qualification of Directors) Rules, 2014 on 31st December, 2025 (to be effective from 31st March, 2026). The revised simpler KYC Form can be used for various purposes viz (i) KYC compliance, (ii) updation of mobile number, (iii) updation of email address, (iv) updation of residential address and (v) re-activation of DIN. This will reduce the periodicity of KYC filings by directors.