

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

RAJYA SABHA
UNSTARRED QUESTION NO. 1162
ANSWERED ON TUESDAY, FEBURARY 10, 2026

**PROMOTION OF EASE OF DOING BUSINESS AND STRENGTHEN CORPORATE
GOVERNANCE**

QUESTION

1162. Shri Jaggesh:

Smt. Sangeeta Yadav:

Shri Shambhu Sharan Patel:

Dr. Dinesh Sharma:

Smt. Rekha Sharma:

Dr. Parmar Jashvantsinh Salamsinh:

Shri Mayankkumar Nayak:

Shri Lahar Singh Siroya:

Shri Baburam Nishad:

Shri Chunnilal Garasiya:

Will the Minister of CORPORATE AFFAIRS
be pleased to state:

- (a) the principal regulatory changes and policy initiatives introduced in 2025 under the Companies Act, 2013 to advance ease of doing business and reinforce corporate governance;
- (b) the measures adopted to streamline compliance obligations for companies, including rationalisation of thresholds, procedural relaxations and facilitation features on the MCA V3 platform;
- (c) how these reforms have contributed to reducing compliance burden, enhancing transparency and ensuring greater regulatory certainty for corporates; and
- (d) whether any evaluation has been conducted on their impact on compliance and governance standards, with details thereof?

ANSWER

**THE 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): The principal regulatory changes and policy initiatives introduced under the Companies Act, 2013 taken in 2025 to advance ease of doing business and reinforce corporate governance is at Annexure-A.

(b): Version-3 of MCA21 (MCA21 V3) has been launched to promote Ease of Doing Business, strengthen compliance and enhance transparency. Through MCA21 V3, functionalities like Web filings, LLP Module, Company module, e-Enforcement, e-Adjudication, e-Consultation, etc have already been implemented. All filings are now being made through V3. The V3 portal provides for real time validation with pre-filled master data reducing manual errors, re-submissions and compliance timelines. Additionally, the eAdjudication module has helped companies in responding to the notices online and ensure timely compliances as per statutorily prescribed timelines. The V3 portal automatically applies thresholds to identify small companies, which in turn triggers simplified compliance requirements.

Guidance material, including step-by-step e-form filing manuals, video guides, FAQs, and system prompts in the web-based forms to help MSMEs and professionals use the e-forms and other features have been made available. In addition, a central helpdesk (toll-free number, e-mail and live-chat facility) is in place to handhold stakeholders across the country.

(c): The reforms have eased the compliance burden on companies by simplifying procedures. As on January, 2026, 1494 adjudication orders have been passed through the e-adjudication platform, which has led to greater transparency and regulatory certainty for the corporates.

(d): No such specific evaluation has been conducted.

Annexure-A

Refer to part (a) of Rajya Sabha Unstarred Question no. 1162 for 10.02.2026

The principal regulatory changes and policy initiatives introduced under the Companies Act, 2013 taken in 2025 to advance ease of doing business and reinforce corporate governance

- 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. Ministry has amended Companies (Meetings of Board and its Powers) Rules, 2014 in November, 2025 to grant exemption to Finance Companies registered with IFSCA on the lines of similar exemption available under such rule to Non-banking Finance Companies registered with RBI in respect of Section 186 (except sub-section (1)) which relates to loans and investment by a company.
- C. Several General Circulars were issued to facilitate smooth transition to the MCA V3 platform, relax additional fees, extend filing timelines, and enable conduct of AGMs/EGMs through Video Conferencing (VC) or Other Audio Visual Means (OAVM). These measures significantly reduced compliance burden on companies during the transition phase.
- D. 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.
- E. 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.

- F. 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.
- G. To enhance regulatory reach and improve service delivery, the Ministry will operationalise 03 new Regional Directorates (RDs) at Chandigarh, Navi Mumbai and Bengaluru; and 06 new Registrar of Companies (RoCs) at Delhi, Mumbai, Kolkata, Noida, Nagpur and Chandigarh with effect from 16th February, 2026. These offices have been established keeping in view the rapid growth in the number of corporate entities and future regulatory requirements.