GOVERNMENT OF INDIA MINISTRY OF CORPORATE AFFAIRS

LOK SABHA STARRED QUESTION NO. 105 ANSWERED ON MONDAY, JULY 28, 2025 SRAVANA 6, 1947 (SAKA)

LLP LAW SETTLEMENT SCHEME

QUESTION

*105.SHRI TEJASVI SURYA:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether the Government proposes to introduce a 'Company Law and LLP Law Settlement Scheme, 2025' to facilitate compliance by companies and Limited Liability Partnerships (LLPs);
- (b) the steps taken by the Government to ensure a seamless process and eliminate the issues faced by companies and LLPs in filing their pending documents and e-forms on the MCA-21 V3 portal; and
- (c) whether the Government proposes to safeguard such companies and LLPs from prosecution, penalties or additional fees for genuine delays in filing due to technical errors on the portal and if so, the details 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 LOK SABHA STARRED QUESTION NO. *105 FOR ANSWER ON 28.07.2025

- (a) No Sir. At present, no such 'Company Law and LLP Law Settlement Scheme, 2025' is under consideration.
- (b) The Ministry has taken several steps from time to time to provide a seamless process for compliance for companies and LLPs, such as:
 - (i) In the MCA21 V3 portal there are 79 forms which are processed on a STP (Straight through Process) or conditional STP basis, allowing acceptance of forms electronically without human intervention, which leads to 'ease of compliance' and 'ease of doing business'.
 - (ii) The Centre for Processing Accelerated Corporate Exit (C-PACE) was established vide MCA Notification No. S.O. 1269(E) dated 17th March 2023 to centralize and speed up the voluntary strike off process of companies u/s 248 (2) of the Companies Act, 2013 in a fast-track mode in order to facilitate ease of exit which is part of 'Ease of Doing Business'. Vide notification No G.S.R. 475(E) dated 5th August 2024 the Ministry has centralized the striking off of Limited Liability Partnerships (LLPs) by empowering the C-PACE for processing of e-Forms related to striking off of LLPs, as well.
 - (iii) Central Processing Centre (CPC) was established vide MCA Notification No. S.O. S.O. 446(E) dated 2nd February, 2024 for centralised processing of 12 non-STP forms, namely MGT-14 (Filing of Resolutions and Agreements), SH-7 (Alteration in Capital), INC-24 (Change in Name), INC-6 (Conversion of One Person Company to Private or Public, or Private to OPC), INC-27 (Conversion from Private into Public or Vice Versa), INC-20 (Revocation/surrender of licence under Section 8 of the Act), DPT-3 (Return of Deposits), MSC- 1 (Application for obtaining the status of dormant company), MSC- 4 (Application for seeking status of Active Company), SH-8 (Letter of offer for Buy-Back), SH-9 (Declaration of Solvency), SH-11 (Return in respect of buy-back of securities). CPC was established to ensure speedy processing of applications and forms filed for meeting regulatory requirements so that the companies are able to complete their various compliances under the corporate laws with ease.
 - (iv) E-adjudication Module has been established in V3 w.e.f. 16th September, 2024 to provide an end-to-end electronic adjudication

mechanism. All activities required for adjudication including case creation, e-hearing, issuance of Show Cause Notice, order issuance and collection of Penalties are carried out online. This process has made it easier for Directors and Key Managerial Persons of companies to attend the adjudication proceeding through online VC.

- (v) V3 system allows web-based form filing, thereby improving real time validation and auto pre-filling of common fields across forms. Optimization of fields in the Forms has also been carried out in V3 by removal of duplicate/redundant fields.
- (vi) Linked forms on the MCA21 V3 portal are designed to ease compliance and enhance transparency by integrating related filings together, ensuring a complete disclosure of business information.
- (vii) Mobile App has been made available for all stakeholders to access various services offered by MCA21 website including application dashboard, notices, circular etc.

V3 has seen a steady increase in filing with the numbers of filings increasing from around 67.1 lakhs in 2020-21 to around 87.7 lakhs in 2024-25. Similarly, more than 2.50 lakh companies and LLPs were incorporated in FY2024-25 compared to 2.10 lakh in FY2020-21.

- (c) (i) MCA21 V3 system provides for raising/registering grievances through a service-related complaint ticket. This allows generation of a unique ticket number, allowing stakeholders to monitor the status of their complaint. This is a convenient tool for addressing issues related to MCA's online services.
- (ii) From time to time, Government has given relief to the stakeholders with respect to levy of additional fees on account of genuine reasons. Recently, vide General Circular No. 01/2025 dated 16.06.2025, to facilitate smooth roll out of annual filing and other related forms in MCA21 V3, it was clarified that in cases where the due date of filing Forms AOC-4, AOC-4 NBFC, AOC-4 CFS, AOC-4 CFS NBFC, AOC-4 XBRL, MGT-7/MGT-7A, MGT-15, GNL-1, LEAP-1, ADT-1, ADT-3, CRA-2, CRA-4 or their resubmission fell between 18.06.2025 to 31.07.2025, their extension up to 15.08.2025 was allowed without levy of additional fees.
