

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 1562
ANSWERED ON MONDAY, 9th FEBRUARY 2026**

STANDARD OF CORPORATE GOVERNANCE

†1562. Shri Tariq Anwar:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether the Government has carried out any study or data to assess the standards of corporate governance of companies registered in different States, particularly Bihar compared with the national average, if so, the details thereof;**
- (b) whether the Government has identified State-specific challenges in implementing the provisions of the Companies Act, 2013, such as workload or resource constraints of Registrar of Companies (RoC) offices in Bihar and if so, the details of the plan formulated to address the same; and**
- (c) whether the Government is carrying out any coordination or capacity building through different programmes with various State Governments to ensure uniform implementation of corporate laws across States especially to promote investment and ease of doing business and if so, the details thereof?**

ANSWER

Minister of State in the Ministry of Corporate Affairs; Minister of State in the Ministry of Road Transport And Highways:

(SHRI HARSH MALHOTRA)

- (a): No such study has been carried out by this Ministry.**

(b): No State-specific challenges in implementation of the provisions of the Companies Act, 2013 have been reported. Further there are no constraints in the working of Office of Registrar of Companies, Bihar.

(c): The Central Government has taken various measures to facilitate Ease of Doing Business (EoDB) as per Annexure, which are applicable to all States/Union Territories. The Offices of Regional Director(s) and Registrar of Companies (RoCs) also coordinate with the States and Union Territories falling under their respective jurisdiction to address the needs / requirements of the States/ Union Territories. Further, they also interact with various regulators and State authorities in Regional Economic Intelligence Council (REIC) meetings held at regular intervals for information sharing and actions by respective authorities.

Annexure

In reply to Part (c) of Lok Sabha Unstarred Question No. 1562.

(i) Decriminalization of 63 offences under the Companies and LLP Acts. While providing relief to corporates, one of the objectives of decriminalization has also been reduction of litigation burden in judicial courts and shifting the prosecution cases towards adjudication, further lower the compliance burden, Section 446B of the Companies Act, 2013, provides for significantly lesser penalties for small companies.

(ii) Conversion of more than 54 forms to Straight Through Process (STP) which earlier required approval of field offices.

(iii) Introducing e-Form SPICe+ along with a linked form called AGILE PRO-S for providing different services at one place such as Name Reservation, Incorporation, Allotment of PAN, TAN, DIN, EPFO Registration, ESIC Registration, GST number, opening of Bank Account etc. at the time of incorporation of company to start the business immediately. Similarly, new e-Form FiLLiP (Form for incorporation of Limited Liability Partnership) was introduced for providing the same services in a single application.

(iv) With effect from 1st December 2025, the thresholds for small company have been enhanced. The paid-capital criteria has been increased from up to Rs. 4 crores to up to Rs. 10 crores and turnover criteria has been increased from up to Rs. 40 crores to up to Rs. 100 crores. This brings more number of companies under the definition of small company, which are subject to lesser compliance requirements in comparison to larger companies.

(v) Setting up of a Centralized Registrar of Companies (CRC) for incorporation to provide uniformity in the incorporation process.

(vi) Setting up of a Central Scrutiny Centre (CSC) for centralised scrutiny of e-Forms filed under STP.

(vii) Setting up a Central Processing Centre (CPC) for centralised processing of specified non-STP e-forms.

(viii) Setting up an e-Adjudication Portal for adjudication of offences related to the Companies Act.

(ix) Zero fee for incorporation of company with authorized capital up to Rs.15.00 Lakh.

(x) The Government has introduced MSME Form I for reporting outstanding payments beyond 45 days to Micro and Small enterprises by companies, promoting prompt payment to MSMEs, and ensuring transparency in transactions involving small vendors and suppliers.

(xi) Further, small companies and start-ups are provided with certain common compliance relaxations under the Companies Act, 2013 with the objective of reducing regulatory burden and facilitating ease of doing business. For both categories, the requirement of including a cash flow statement as part of the financial statements has been made optional. Further, in cases where a company does not have a company secretary, the annual return may be signed by a director of the company. In addition, flexibility has been granted with respect to meetings of the Board of Directors, whereby both small companies and start-ups are permitted to hold two board meetings in a calendar year, i.e., one meeting in each half of the year, instead of the general requirement of holding four board meetings annually, subject to the prescribed minimum gap between such meetings.
