GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 3606
ANSWERED ON MONDAY, 10th August, 2026

Pending Cases under Company Law

QUESTION

Will the Minister of CORPORATE AFFAIRS be pleased to state:

3606 Smt. Manju Sharma

Will the Minister of CORPORATE AFFAIRS

(a) the steps that have been taken by the Government to reduce the number of pending cases under company law in the country:

(b) the details of statistics regarding the number of cases withdrawn or reduced as part of the Government's efforts to alleviate the litigation burden; and

(c) whether the Government is taking any steps to improve the ease of doing business and strengthen the corporate governance framework in the country and if so, the details thereof?

ANSWER

THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS AND MINISTRY OF ROAD TRANSPORT AND HIGHWAYS.

(SHRI. HARSH MALHOTRA)

(a): The Ministry of Corporate Affairs (MCA) has taken several steps to review & reduce pending cases under company law. This includes withdrawal of pending prosecutions involving procedural & technical offences; decriminalization of 51 offences under the Companies Act, 2013 in 2019 & 2020; and introduction of e-Adjudication mechanism for disposal of cases at the level of Regional Directorates (RDs) & Registrars of Companies (ROCs).

(b): 20,514 prosecution cases were withdrawn from various courts between 2017 and 2025. Withdrawal of prosecutions is a continuous process which is undertaken by this Ministry.

(c): To improve ease of doing business and enhance corporate governance, Ministry has taken several steps, of which some of the major steps are as under:-

(i) Setting up of a Centralized Registrar of Companies (CRC) for incorporation and introducing new e-Forms for providing different services, such as PAN, opening of Bank Accounts, etc., at one place at the time of incorporation of companies & LLPs, to start the business immediately.

(ii) Conversion of more than 50 e-forms to Straight Through Process (STP) which earlier required approval of field offices;

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

(iv) Setting up of a Centre for Processing Accelerated Corporate Exit (C-PACE) for voluntary exit of companies;

(v) Definition of small companies has been amended by increasing the threshold limit of a small company, having a paid-up capital not exceeding Rs. 10 Crores and turnover not exceeding Rs. 100 Crores. Similarly, concept of small LLP has been introduced which is subject to lesser compliances, lesser fee to reduce the cost of compliances;

(vi) Zero fee for incorporation of company with authorized capital up to Rs.15 Lakh;

(vii) Extension of fast-track process for mergers under the Companies Act, 2013 to include mergers of Startups with other Startups and with small companies, so that the process of mergers & amalgamations is expedited;

(viii) Zero cost for shifting of the registered office of a company;

(ix) Notification of Companies (Listing of Equity Shares in Permissible Jurisdictions) Rules, 2024 allowing Indian public companies to list their equity shares on international stock exchange(s) at International Financial Services Centre (IFSC) in India.

(x) Allowing convening of Annual General Meeting (AGM) and Extra-ordinary General Meeting (EGM) of a company through Video Conference (VC) to increase shareholder participation and reduce costs associated with conduct of general meetings for companies;

(xi) The Companies (Accounts) Second Amendment Rules, 2025 prescribed revised AOC electronic forms for filing financial statements and director's report, for collection of structured corporate information directed towards

more effective & disclosure-based accountability and data-based regulatory scrutiny, wherever necessitated in public interest.

Similarly, Companies (Management and Administration) Amendment Rules, 2025 prescribed revised MGT electronic forms aimed towards improving structured disclosure of annual-return and governance information filed on MCA21.

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