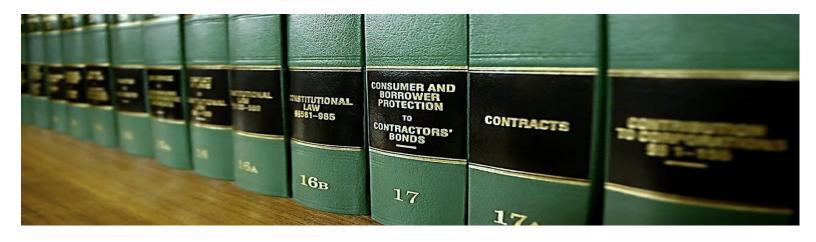
VERENDRA KALRA & CO CHARTERED ACCOUNTANTS

Like always, Like never hefore

NEWSFLASH - CORPORATE AND OTHER LAWS VOL 8/2020



The Ministry of Corporate Affairs simplified the process for Incorporation of Companies, notified New Forms 'SPICe+' and 'AGILE-PRO under Companies Incorporation Amendment Rule, 2020.

As part of Government of India's Ease of Doing Business (EODB) initiatives, the Ministry Of Corporate Affairs vide notification CG-DL-E-22022020-216319 dated 18th February 2020, published **the Companies (Incorporation)**Amendment Rules, 2020 and introduced new Web Form 'SPICe+' (pronounced 'SPICe Plus') replacing the existing SPICe form (incorporation form).

SPICe+ would offer 10 services by 3 Central Govt. Ministries & Departments (Ministry of Corporate Affairs, Ministry of Labour & Department of Revenue in the Ministry of Finance) and One State Govt. (Maharashtra), thereby saving as many procedures, time and cost for starting a new Business in India.

Applicability: The Companies (Incorporation) Amendment Rules, 2020 shall come into force with effect from the 23rd February, 2020.

Changes Occurred: The company incorporation form SPICe+ would be an integrated Web Form which would have 2 parts, Part A for name reservation of new company and Part B offering a bouquet of services viz.

- 1. Incorporation
- 2. DIN allotment
- 3. Mandatory issue of PAN
- 4. Mandatory issue of TAN
- **5.** Mandatory issue of EPFO registration
- **6.** Mandatory issue of ESIC registration
- **7.** Mandatory issue of Profession Tax registration(Maharashtra)
- **8.** Mandatory Opening of Bank Account for the Company and
- **9.** Allotment of GSTIN (if so applied for)

Users may either choose to submit Part-A for reserving a name first and thereafter submit Part B for incorporation & other services or file Part A and B together at one go for incorporating a new company and availing the bouquet of services as above.

- Incorporation applications (Part B) after name reservation (In Part A) can be submitted as a seamless process in continuation of Part A of SPICe+. Stakeholders will not be required to even enter the SRN of the approved name as the approved Name will be prominently displayed on the Dashboard and a click on the same will take the user for continuation of the application through a hyperlink that will be available on the SRN/application number in the new dashboard.
- From 23rd February 2020 onwards, RUN service is applicable only for 'change of name' of an existing company.
- The new web form would Facilitate Onscreen filing and real time data validation for seamless incorporation of companies.
- The approved name and related incorporation details as submitted in Part A, would be automatically Pre-filled in all linked forms also viz., AGILE-PRO, eMoA, eAoA, URC-1, INC-9 (as applicable).
- Registration for EPFO and ESIC shall be mandatory for all new companies incorporated w.e.f 23rd February 2020 and no EPFO & ESIC registration nos. shall be separately issued by the respective agencies.
- Registration for Profession Tax shall also be mandatory for all new companies incorporated in the State of Maharashtra w.e.f 23rd February 2020

- All new companies incorporated through SPICe+ (w.e.f 23rd February 2020) would also be mandatorily required to apply for opening the company's Bank account through the AGILE-PRO linked web form.
 - Integration with bank accounts is presently in place with **Punjab National Bank and Kotak Mahindra Bank only.** All other banks are disabled for selection.
- Declaration by all Subscribers and first Directors in INC-9 shall be autogenerated in pdf format and would have to be submitted only in Electronic form in all cases, except where:
 - Total number of subscribers and/or directors is greater than 20 and/or
 - Any such subscribers and/or directors has neither DIN nor PAN

<u>Detailed notification of MCA can be found at</u> the following link.

Sources: MCA notification dated 18.02.2020

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