

No 2/10/2011-CL.V  
Government of India  
Ministry of Corporate Affairs  
5<sup>th</sup> floor, 'A' Wing, Shastri Bhawan,  
Dr. Rajendra Prasad Road, New Delhi  
Dated the 23<sup>rd</sup> July, 2011

All Regional Directors  
All Registrar of Companies.

**Sub: Online incorporation of companies within 24 hours**

Sr,

In order to give ease to the corporate world to carry business in India, the Ministry of Corporate Affairs has been simplifying the procedures under the Companies Act, 1956. As another step in this direction, the Ministry is modifying the incorporation procedures to enable promoters to get their companies incorporated online within 24 hours.

2. Ministry has already implemented online approval of Director's Identification Number (DIN) with effect from 12.06.2011 and names of the proposed company will also be made available online with effect from 24.07.2011. The digital certificate of incorporation is already being issued online by the Registrar of Companies.

3. Now, the Ministry is also simplifying the procedures to approve incorporation applications forms online.

In case the e-forms 1, 18, 32 and e-form for Memorandum of Association(MOA) and Articles of Association (AOA) have been certified by the practicing professional regarding the correctness of the information and declarations given by the subscribers, the application shall be processed electronically and the digital certificate of incorporation shall be issued immediately online by the Registrar of Companies.

4. The above facility is optional to the existing process of backend processing of applications by the Registrar of Companies where no such certifications have been done by the practicing professional.

5. If any of the information or declaration given by the company or certificate given by the professional in the e-forms and attachment(s) thereto is/are, found to be wrong, false or illegal then the subscribers, declarant(s) and professional(s) shall be liable for penal action under section 628 and 629 of the Companies Act, 1956 in addition to penal action prescribed in regulations of the respective professional institutes.

6. Where a company has been registered online on the basis of declarations made by the subscribers, declarant(s) and certifications by the professional(s) given in the e-form, if it is found later on that the company ought not to have been registered under provisions of the Companies Act, 1956 read with Rules and Regulations made therein, the Registrar of Companies shall take necessary action to put the company in state of suspended animation and initiate the process of revocation of the registration of the company after giving an opportunity of being heard.

7. It is expected that the above immediate online approvals of DIN, availability of name and registration of e-forms-1, 18, 32 and MOA and AOA, the complete process of incorporation of a company can be completed within 24 hours.

8. The above simplified process of online incorporation of companies is likely to be implemented with effect from 11<sup>th</sup> August, 2011.

Yours faithfully,

-sd/-

(Monika Gupta)  
Assistant Director

Copy to:

1. All concerned
2. PSto CAM and PSto MOS
3. PPS to Secretary, Additional Secretary, Joint Secretaries