

Amita Desai & Co., Company Secretaries, Mumbai

SPICe PLUS – An Initiative towards Greater Ease of Doing Business

A. New Initiative of MCA

Effective from 23rd February, 2020, the Ministry of Corporate Affairs (MCA) has deployed new web integrated **SPICe Plus** (SPICe+) form replacing earlier e-form SPICe for incorporation of any Company like Producer Company, Unlimited Company, OPC, IFSC Company, Section 8 Company, Nidhi Company, Private or Public company, Part I Section 8 Company, Part I LLP to Company, Part I Firm to Company, Part I Others (as per Section 366 of the Companies Act 2013) and any category of Company with shares or Guarantee.

Web based Form SPICe+ offers following **10 services** in one click, which saves time, cost and efforts of repetitive procedures. This initiative is also a part of drive of MCA for Ease of Doing Business in India.

1. Name Reservation for new Companies
2. Incorporation
3. DIN allotment (Maximum **three** Directors are allowed for using this integrated form for filing application of allotment of DIN while incorporating a company other than a Producer company and in case of a Producer company, maximum of **five** directors are allowed to apply for allotment of DIN)
4. Mandatory issue of PAN
5. Mandatory issue of TAN
6. Mandatory issue of EPFO registration
7. Mandatory issue of ESIC registration
8. Mandatory issue of Profession Tax registration(Maharashtra)
9. Mandatory Opening of Bank Account for the Company and
10. Allotment of GSTIN (if so applied for)

Issuance of **EPFO/ESIC/ Profession Tax (for Maharashtra) and Opening of a bank** account has been **made mandatory** through web form AGILE-PRO.

However **applying for GSTIN** at the time of incorporation **is not mandatory**.

In web form AGILE-PRO details of the Proposed Director / Primary Owner who will act as the **Authorized Signatory** for the purpose of applying EPFO/ ESIC/ Profession Tax/ GSTIN and Opening of Bank Account is required to be entered and such Director / Primary Owners cum Authorised signatory must have valid PAN and he must be Citizen & Resident of India. The applicant to attach specimen signature card for uploading it with web form AGILE-PRO for registration with employees' provident fund organisation and the format of such specimen signature card to be downloaded from the link mentioned here and web form AGILE-PRO is required to be digitally signed by Authorised Signatory who is citizen and resident of India and have PAN
http://www.mca.gov.in/Ministry/pdf/specimensignature_07042019.pdf

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MCA has given two options to file SPICE+

- (a) **Only Name to be reserved:** SPICE+ Part A can either be submitted individually ONLY for name reservation. Once the name is reserved then only Part B and all other linked forms shall be enabled

or

- (b) **Name and Formation of Company:** SPICE+ Part A and Part B can be submitted together for both name reservation as well as incorporation.

The applicant to enter the main division code for the industrial activity of the proposed company. Refer **Annexure B in help kit for SPICE+** for the list of main divisions of industrial activities. If Type of Company is 'IFSC Company', the applicant may enter as either 65 or 66 or 67. The description of activities will be auto-filled based on the Industrial activity code selected.

B. SPICE+ and Linked Forms

SPICE+ comprises of **two Parts** namely:

1. Part A – for Name Reservation for the new Companies
2. Part B – for Incorporation, DIN allotment, Mandatory issue of PAN & TAN

Along with SPICE+ there will be requirement to file AGILE-PRO which is also a web form and which will appear on the dashboard after the submission of SPICE+ Part B. (Replacement of e-form AGILE i.e. INC-35). After submission of SPICE+ Part B, web based PDF e-Form **INC-9** will be auto generated and auto filled, which is declaration by all Subscribers and first Directors. The same to be submitted in electronic form in all cases, except where the total number of subscribers and/or directors is greater than 20 and/or any such subscribers and/or directors have neither DIN nor PAN.

C.Steps for incorporating new company under spice+

1. The Web form SPICE+ feature can be accessible from the **MCA Services >> Company Services >> SPICE+** (one must login to MCA21 Portal for accessing the SPICE+ Dashboard)
2. When the applicant click on SPICE+, the dashboard appears wherein there will be two tabs as follow:
 - (a) New Application
 - (b) Existing Applications (under this tab applicant can access the saved applications which can be modified later, if required)

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3. When the applicant clicks 'New Application' Tab, SPICe+ Part A which is for name reservation wherein the applicant need to fill following tabs:

4. The applicant to note that only one file is allowed to be uploaded as an attachment and the size of the file should not exceed 6MB and in case of multiple attachments, the applicant to scan all documents as a single file and then upload.
5. After filling all the details as above, the applicant to click on the Auto Check tab which will facilitate the pop-up feature, confirming whether the name is similar to the name of existing company? If not then the applicant to click save and then submit tab and if the name is similar then the applicant to choose other name. (Applicant need to attach relevant document supporting the proposed name so as to avoid any rejection of name).
6. After submitting the Part A, the applicant will have two option (a) submit only for name reservation or (b) proceed for incorporation also, the same is shown below. The applicant can submit the SPICe+ Part A for reservation of name only **or** he can choose to proceed to fill Part B also for incorporating the Company along with name availability and then submit SPICe+ Part A and Part B together. The applicant to note that in case he is submitting Part A and Part B both, for name reservation as well as for incorporation the size of the entire SPICe+ form is limited to 6MB.

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7. Accordingly, the Applicant can fill Part B and proceed further to another section by clicking “Save & Continue” tab as shown below

SPICe+ Part B

Structure of the company

1. Whether Articles of Association is entrenched * Yes No

2. Company is * Having share capital Not having share capital

3. Capital structure of the company *

Total authorized share capital (in Rupees)

Authorized share capital	Equity	Preference	Unclassified
Number of shares	<input type="text"/>	<input type="text"/>	<input type="text"/>
Nominal amount per share (in Rupees)	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total amount (in Rupees)	<input type="text"/>	<input type="text"/>	<input type="text"/>

Total subscribed share capital (in Rupees)

Subscribed share capital	Equity	Preference
Number of shares	<input type="text"/>	<input type="text"/>
Nominal amount per share (in Rupees)	<input type="text"/>	<input type="text"/>
Total amount (in Rupees)	<input type="text"/>	<input type="text"/>

Save & Continue

8. The applicant to take care in filling Part B and if the article(s) is/are **entrenched** compared to the standard template of Articles of Association (AoA) notified under Schedule I to the Companies Act, 2013 he has to specify each number of Article along with details of entrenchment and ensure that the article number matches with form SPICe+ AOA (INC-34) or attached Articles of Association as the case may be. The applicant need to enter the number of articles which are entrenched and based on the number entered, field will be enabled for the applicant to enter short description of the entrenchment provisions of that Article of AoA.
9. The applicant to take care in filling the form with respect to **authorised, issued, subscribed and paid up share capital, number of members and directors**. The applicant to enter the number of first subscribers to Memorandum of Association (MoA) and directors of the company and based on the number entered in the form, blocks for entering the details of subscribers and directors will be displayed. Total number of first subscribers are restricted to seven considering possibility of affixing maximum DSCs in form SPICe+ MOA (INC-33) and form SPICe+ AOA (INC-34). Total number of directors (including both 'having' and 'not having' DIN) cannot be more than 20 in number. Total number of directors (including both 'having' and 'not having' DIN) should be minimum 1 in case of OPC, 2 in case of private company (other than producer company) or 3 in case of public company or 5 in case of a producer private company. However the applicant to note that proposed Directors not having DIN should not be more than 3 (three) in number.
10. The applicant to enter the **correspondence address** of the proposed company and make sure that the correspondence address is of the same state where company is willing to have its registered office. The company can establish its place of registered office on or from the 15th (fifteenth) day of its incorporation. In case company establishes its **registered office** after incorporation, the correspondence address shall be the mailing address for company for receiving and acknowledging all communications and notices as may be addressed to it, till the time company establishes its registered office.

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11. The applicant need to enter the valid **email id** of the company (an not that of professional of the company) and ensure that the email ID filled in the form is valid, as the intimation regarding processing of the eForms and other important communication from RoC office will be communicated electronically on the email ID given in the Form.
12. The applicant to make the payment of **stamp duty** as per State where the correspondence / registered office address is given in the form. Mention details for **PAN and TAN** as mentioned in the form and take help of Help kit of SPICe+ form available on MCA portal.
13. Once all the sections of the SPICe+ Part B are filled, the applicant to submit the same and as soon as Part B is also submitted, the applicant will find two new web form namely:
 - (a) AGILE Pro, SPICe+ MOA, SPICe+ AOA, URC-1 and
 - (b) INC 9
14. The applicant to fill all the section of AGILE Pro and other link forms. In AGILE Pro, as shown below fill the details of Director, who should also be an Authorised Signatory / Primary Owner / Office Bearer) and as soon as the applicant fill the details , the concerned Authorised Director will receive “OTP” on his/ her mobile and email:

Number of Director details to be entered *

A) Enter Director details who is also an Authorised Signatory / Primary Owner / Office Bearer *

* Directors Identification Number (DIN) Permanent Account Number (PAN)

DIN * Photograph

PAN *

First Name *

Middle Name

Last Name *

Personal Mobile Number *

Personal Email ID *

Enter OTP for Mobile Number *

Enter OTP for Email ID *

Attach a latest passport size photograph by clicking the above box

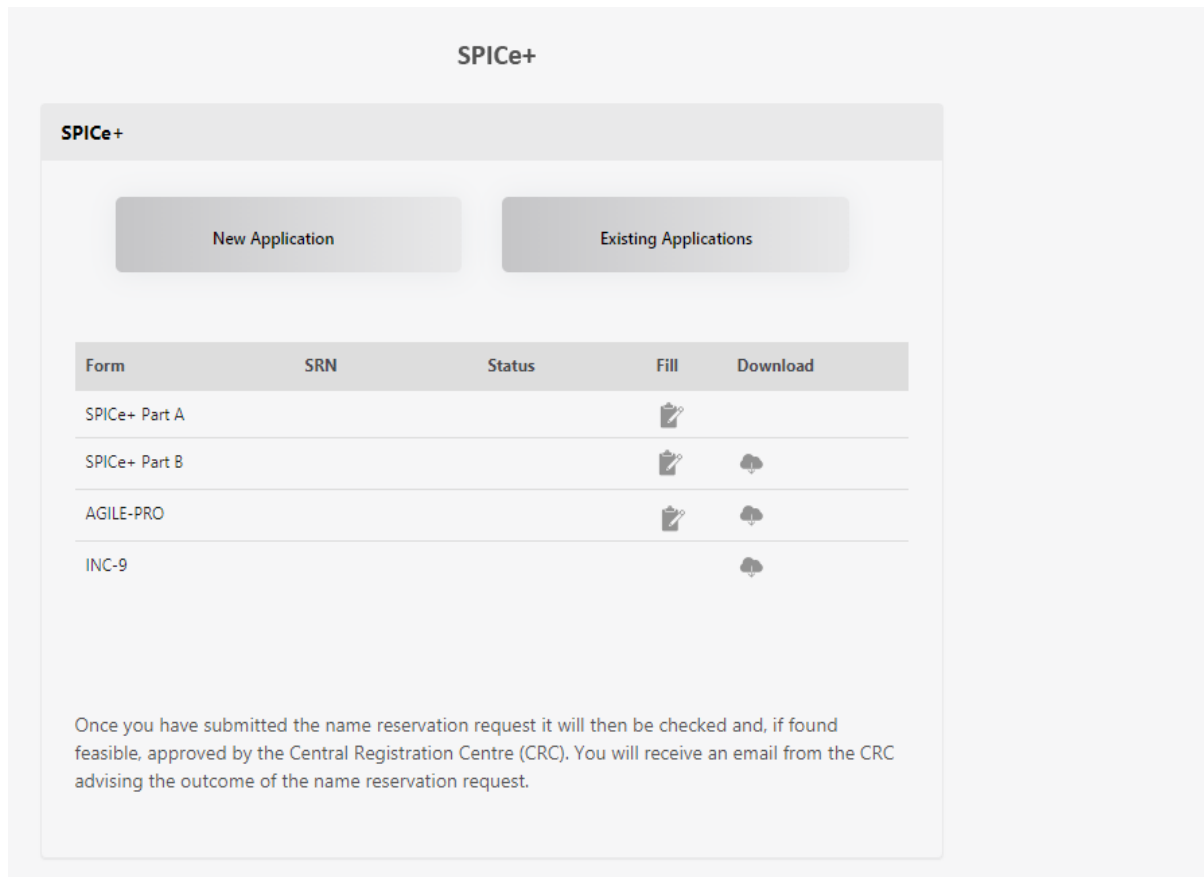
B) Director Details other than Authorised Signatory / Primary Owner / Office Bearer *

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15. After filling all the details of AGILE Pro, the applicant to click pre-scrutiny tab and if the pre scrutiny level is cleared, then the applicant to click on the submit tab, so the form will get submitted.
16. The applicant then click the tab “Download” as shown in the below image to download PDF version of web based form SPICe Part B, AGILE Pro (or SPICe+ MoA or SPICe+ AoA) and INC-9 for affixing the DSC. Even after downloading the PDF version of forms, the applicant desire any changes, he can again go back to web based version of form, modify and then re-download the forms after modification.



17. The applicant to upload on the MCA portal form SPICe+ along with all the linked forms attached with DSC. The payment of fees for the form to be made. For reservation of name in PART A only , the fees will be INR 1000/- and for submission of PART A and PART B together , the fees will be as per the Companies (Registration Offices and Fees) Rules, 2014. Once the applicant makes the payment of fees, a Service Request Number (SRN) is generated for making the payment towards company incorporation. Once the payment is made successfully, the forms will be processed. The applicant to note that he will be allowed to resubmit the form only twice.

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18. Once SPICE+ form will be approved,
- (A) MCA email will come to the applicant with
- i. Certificate of Incorporation
 - ii. PAN and TAN is allotted by Income Tax Department
 - iii. Licence u/s 8 (only in case of Section 8 Co.)
- (The applicant to take note that as per Finance Act, 2018 amended section 139A of the Income-tax Act, 1961 requirement of issuing PAN in the form of a laminated card has been removed and it is clarified that PAN and TAN mentioned in the COI issued by MCA be treated as sufficient proof of PAN and TAN for the said company assesses)
- (B) The Bank whose details are filled in the Form SPICE+ will approach the Authorised Director or the Company for opening of bank account.

D. Attachments required to be attached in Form:

All the attachments should be scanned in pdf format. The applicant to click the attach button corresponding to the document he / she is making an attachment. In case the applicant wish to attach any other document, he / she may click the optional attach button.

With the submission of Form SPICE+ following documents to be attached by the applicant

1. Memorandum of Association (MoA) ;
2. Articles of Association (AoA);
3. Declaration by the first director(s) and subscriber(s) (Affidavit not required)-only in cases where it is not auto generated as mentioned above;
4. Proof of office address of the proposed company;
5. Copies of utility bills that are not older than two months of the premises;
6. Copy of certificate of incorporation of foreign body corporate (if any);
7. A resolution passed by promoter company, if any;
8. Interest of first director(s) in other entities (any format);
9. Consent of Nominee in case of OPC (INC-3);
10. Proof of identity as well as the residential address of subscribers;
11. Proof of identity as well as residential address of the nominee;
12. Proof of identity and address of Applicant I, II, III (;
13. Resolution of unregistered companies in case of Chapter XXI (Part 1) Companies (refer section 366);
14. Declaration in Form No. INC – 14;
15. Declaration in Form No. INC – 15;
16. Optional attachments (if any);
17. Attachments – Part A

With the submission of Form **AGILE Pro** following documents to be attached

1. Proof of principal place of business of proposed company;
2. Proof of appointment of Authorised Signatory for GSTIN;
(Either of the documents– Letter of Authorisation/Copy of Resolution passed by BOD/Managing Committee and Acceptance Letter)
3. Proof of identity of Authorised Signatory for the opening of a bank account;
4. Proof of address of Authorised Signatory for the opening of a bank account;
5. Specimen Signature of Authorised Signatory for EPFO

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E. Key changes which leads to seamless incorporation of companies

1. SPICe+ is a web based form wherein one need to **first login to MCA21 Portal** to fill the details for incorporating the company;
2. It would facilitate **on-screen filing and real time data validation** for seamless incorporation of companies;
3. 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);
4. For ensuring ease while filing, SPICe+ is structured into **various section** where information once entered can be saved and modified;
5. All **check form and pre-scrutiny** validations will happen on **web-form** itself.
6. Once the SPICe+ is filled completely with all relevant details, the same would then have to be downloaded from dashboard itself which would be in pdf format, with **just a click of the mouse button**, for affixing DSCs.
7. All digitally signed applications can then be uploaded along with the linked forms as per the existing process of filing e-forms on MCA21 Portal.
8. **Changes/modifications to SPICe+** (even after generating pdf and affixing DSCs), **can also be done by editing** the same web form application which has been saved, generating, the updated pdf affixing DSCs and uploading the same.
9. **DSC validation** and other validations will **happen at Upload Level**.
10. With respect to Section 8 Company, License will be automatically generated at the time when the form SPICe+ will be approved along with Certificate of Incorporation
11. Also PAN & TAN will be issued once the form SPICe+ will be approved.
12. Opening of Bank Account facility is also one of feature which is enabled through AGILE Pro form. Where the bank will approach the Company for opening the account after the SPICe+ form is approved.

CONCLUSION :

The initiative by Government which aims towards ease of doing business over the last few years has appreciably advanced the process of incorporating the new Companies. This initiative aims to facilitate On-screen filing and real time data validation for seamless incorporation of companies. SPICe+ offers 10 services out of which three services are given by the Central Government Ministries & Departments that is (1) Ministry of Corporate Affairs (2) Ministry of Labour and (3) Department of Revenue in the Ministry of Finance and one by State Government thereby saving as many procedures, time and cost for starting a business in India. Since the SPICe+ is a web based e-form it's user friendly however the challenge is that logIn session on MCA 21 portal should not expire.

Disclaimer* *This legal update is not intended for solicitation or advertising This is of a general nature for knowledge sharing only.*

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