



COMMERCIAL/CORPORATE

Reshaping Professional Services: MCA Issues Consultation on Multi-Disciplinary Partnerships

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Introduction

The Ministry of Corporate Affairs (MCA) on 17 September 2025 launched a public consultation on the proposed establishment of Multi-Disciplinary Partnership (MDP) firms in India. An MDP is a professional services structure that allows practitioners from different disciplines, such as law, accounting, consulting, and advisory services to collaborate under a single firm while maintaining their professional independence. This initiative aims to address structural barriers that limit the growth of domestic firms and to provide a regulatory framework that enables them to compete effectively with large international networks. Stakeholders are invited to provide their comments and suggestions by 30 September 2025, either through the MCA's e-Consultation Module or via email.

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Background

Indian professional services firms, including those engaged in audit, consulting, tax, legal, and advisory services, operate under a fragmented regulatory environment. Multiple professional statutes, such as the Chartered Accountants Act, the Advocates Act, and sector-specific licensing requirements, restrict cross-disciplinary collaboration.

Global experience demonstrates that integrated service models enhance efficiency, brand value, and competitiveness. However, Indian firms face several obstacles:

- Restrictions on advertising and brand-building
- Barriers to multi-disciplinary collaborations due to overlapping statutory frameworks
- Fragmented licensing and regulatory oversight across professions
- Disadvantages in public procurement processes, where global networks often dominate

The MCA has recognized that these structural challenges impede the growth and competitiveness of Indian firms. Drawing on global best practices, the government is exploring the possibility of MDPs as a solution to these challenges.

Scope of the Consultation

Through Notification No. 01/5/2025-PI/MCA, the Ministry has sought stakeholder views on the following aspects:

1. Legal and regulatory amendments required to enable MDPs within existing frameworks such as the Companies Act, professional conduct statutes, and allied laws.
2. Safeguards and governance standards to prevent conflicts of interest, ensure professional independence, and maintain accountability.
3. Dispute resolution mechanisms for inter-disciplinary firms, including whether sector-specific regulators should coordinate or whether a central authority should oversee.
4. Adoption of global best practices, particularly from jurisdictions where multidisciplinary models are operational (e.g., UK, Singapore, Australia).
5. Measures for brand development to strengthen the domestic presence of Indian firms and improve their competitiveness internationally.

Comments may be submitted via the MCA's e-Consultation Module or by email to the Ministry.

Significance of the Proposal

- **Structural Reform:** Allowing MDPs would mark a fundamental departure from the traditional siloed structure of professional services in India. It would enable firms to provide integrated solutions spanning legal, financial, advisory, and technological services.
- **Level-Playing Field for Indian Firms:** By reducing regulatory handicaps, domestic firms would be better positioned to compete with international networks that already offer multidisciplinary services.
- **Governance and Ethical Challenges:** While integration offers efficiency, it also raises concerns about independence and conflicts of interest, especially in areas such as audit and advisory. Appropriate safeguards, firewalls, and ethical codes will be essential.
- **Regulatory Coordination:** The implementation of MDPs will require alignment across multiple regulators, including professional councils (e.g., ICAI, Bar Council of India), sectoral regulators, and the MCA.
- **Market Impact:** Reforms could significantly alter the landscape of auditing, consulting, and legal services. Public procurement, corporate advisory mandates, and cross-border engagements may see broader participation from Indian firms.

Way Forward

The MCA's invitation for comments provides stakeholders an opportunity to shape the framework for multidisciplinary firms. Suggestions on governance models, accountability mechanisms, and transitional arrangements will be critical to balance innovation with regulatory safeguards.

This consultation should be viewed not merely as a procedural exercise, but as a policy reform with the potential to transform the professional services sector in India. If implemented thoughtfully, MDPs could unlock efficiency, foster competition, and project Indian firms onto the global stage.

Conclusion

The MCA's public consultation on MDPs represents a significant regulatory development. By enabling integrated professional service models, India can strengthen its domestic firms, enhance competitiveness, and align more closely with global best practices. Stakeholders' feedback during this consultation will play a critical role in shaping a robust, transparent, and forward-looking framework for multidisciplinary firms in India.

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