SUCCESS AND FAILURE OF ONE PERSON COMPANY

Vishnu Kesharwani, LLM, Maharashtra National Law University, Aurangabad

ABSTRACT:

The Company Law is nothing new to India, it has been one of the most major aspects of Indian History. Prior the era when Britishers where ruling India, the only reason they first had to enter the country was trading and establishing the first ever company that is East India Company and it is when company law had its foundation and all of it started. After filling all the gaps of this law, we now have The Company Law of India, 2013 with different dynamins and needs according to the working of the complex society and the emerging corporate sector. The paper deals to understand the historical background of company law in India. As the law has changes its dynamics according to the trading sector of the company, the aper tends to focus the research on the failure and success of the One Person Company in India. The paper delas with all the concept and the practical approach of formalities of the one-person company. The main motive behind the research is to encourage the small enterprises to become the part of the profit empire but speaking of advantage will not fulfill the criteria as nothing is perfect in this world so failures have also become the part of the paper to explore the failures and to reach a practical solution which does not affects the profit empire. The paper in detail discusses the success and failure of the One Person Company and providing practical solution to the same.

Keywords: Company, One Person Company, advantages, practical steps.

INTRODUCTION

The idea of a "Company" or "Corporation" in commerce is not new; it was discussed as early as the fourth century BC, during the "Arthashastra" era. Its structure evolved over the years in accordance with the demands of the changing business environment.

Compared to alternative company structures like sole proprietorships, partnerships, etc., companies have several clear advantages. It has characteristics like Perpetual Succession and Limited Liability, among others.

The term "company" primarily meant a group of people who had meals together and is derived from the Latin words "Com" and "Panis," which both mean together and bread, respectively. The idea of a corporation or corporate entity initially acquired in Britain as a sizable, incorporated partnership. These endeavors, however, were not as effective due to the division of management and ownership among several trustees, as well as the lack of any regulations to regulate them, which resulted in the development of numerous fictitious corporations to steal public funds. The establishment of these firms was ultimately outlawed by the Bubbles Act of 1720, which was approved by the British parliament.

In the more relaxed past, business discussions used to take place at festive parties. Business concerns today are more complex and may not be talked at celebratory events. As a result, the corporation form of organization has grown in significance. A company is a group of the like individuals who have come together for the purpose of conducting a business or endeavor. A company is a corporate entity and a legal person with position and persona that are distinct from the individuals who make up its membership.

It is referred to as a body corporation because the individuals that make up it are united as one body by incorporation into the legal system and by giving it legal identity. The Latin word "corpus," which meaning "body," is the source of the English word "corporation." As a result, a "corporation" is a legal entity that was established through a procedure other than natural birth. Because of this, it is sometimes referred to as an artificial legal person. A corporate entity has many of the legal rights and obligations that apply to natural persons.

According to common law, a business is a "legal person" or "legal entity" that exists

independently of its members and is able to endure beyond their deaths. A firm is more of a legal tool for achieving social and economic goals. Therefore, it is an institution that combines politics, society, the economy, and the law. Consequently, there are numerous ways to define the term "business." It is a tool for organization and coordination in business operations. It is "a complex, concentrated administrative and financial system managed by qualified managers who recruit funding from the investor(s)"

A company is described as "an association of numerous persons who contribute money or money's worth to a common stock and employ it in some trade or business and who share the profit and loss ensuing therefrom"[1] by Lord Justice Lindley. The common stock that was provided represents money and serves as the share capital of the company. Members are those who formed it, contributed to it, or to whom it belongs. Each member's "part" is the amount of capital to which they are each entitled. Although the ability to transfer shares may be limited, they are always transferrable.

NATURE AND CHARACTERISTICS OF COMPANY

A corporate body, or firm, is not a human being; rather, it is an artificial juridical entity created by law, and as such, it is endowed with many privileges, commitments, responsibilities, and functions that are outlined in the law.

Following are some of a company's most notable traits.

(i) **CORPORATE PERSONALITY**

A corporation that has been registered in accordance with the Act is given a corporate status, which entitles it to use its own name, act in its name, have its own seal, and own assets that are different from those owned by its members. It is not the same "person" as the individuals who make up its members. As a result, it has the same legal rights as a person to own property, incur debts, borrow money, have a bank account, hire staff, enter into contracts, and sue or be sued. Its subscribers are its owners, but they may also be its debtors. Even though a shareholder owns nearly the whole share capital, he cannot be held responsible for the company's actions.

The shareholders rarely constrain the corporation with their actions because they are not its

[1] https://www.icsi.edu/media/webmodules/publications/FinalCLStudy.pdf

agents. They cannot be sued to enforce the company's rights or sued in relation to its obligations since the company does not retain its assets as a trustee or agent for its shareholders. As a result, the act of creating a legal corporation as a juristic person is known as "incorporation." A juristic person is treated in accordance with the law and is endowed with duties and rights. To put it another way, the entity behaves like a natural person but only when acting via a designated individual, whose deeds are subject to legal consequences [Shiromani Gurdwara Prabandhak Committee v. Shri Sam Nath Dass AIR 2000 SCW 139].

(ii) COMPANY AS A FICTITIOUS PERSON

An artificial person created by law is a company. While acting via humans, it is not a human. It is regarded as a legal person with the ability to sign contracts, hold property in its own name, file lawsuits and be sued by others, among other things. It is considered an artificial person because it is intangible, invisible, and only exists in the mind of the law. It has the capacity to exercise rights and submit to obligations.

(iii) COMPANY IS NOT A CITIZEN

Despite being a legal entity, the firm is not a citizen of India according to the Citizenship Act of 1955 or the Indian Constitution. The Supreme Court ruled in State Trading Corporation of India Ltd. v. C.T.O., A.I.R. 1963 S.C. 1811 that despite being a legal entity, the State Trading Corporation was not a citizen and could only operate via natural individuals. However, it should be highlighted that several fundamental rights recognised by the Constitution as safeguards for "persons," such as the right to equality (Article 14), etc., also apply to businesses. A firm, association, or group of people are specifically disqualified from citizenship under Section 2(f) of the Citizenship Act of 1955.

(iv) COMPANY HAS NATIONALITY AND RESIDENCE

Even though it has been determined by court rulings that a company cannot be a citizen, it yet possesses nationality, domicile, and habitation. A limited company is capable of having a domicile, and its domicile is the location of its registration. Macnaghten J. stated that domicile adheres to the firm throughout its existence in Gasque v. Inland Revenue Commissioners, (1940) 2 K.B. 88. It was stated that a body corporate had no domicile in this situation, he noted. A corporation does not have a domicile within the same way as an individual. However, a body

corporate can be assigned the characteristics of a dwelling, domicile, and nationality through analogy with a natural person.

(v) LIMITED LIABILITY

One of the main benefits of operating a business under the corporation form of organization is having restricted liability for commercial obligations. Being a distinct entity, the firm is the holder of its property and liable for them. As a shareholder, a member is responsible for contributing to the company's capital up to the notional value of the shares he holds but has not paid for. Even collectively, members are not the owners of the company's undertakings or responsible for its obligations.

(vi) PERPETUAL SUCCESSION

A corporation that has been incorporated never expires unless it is legally dissolved. As a separate legal entity, a corporation is unaffected by the demise or resignation of any member and continues to exist despite a total overhaul in the membership. Permanent succession refers to the idea that a company's membership may change periodically without impairing its continuity.

A registered company's membership may change due to a shareholder selling or transferring their shares to another, having their shares pass to their legal representatives upon death, or ceasing to be a member due to certain other clauses of the Companies Act. Perpetual succession, thus, refers to a company's capacity to continue operating notwithstanding the departure of its members and the replacement of those individuals by new ones.

(vii) SEPERATE PROPERTY

A corporation has the legal right to possess, use, and dispose of properties in its own behalf since it is a separate legal entity from its members. All of the company's property is vested in the company, who is also responsible for controlling, managing, and disposing of it. In R.F. Perumal v. H. John Deavin, A.I.R. 1960 Mad. 43, their Lordships of the Madras High Court ruled that "no member can claim himself to be the owner of the company's property during its existence or in its winding-up." A member does not even hold an insurable stake in the company's assets.

(viii) TRANSFERABILITY OF SHARES

A company's capital is split up into components known as shares. Because the shares are mobile property and, under certain circumstances, readily transferable, no shareholder is considered to be eternally or necessarily bound to a firm.

A member has the option to sell his shares on the marketplace and profit from his initial investment. As a result, a member has access to liquidity because he can freely sell his shares, and the company is kept stable. The stock exchanges offer sufficient infrastructure for the acquisition and sale of shares

(ix) CAPACITY TO SUE OR BE SUED

Being a body corporate, a firm has the right to bring and defend claims in its own name. Suing refers to starting legal action against someone or filing a lawsuit in a court of justice. The corporation must be named as the defendant in every lawsuit filed against it. In a similar vein, the business has the right to file a lawsuit in its own name. When a loss to the company, such as to its assets or brand, occurs, the company has the legal right to file a lawsuit. In light of this, the business is allowed to file a lawsuit for libel or slander damages [Floating Services Ltd. v. MV San Fransceco Dipaloa (2004) 52 SCL 762 (Guj)].

EVOLUTION OF COMPANY LAW IN INDIA

India finally achieved independence in 1947 after a protracted history of colonisation. India was under to British colonial authority for a very long time, and as a result, our nation has inherited some property under the British rule. The concrete assets that the British have left us with include a national transportation infrastructure, particularly the railways, and some construction initiatives like agricultural production and irrigation projects[2]. In India, the effects of British colonial authority are still evident. Before India gained its independence, its corporation laws were similar to those of Britain. The prevalent English Laws have served as the foundation for much of Indian Company Law

[2] Sahni, M., 2017. 5 Ways the British Empire Ruthlessly Exploited India. [online] Telesurenglish.net. Available at: <https://www.telesurenglish.net/news/5-Ways-the-British-Empire-Ruthlessly-Exploited-India-20170425-0033.html> (Dec 1, 2022, 07:24 a.m.).

Moreover, the chronology of these laws highlights how similar the corporate laws of the two nations are. Along with this, it is also possible to observe how these laws evolve as the nation's economy develops.

EARLY HISTORY

The Companies Act of 1850 marks the beginning of Indian company law. This law was evolved from English company law, which was mostly based on British corporations.

Act of 1844, sometimes referred to as the 1844 Joint Stock Companies Act, For the first time, the act allowed for the incorporation of a business by registration without the need for a royal charter or special parliamentary authorization. Between 1850 and 1882, there were numerous amendments made to the Companies Act of 1850. The Company was recognised as a distinct legal entity by the Act of 1850, which was a significant step. Although this act granted the corporation the status of a legal body, it did not grant the company limited responsibility.

This was made possible thanks to the Joint Stock Companies Act of 1957, which was passed after the 1856 English Joint Stock Companies Act has been approved. Following this, the Companies Law of 1866, which was based on the British Companies Act of 1862, marked a significant advancement in Indian company law. 1882 saw a revision to this law. The Indian Companies Act of 1913 was enacted in 1913, following the English Companies Consolidation Act of 1908.

DEVELOPMENTS OF POST-INDEPENDENCE

The Companies Act of 1956 took the place of the Indian Companies Act of 1913. In India, industrial and commercial activity advanced significantly during the Second World War and the years that followed. Business transactions and enormous gains were created by businesspeople who engage in incorporated businesses and other entrepreneurial pursuits. India began managing its own affairs after achieving independence from the British, including those related to politics, the economy, society, and the law. It was concluded that the nation's current corporate laws needed to be changed.

The Cohen Committee on Company Law Amendment was established in Britain about the same time and made significant recommendations on the English Companies Act of 1929 and the English Companies Act of 1948. The suggestions made in this committee were made after

two years of in-depth study and field work; in light of the new global order[3], these recommendations prepared the path for significant change in the prior act. The Indian government recognised these changes and selected two company lawyers, one from Gujarat and the other from Bombay, to advise them on the general areas in which the Company Act of 1913 should be reviewed in light of the postwar developments and economic improvements.

The government recognised the necessity to modernize the nation's company laws in order to make them better fit the country's current demands in light of new economic growth and an increase in trade. On October 28, 1950, under the leadership of Shri HC Bhabha, a Parsi businessman who assumed control of the Commercial department in India on August 15, 1947, the Government of India created a committee of 12 members that reflected different aspects.

This committee was given the duty of researching the need to update the Companies Act in light of recent significant changes to business and industry in India, notably during the post-war era. The Bhabha Committee was the group's well-known name, and the Bhabha Committee suggested extensive revisions to the Companies Act of 1913 when it published its report in March 1952. The Chambers of Commerce, Trade associations, notable industrialists, investors, professional organisations, representatives of Labor, and other commercial activity in the nation all participated in a thorough discussion and debate over the report of the Committee.

The Bill was presented to the Parliament in 1953, and in 1954 it was submitted to a joint committee of both chambers. In May 1955[4], this bipartisan committee turned in its report.

After the bill has undergone a few modifications. Additional changes to this measure were made. In November 1955, Parliament and was eventually passed. The updated Companies Act went into force on April 1st, 1956. The lengthy, 658-section statute rose to prominence as the most significant piece of law authorising the Central Government to control how businesses operate as a whole.

A portion of the Companies Act of 1956 was replaced by the Companies Act of 2013. The 2013 Companies Act is a statute on Indian company law passed by the Indian parliament that

---

[3] JSTOR. 1947. REPORT OF THE COHEN COMMITTEE ON COMPANY LAW AMENDMENT. [online] Available at: <https://www.jstor.org/stable/41137970> (Dec 1, 2022, 10:34 a.m.).

[4] Reports.mca.gov.in. 1952. Babha Committee Report. [online] Available at:<http://reports.mca.gov.in/Reports/22 (Dec 1, 2022, 12:34 p.m.)

regulates a company's formation, duties as a business, board members, and dissolution. This

The Companies Bill 2012, which was adopted by the Lok Sabha on December 18, 2012, and the Rajya Sabha on August 9, 2013, was scheduled to become law after becoming more extensive than its antecedent. Compared to the 1956 Act's 658 sections and 14 schedules, the 2013 version of the Indian Companies Act contains 470 sections and 7 schedules.

WHAT BROUGHT ABOUT THE DEVELOPMENT OF COMPANIES ACT, 1956?

The Indian Companies (Amendment) Act of 1936 made significant revisions to the Indian Companies Act of 1913, but soon after World War II ended, it became clear that the Act still needed more changes. Along with the knowledge acquired during the actual performance of the legislation, important variations had been made to the organization and operation of joint stock firms, the law, which raised a number of issues requiring its revision, and the fundamentals of business management in a broad sector heavily influenced by new components in commerce and industry.

In some instances, conventional firm management methods were abandoned in favour of less conventional and more daring initiatives that the current company law was unable to adequately govern.

Additionally, the Company Law Amendment Committee in the United Kingdom, better known as the Cohen Committee and led by Lord Justice Lionel Cohen, had delivered its findings after the conclusion of the war following a lengthy investigation that lasted two years. Since the Indian Companies Act has always been heavily influenced by the predominant English company law and the study suggested some significant changes to the 1929 English Companies Act, the government decided that the time was right to conduct more research on the Indian Companies Act.

CONCEPT OF ONE PERSON COMPANY

DEFINITIONS

A business with just one member is an OPC, as defined by Section 2(62) of The Companies Act. It offers a fantastic opportunity for one-person businesses to join the corporate framework. While a public corporation must have a minimum of three directors and a private firm must

have a minimum of two directors, they only need one director for a one-person business. Only one OPC can be formed by one person. A Sec. 8 corporation, or a company with charity goals, cannot be established as an OPC.

OPC may be incorporated as an unlimited liability company, a company limited by shares, or a corporation limited by guarantee. However, it is limited in what non-banking financial investment activities can be done.

SALIENT FEATURES OF ONE PERSON COMPANY

1.The founder of the One Person Company (OPC) must be a natural person who has resided in India for at least 182 days in the previous calendar year.

2.Only one shareholder may also serve as a director at any given time

3. Because shares are equivalent to those in private firms, they cannot be transferred without following the terms outlined in the Memorandum of Association (MOA). However, neither the act nor the rules that were passed contain a clear definition for how shares may be transferred.

4. Only a private limited company may be used to register the business.

5. The member of the board of directors must designate a candidate at the moment the company is registered. In the event of the member's death or in the event that the member is unable to conduct business as usual, the nominee will take over as the member of the company rather than a member's family member. The decision to accept or reject the appointment as a member thereafter rests with the nominee.

6. Paid up capital is the sum of money that a business receives from its shareholders in exchange for stock certificates. There is no set requirement of paid up shares required under the One Person Company in order to incorporate the business.

7. The Companies Act of 2013 does not specify a minimum capital requirement for forming and registering a one-person business. The major goal of the same is to support and encourage small private enterprises to conduct economic operations rather than to prevent them because of a cap on capital.

8.. The OPC shall have a single director, in accordance with Section 149(1)(a) of The Companies Act, 2013.

9. In order to conduct all the operations for which a business is established, a company must have its name registered with the Registrar of Companies (ROC).

A One Person Company (OPC) member may also belong to another OPC. The nominee may be a director of another OPC, but upon the occurrence of the aforementioned event, he must decide which OPC to serve as head of within 180 days and resign from the others. A director must express his interest in being appointed as the company's nominee to the person, who will then grant his written approval. The legally obtained written consent must be submitted on form number INC 3.

The nominee may withdraw his nomination at any time by providing written notice, in which case another nominee must be nominated within 15 days.

Within 30 days of receiving the notification of withdrawal, the alternative nominee must be appointed and notified of their appointment to the Registrar of Companies (ROC). In accordance with Rule 4 of the 2014 Companies Rules, the subscriber to the memorandum must identify the person named as the nominee on Form No. INC 2 submitted to the ROC.

DISADVANTAGES OF ONE PERSON COMPANY

Along with all their benefits and characteristics, one-person businesses also have a number of drawbacks which are as follows:

1. **Autocratic Rule of Member**: A one-person business may eventually develop an autocratic rule of member, in which the owner is neither responsible to or answerable to anyone else in the business[5]

2. **A maximum of one opc**: A person is not permitted to submit more than one OPC or serve as more than one OPC's nominee.

[5]Aashna Jain, An Expository Analysis of One Person Company Concept: Is it an Arrow Shot in the Dark or is it Serving its Purpose, 2015

3. **Non banking activities**: Any OPC is not permitted to engage in any kind of nonbanking financing activity. The same applies to investing in other corporate bodies' shares or transferring the company's shares to any other corporate entity.

4. **No rights to a minor**: No minor may own shares of any kind with a proprietary interest in an OPC. A minor cannot join or be a nominee of a one-person corporation, notwithstanding the fact that no different form of organization has a similar legal restriction[6].

5. **Mandatory conversion**: After an OPC reaches the 2 crore rupee requirement for turnover, they are required to convert into a private or public limited company within 6 months. As a result, when the OPC arrives at this point, it frequently loses its identification.

6. **Section 8 companies**: .An OPC can never be converted into a company under Section 8 of the Companies Act[7].

7. **No FDI**: If FDI from any country is permitted, an OPC will not accept it and will lose its unique identity.

INCORPORATION OF ONE PERSON COMPANY

To incorporate an OPC, the following procedures must be followed:

Step 1 is to apply for a Director Identification Number (DIN) and a Digital Signature Certificate (DSC) as the lone director.

a. In accordance with Section 153 of The Companies Act, 2013, in order to receive a DIN, a request must be submitted to the Central Government along with the required costs. And in accordance with Section 154 of The Companies Act of 2013, the DIN must be assigned within a month after the aforementioned application.

Along with DIR 3, the following documents must be attached to the application in order to

---

[6] Dewan Singh v. Minerva Films Ltd. (1959) 29 Comp Cases 263 (P&H)
[7] Dr. Tabassum Chaudhary, One Person Company Under the Companies Act, 2013-Journey from & Minimum two Person to one Person: A Critical Reappraisal, 23 ALJ (2015-16) 379

obtain a DIN:

(i) Documentation of the primary residence.

(ii) Educational background.

(iii) Identity verification.

(iv) 2 passport-sized pictures, lastly.

(v) Form No. DIR 4 Verification.

(b) A DSC is available from the certifying authority

Step 2: The company must now decide on the name of the entity under which it will conduct its operations. The registrar receives form no. INC 1 to confirm the name's availability and reserve it with the necessary fees.

Step 3: To apply to incorporate a One Person Company (OPC), Form No. INC 2 must be submitted to the Registrar of Companies with the required fees, the nominee's name included.

Step 4: The nominee's name should only be entered in form INC 2 after receiving his written consent in form INC 3 and paying the necessary payments.

Step 5: The ROC must receive the organization's memorandum of association (MOA) and articles of association (AOA). The MOA must include the nominee's name exactly as it appears on form no. INC 2.

Step 6: Submit Form No. DIR 12 to the Registrar, which includes his information, his ownership interests in other corporations and entities, and his formal authorization to serve as a director.

Step 7. As per form no. INC 11.

Step 8. The director must certify in form no. INC 21 that all of the aforementioned requirements and processes have been followed and have been confirmed by an active CA (Chartered Accountant), CS (Company Secretary), or CWA (Cost and Work Accountant).

The ninth and final step is to open an office within 15 days of incorporation and to submit Form No. INC 22 for verification 30 days following incorporation.

An OPC (One Person Company) can be registered and run in as little as 7 to 15 days, with the remaining time depending on how relevant the documents are that are presented to the Registrar of Companies (ROC).

CONCLUSION

In conclusion, we can state that one-person firms are extremely important in promoting new enterprises and assisting them in growing. Additionally, the same needs a lot fewer procedures than other types of businesses and has benefits like reduced taxation, etc. On the other hand, if the member is made the member or nominee of one OPC, they frequently have to deal with a lot of constraints, which frequently presents a significant challenge for them. Therefore, some adjustments must be done to guarantee that such businesses run more effectively and appropriately. Some of the suggestions are:

1. To assure that these companies retain their identification, the mandatory conversion of the company into a private or public corporation after a benchmark is achieved needs to be adjusted.

2. To ensure that these businesses can earn more, FDI that comes to them must be permitted.

The notion of OPCs has been incorporated in the Act without proper homework and forethought. It is true that these businesses will benefit from having a unique identity all their own, aside from the proprietor. As a result, only the corporation will be sued if the business is involved in a legal dispute rather than the owner. Limited liability is a further benefit. Because the company is separate from its owner, the shareholders' and directors' personal assets are safeguarded in the event of a credit default. A proprietorship does not provide such a benefit.

The OPC's setup and operation, however, present the most challenges because they involve a substantial amount of paper work that may be both expensive and time-consuming to do. There is also apprehension about being caught up in legal issues. It could be challenging for sole proprietors to adhere to all legal and procedural requirements.

OPC could not be a desirable choice from a tax-related perspective as well. While a single proprietor with incomes up to Rs. 10 lakhs can get away with paying tax at 10% and 20% rates only after taking use of the exemption ceiling of Rs. 2 lakhs, the OPC will unavoidably be required to pay tax at the maximal nominal rate of 30% on every rupee earned.

Therefore, although the above-mentioned benefits, it might not be a good choice for everyone. A proprietorship can be established more quickly than a corporation. Since there are only a few business-specific approvals required, the documentation involved is low.

Such businesses, in the opinion of the Dr. Irani Committee, are primarily intended for the service sector and not as all-purpose organisations for trade, commerce, business, etc. To enable these entities to focus on their areas of expertise rather than wasting time, energy, and resources on procedural details and adhering to corporate and other laws, a simpler regime with short and simple rules is to be supplied. These goals are not apparent from the way the OPCs provision has been written and the rules have been developed.

On the surface, it appears that the OPC concept has been included into the Act without a clear understanding of what must be done to make such bodies well-liked, operational, and fulfil the goal for which these have been designed. Both the concept paper and the draught Act that went along with it made no mention of these. Therefore, after the concept paper was out, there could be no debate about these. Regardless of when the Bill was brought before Parliament for consideration, it was impossible to resolve these difficulties because both Houses passed it without debate. Evidently, the government must make the decision in this regard. Even the discussion in the Irani Committee report is vague and omits mentioning the several pertinent OPC-related issues that must be addressed if such organisations are to be founded in India, play significant roles, and have their operations governed by the Companies Act.

It is important to understand that it is ineffective to just copy a committee's suggestion from the report and include it in the Act using legalese. To make the provisions practical and achieve the goals for which they are intended, more focused effort was required.

The final question is whether a company in this category is needed in the nation. It is obvious that it is intended for small businesses, industries, and other business-related entities. It goes without saying that if they are required to comply with the Companies Act's provisions, even in part, it may be too onerous for them and defeat the goal they were trying to achieve. In

addition, there are independent contractors (sole proprietors), private businesses, limited liability partnerships, and general partnerships.

In terms of finances, management, and resources, a limited liability one-man company can undoubtedly be a better option than a sole proprietorship, but these must first be introduced with greater accuracy, forethought, and simplification. The idea was developed in a hasty manner by simply mentioning these organisations in an expert report without even any supporting research to support why they were created. Making decisions based solely on what was stated in the report will lead to more issues than the desired results from these organisations. It is unlikely that many people would adopt this novel idea.