

# COMPANY FRESH START SCHEME 2020



## **COMPANY FRESH START SCHEME, 2020 (CFSS 2020)**

### **BACKGROUND:**

In the wake of COVID 19, MCA has introduced the “Companies Fresh Start Scheme, 2020” and revised the “LLP Settlement Scheme, 2020” which is already in vogue to provide a first of its kind opportunity to both companies and LLPs **to make good any filing related defaults, irrespective of duration of default, and make a fresh start as a fully compliant entity and granting of immunity from launching of prosecution or proceedings for imposing penalty on account of delay associated with certain filings.**

The scheme will come into force as on **01.04.2020 up to 30.09.2020.**

### **Applicability of Scheme:**

This scheme will be applicable for all the **defaulting Companies\*\*** who is in default in filing necessary documents with MCA including annual filing.

\*\* Defaulting Company means a company who is in default in filing of any documents, statement, and returns etc. including annual statutory documents on MCA-21 registry.

### **Non-Applicability of Scheme:**

Scheme shall not be applicable in the below cases:

- a) Where any pending proceedings lies in any court or quasi-judicial court with respect to management disputes
- b) Where any penalty which is being passed and no appeal lies against such order, as the case maybe before this scheme has come into force.
- c) Where the final notice of strike-off is pending before the designated authority
- d) An application is made by the company to strike-off the name of the company under section 248 (2) to Registrar of the Company.
- e) Company which is under the process of the amalgamation
- f) An application is made for obtaining the status of Dormant Company
- g) Vanishing Company
- h) Any increase in authorize capital is involved (e- Form SH-7) and also charge related documents (CHG-1, CHG-4, CHG-8 and CHG-9)

### **One Time Opportunity & Fees payable:**

In order to give an opportunity to the defaulting companies and to enable them to file the belated documents, the defaulting Company shall require to file their belated documents including annual filing (AOC & MGT) **by paying normal fees**. This mean companies can file all pending returns statement or documents with ROC **without any additional fees**, irrespective of the due dates.

### **Application for issue of immunity under CFSS 2020:**

The CFSS 2020 will grant immunity for any prosecution or proceeding against the company for imposing any penalty pertaining to any delay associated with the filing of belated documents. The application for seeking immunity must be electronically in the form CFSS 2020 after the closure of the scheme and after the documents are taken on file, or on record or approved by the designate authority as the case may be but not after the expiry of six months from the date of closure of the Scheme.

### **No fees is chargeable on the form CFSS 2020**

Note: However, this Scheme doesn't provide immunity on any other consequential proceedings including proceeding involving the interest of its Shareholders, directors or key managerial personnel etc.

### **Withdrawal of appeal, if any:**

The Company before filing an application under the scheme shall withdraw any application or appeal made to any competent court or authority for any violation of any statutory filing under the Companies Act 2013 or Companies Act, 1956.

Further in all cases where no appeal has been preferred by the concerned company under section 454(6) as on the date of commencement of the scheme and the due date for filing such an appeals falls between 01.03.2020 to 31.05.2020, extension of 120 days can be availed and further no prosecution for noncompliance of the order of the adjudicating authority shall be initiated against the Company.

### **Effect of immunity:**

After granting the immunity, the Designated authority shall withdraw the prosecution(s) and the proceedings of adjudication of penalties under section 454 of the [Companies Act, 2013](#) if any, in respect of defaults against which immunity has been so granted shall be deemed to have been completed without any further action.

### **Scheme for Inactive Companies:**

Any defaulting Inactive Company while filing pending forms can apply for

- i) Strike –off of the Company under section 248 of the Companies Act, 2013
- ii) Dormant status of the Company under section 455 of the Companies Act, 2013

### **LIST OF FORMS AVAILABLE FOR ADDITIONAL FEES WAIVER UNDER CFSS 2020 AND LLP SETTLEMENT SCHEME 2020**

S No.	Form No.	Description
1	23C	Appointment of Cost Auditors
2	MR-2	Form of Application to the Central Government for approval of appointment or reappointment and remuneration or increase in remuneration or waiver for excess or over payment to managing director or whole time director or manager and commission or remuneration to directors
3	ADT-2	Application for removal of auditor(s) from his/their office before expiry of term
4	NDH-2	Application for extension of time
5	DIR-3C	Intimation of Director Identification Number by the company to the registrar
6	INC-12	Application for grant of License under section 8
7	MSC-1	Application to ROC for obtaining the status of dormant company
8	DIR-12	Particulars of appointment of directors and the key managerial personnel and the changes among them
9	INC-4	Intimation for Change in Member/Nominee
10	INC-6	One Person Company – Application for Conversion
11	INC-22	Notice of Situation or Change of situation of Registered Office of the Company
12	INC-27	Conversion of public company into private company or private company into public Company
13	20B	Annual Return
14	21A	Annual Return for company having no share capital
15	23B	Notice by Auditor
16	23D	Information by cost auditor to Central Government
17	23AC	Filing balance sheet and other documents with the Registrar
18	23AC-XBRL	Form for filing XBRL document in respect of balance sheet and other documents with the Registrar.
19	Form 66	Form for submission of Compliance Certificate
20	AOC-4	Form for filing financial statement and other documents with the Registrar
21	AOC-4 CFS	Form for filing consolidated financial statements and other documents with the Registrar
22	AOC-4(XBRL)	Form for filing XBRL document in respect of financial statement and other documents with the Registrar
23	ADT-1	Information to the Registrar by company for appointment of auditor
24	ADT-3	Notice of Resignation by the Auditor

25	BEN-2	Return to the Registrar in respect of declaration under section 90
26	CRA-2	Form of Intimation of appointment of cost auditor by the company to Central Government
27	CRA-4	Form for filing Cost Audit Report with the Central Government
28	DPT-3	Return of deposits
29	DPT-4	Statement regarding deposits existing on the commencement of the Act
30	GNL-2	Form for submission of documents with the Registrar
31	INC-5	One Person Company- Intimation of exceeding threshold
32	IEPF-1	Statement of amounts credited to the Investor Education and Protection Fund
33	IEPF-2	Statement of unclaimed or unpaid amounts
34	IEPF-3	Statement of shares and unclaimed or unpaid dividend not transferred to the Investor Education and Protection Fund
35	IEPF-4	Statement of shares transferred to the Investor Education and Protection Fund
36	IEPF-6	Statement of unclaimed or unpaid amounts to be transferred to the Investor Education and Protection Fund
37	IEPF-7	Statement of amounts credited to IEPF on account of shares transferred to the fund
38	IEPF-5 e-verification on report	Application to the authority for claiming unpaid amounts and shares out of Investor Education and Protection Fund (IEPF) – E-verification report
39	I-XBRL	Form for filing XBRL document in respect of cost audit report and other documents with the Central Government
40	MGT-7	Annual Return
41	MR-1	Return of appointment of key managerial personnel
42	MSC-3	Return of dormant companies
43	NDH-1	Return of Statutory Compliances
44	NDH-3	Return of Nidhi Company for the half year ended
45	NDH-4	Application for declaration as Nidhi Company and for updation of status by Nidhis
46	PAS-3	Return of allotment
47	SH-11	Return in respect of buy-back of securities
48	A-XBRL	Form for filing XBRL document in respect of compliance report and other documents with the Central Government
49	DIR-3 KYC/Web form	Application for KYC of Directors
50	FC-1	Information to be filled by Foreign company
51	FC-2	Return of alteration in the documents filed for registration by foreign company
52	FC-3	Annual accounts along with the list of all principal places of business in India established by foreign company
53	FC-4	Annual Return of a Foreign Company
54	INC-22A	Active Company Tagging Identities and Verification (ACTIVE)

55	INC-20A	Declaration for commencement of business
56	AOC-5	Notice of address at which books of account are maintained
57	DIR-11	Notice of resignation of a director to the Registrar
58	GNL-3	Particulars of person(s) or key managerial personnel charged or specified for the purpose of sub-clause (iii) or (iv) of clause 60 of section 2
59	INC-20	Intimation to Registrar of revocation/surrender of license issued under section 8
60	INC-28	Notice of order of the Court or Tribunal or any other competent authority
61	MGT-6	Return to the Registrar in respect of declaration under section 89 received by the company
62	MGT-10	Changes in shareholding position of promoters and top ten shareholders
63	MGT-14	Filing of Resolutions and agreements to the Registrar under section 117
64	MGT-15	Form for filing Report on Annual General Meeting
65	Form 27 LLP	Form for registration of particulars by Foreign Limited Liability Partnership (FLLP)
66	FORM 3	Information with regard to limited liability partnership agreement and changes, if any, made therein
67	FORM 8	Statement of Account & Solvency
68	FORM 15	Notice for change of place of registered office
69	FORM 11	Annual Return of Limited Liability Partnership (LLP)
70	FORM 4	Notice of appointment, cessation, change in name/ address/designation of a designated partner or partner and consent to become a partner/designated partner
71	FORM 5	Notice for change of name
72	FORM 12	Form for intimating other address for service of documents
73	FORM 22	Notice of intimation of Order of Court/ Tribunal/CLB/ Central Government to the Registrar
74	FORM 31	Application for compounding of an offence under the Act
75	FORM 23	Application for direction to Limited Liability Partnership (LLP) to change its name to the Registrar
76	Form 29 LLP	Notice of (A) alteration in the certificate of incorporation or registration; (B) alteration in names and addresses of any of the persons authorised to accept service on behalf of a foreign limited liability partnership (FLLP) (C) alteration in the principal place of business in India of FLLP (D) cessation to have a place of business in India

#### **HOW WE CAN HELP**

We can help by doing complete **DUE DILIGENCE** for your organization with respect to Companies Act 2013 after which assisting in complying with any default or pending filing of the company in accordance with above mentioned scheme.