Central Government vide General Circular No. 12/2020 dated 30/03/2020 introduced a Scheme namely Companies Fresh Start Scheme, 2020 (CFSS-2020).

Benefits

- Provides an opportunity to companies to make good any filling related default by paying normal fees only, irrespective of duration of default.

- Contains provision for giving immunity from launch of prosecution and proceeding, including against imposition of penalties for late submission.

- Allowed a period of 120 additional days from such last date, for filling appeal before Concerned Regional Directors u/s 454(6) against imposition of penalties, if last date for filling appeal fall between 01/03/2020 to 31/05/2020.

- While filling due documents, defaulting inactive companies may get themselves declared as dormant company by filling e-form MSC-1, or apply for striking off the name by filling e-form STK-2.

- DIN holder whose DIN marked as "Deactivated" due to non-filling of DIR 3KYC and those companies whose compliance status has been marked as "Active Not Compliant" due to non-filling of ACTIVE form, become compliant without any filling fees of INR 5000/10,000 respectively.

Period

- From 1st April, 2020 and ending on 30th September, 2020.

Non Applicability of scheme

- Companies against which action for final notice for striking off the name has been initiated
- Where application already filled by companies for striking of the name
- Amalgamated Companies
- Where application filled by companies for obtaining dormant status
- Vanishing Companies
- Form SH-7 for increase in authorised capital
- Form CHG-1, CHG-4, CHG-8 and CHG-9 for charge related documents

Certificate of Immunity

After filling an application, within 6 month after the expiry of scheme for immunity electronically in the form CFSS-2020, Certificate of immunity will be issued by ROC.

Conclusion

ROC shall take necessary action against companies who have not availed this scheme and are in default.