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## MINISTRY OF CORPORATE AFFAIRS OPENS ONE-TIME WINDOW FOR COMPLIANCE REGULARIZATION

By **CS Kaushik M. Jhaveri**

In a significant move to strengthen the "Ease of Doing Business" initiative, the Ministry of Corporate Affairs (MCA) has introduced a landmark compliance window for Indian corporates. Launched through General Circular No. 01/2026 dated February 24, 2026, the Companies Compliance Facilitation Scheme, 2026 (CCFS-2026) aims to ease the financial burden of regularising pending statutory filings. It also provides a strategic "exit route" for companies weighed down by prolonged non-compliance and mounting penalties. The scheme offers a strictly defined three-month window for companies to clean up their regulatory records.

**Effective Date:** April 15, 2026

**Expiry Date:** July 15, 2026

### Massive Fee Reductions i.e. up to 90% of Additional fee:

The CCFS-2026 provides three distinct pathways to regularization, each with significant cost savings:

Option	Action / Forms	Lesser Fee Benefit
<b>Pending Filings</b>	Complete Annual Filings Forms (MGT-7 and MGT-7A, AOC-4, AOC-4 CFS, AOC-4 NBFC (Ind AS), AOC-4 CFS NBFC (Ind AS), and AOC-4 (XBRL) and other statutory forms (ADT-1, FC-3 and FC-4.)	<b>Pay only 10%</b> of total additional fees + normal fee.
<b>Dormancy</b>	Apply for 'Dormant Company' status via <b>e-form MSC-1</b> .	<b>Pay only 50%</b> (half) of the normal filing fee.
<b>Closure</b>	Apply for 'Striking Off' via <b>e-form STK-2</b> .	<b>Pay only 25%</b> of the applicable filing fees.

### Immunity & Legal Impact

The scheme goes beyond financial relief and offers significant legal protection to eligible companies.

**Penalty Waiver:** No penalties will be levied for defaults under Section 92 (Annual Returns) or Section 137 (Financial Statements) if filings are completed before the issuance of an adjudication notice, or within 30 days from the date of such notice.

**Prospective Immunity:** Delayed filings of other forms — such as Form ADT-1, FC-3 and FC-4 — including legacy forms under the Companies Act, 1956 (Form 20B, 21A, 23AC, 23ACA, 23AC-XBRL, 23ACA-XBRL, 66 and 23B) — will receive immunity from future penal action, provided no prosecution has already been initiated.

**The Catch:** Immunity will not be available if the 30-day period from the adjudication notice has expired, or where a penalty order has already been passed.

Excluded Companies & Post-Scheme Enforcement

The scheme is not universal and specifically excludes:

- Companies under final strike-off notice (Section 248).
- Companies that have already applied for strike-off or dormant status before the scheme's commencement.
- Companies dissolved pursuant to amalgamation.
- "Vanishing companies."

### Professional Insight: Act Now

Professionals and directors must recognise that this is a one-time opportunity. Once the window closes on July 15, 2026, Registrars of Companies (ROCs) are mandated to initiate stringent legal action against all remaining non-compliant entities.

*(The author is a practising Company Secretary)*