

kcmFlash

Company Law

February 27, 2026

Companies Compliance Facilitation Scheme

Background & Context

The Ministry of Corporate Affairs (**MCA**), has introduced the Companies Compliance Facilitation Scheme, 2026 (**CCFS 2026**) as a one-time compliance window to:

- Regularize overdue filings
- Condone filing delays
- Reduce litigation and prosecution
- Clean up the MCA registry
- Promote better corporate governance

1. Validity Period

For three months:

- Effective onwards: 15 April 2026
- Closes on: 15 July 2026

After the closure of the scheme, normal penal provisions will apply.

2. Purpose of the Scheme

The key objectives of CCFS 2026 are:

- One-time chance - File overdue annual filings with **90% reduced additional fees**
- Improve Compliance - Regularize non-compliant companies
- Fee Relief - Major reduction in additional filing charges
- Dormant or Closure Options - Enable inactive companies to obtain dormant status or apply for strike-off

3. Who Can Avail the Scheme?

Eligible Companies:

- All companies registered under the Companies Act except the following.

Not Eligible:

- Companies where final strike-off notice already issued u/s 248
- Companies that already applied for strike-off
- Companies that have already made application for obtaining Dormant status
- Companies dissolved under amalgamation
- Vanishing companies

5. Fee Structure Under CCFS 2026

- ❖ Normal Filing Fees - Payable as per applicable fees. PLUS
- ❖ Additional Fees (Major Relief) - Only 10% of the applicable additional fees.

⚠ **Important Condition** - No waiver/ immunity for penalties already imposed by the Adjudicating Officer.

4. Forms Covered

Annual Compliance and other Forms notified under the Companies Act, 2013 & 1956 and rules made thereunder:

Forms under the Companies Act, 2013

Form MGT-7/7A	Annual Return
Form AOC-4 & variants	Financial Statements
Form ADT-1	Auditor Appointment
Form FC-3 & FC-4	(Foreign Company filings)

Forms under the Companies Act, 1956

Form 20B	Financial Statements
Form 21A, 23AC, 23ACA, 23AC-XBRL	Annual Filing
Form 66	Compliance Certificate
Form 23B	Information by Auditor

6. Benefits Under the Scheme

1. Complete pending form filings at:

- Normal Fees with
- Only 10% of additional fees (90% reduction in additional fees)

2. Obtain Dormant Status (Section 455)

Inactive companies can apply for dormant status by filing Form MSC-1 at 50% of the normal filing fee.

3. Strike-Off Company

Companies that wish to close operations may file form STK-2 at 25% of filing fees

4. Immunity from Penalty & Proceedings for forms under Sections 92 & 137

Proceedings will be concluded, and no penalty levied:

- if filings are made under the Scheme before issuance of notice or within 30 days of notice by the Adjudicating Officer.
- If filings are made after 30 days of notice or after passing of the adjudication order, the penalty liability remains, except for relief available under Section 403 of the Act.

5. Immunity from other specified e-forms

Immunity from prospective penal action shall be granted where:

- E-forms are filed under the Scheme; and
- No prosecution or adjudication proceedings have commenced through a show-cause notice prior to such filing.

7. Post-Scheme Consequences

After 15 July 2026:

- ROC will initiate strict action against defaulting companies
- Higher additional fees will apply
- Possible director disqualification consequences

8. Strategic Advisory for Companies

Companies should immediately:

- Conduct compliance status review
- Identify pending form AOC-4 and MGT-7 filings
- Review auditor appointment filings (ADT-1)
- Evaluate dormancy or strike-off eligibility
- Complete the pending filings before 15 July 2026

Companies are strongly advised to regularize defaults within the scheme window.

The relevant circular can be accessed at:

<https://www.mca.gov.in/bin/dms/getdocument?mds=ZojVoJLpnPM35BP6QFpABA%253D%253D&ty pe=open>

This document is prepared exclusively for the benefit and use of member firms of **K S L** Network and their clients. This should not be used as a substitute for professional advice. Reasonable care has been taken for ensuring the accuracy and the authenticity of the contents of this alert. However, we do not take any responsibility for any error or omission contained therein on any account. It is recommended that the readers should take professional advice before acting on the same.

For further analysis and discussion, you may please reach out to us.

Ahmedabad

Arpit Jain

Level 11, Tower B,
Ratnaakar Nine Square,
Vastrapur,
Ahmedabad - 380 015

Phone: + 91 79 4910 2200
arpit.jain@kcmehta.com

Bengaluru

Dhaval Trivedi

4/1, Rudra Chambers, First
Floor, 4th Main, B/W 8th & 9th
Cross Road, Malleshwaram,
Bengaluru - 560 003

Phone: +91 80 2356 1880
dhaval.trivedi@kcmehta.com

Mumbai

Bhadresh Vyas

315, The Summit Business Park, Opp.
Max Cinema, Nr. WEH Metro Station,
Andheri East, Gundavali,
Mumbai - 400 069

Phone: +91 22 2612 5834
bhadresh.vyas@kcmehta.com

Vadodara

Milin Mehta

Meghdhanush,
Race Course,
Vadodara - 390 007

Phone: +91 265 2440 400
milin.mehta@kcmehta.com

Dubai

Suril Mehta

Dubai, United Arab Emirates

Phone: +971 55 509 2621
suril.mehta@kcmehta.com