

Ministry of Corporate Affairs announces a One-Time Relief for delayed annual returns & financial statements, and also reduced additional fees to 10%

The **Ministry of Corporate Affairs (MCA)** vide its **General Circular No. 01/2026** has notified the Companies Compliance Facilitation Scheme, 2026 (CCFS-2026), stating that the companies that have defaulted on filing annual returns and financial statements will get a limited window to regularise their records. This Scheme will be in force from April 15 to July 15, 2026.

Under existing provisions, companies are required to pay an additional fee of Rs.100 per day for delay in filing annual returns and financial statements, without any upper limit. The MCA said it had received representations from stakeholders, including MSMEs and private companies, stating that delays in completing annual compliances had resulted in additional financial burden.

Under the Scheme, companies can complete pending annual filings by paying 10% of the additional fees otherwise payable under the Companies (Registration Offices and Fees) Rules, 2014. Inactive companies may apply for dormant status by filing the prescribed form and paying one-half of the normal filing fee. Companies seeking strike-off may file the prescribed form during the Scheme period on payment of 25% of the applicable filing fee.

The circular states that the number of active companies in India has crossed the 20-lakh mark, reflecting growth in formalisation of the economy, including MSMEs, producer companies, OPCs and new-age enterprises. It states that the Scheme is aimed at improving compliance levels and ensuring that the corporate registry reflects accurate and up-to-date information.

The scheme provides that, in specified cases, no penalty shall be levied if filings are made before issuance of notice by the adjudicating officer or within 30 days of such notice. The circular states that Registrars of Companies shall take necessary action under the Act against companies that do not avail themselves of the Scheme and remain in default after its conclusion.