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LDS UPGRADE SESSION

Don't Miss the Amnesty Window.

MCA Companies Compliance Facilitation Scheme 2026

16th May 2026 · 4:00 – 5:00 PM · Free Zoom Webinar

Panelists: CA Lijil Lakshman, FCA, CAIIB · Jitto James · Neethusha S

From Our Assurance Team: Jitto James & Neethusha S · Facilitated by LDS & Co.

LDS & Co. — Who We Are

Founded 2017 · Big 4 & Banking Alumni · Cochin | Calicut | Trivandrum

2017

Founded

5 FCAs

Partner CAs

3

Offices

8+ Yrs

Experience

Big 4

Alumni

Founded in 2017 by four CAs with Big 4 (KPMG & EY) and Federal Bank experience, LDS & Co. delivers audit, tax, regulatory and business consultancy across Kerala.

Our vision: empower businesses through trust, integrity, technology and value generation.

OUR SERVICE LINES

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01 — Compliances Most Businesses Miss

Annual ROC filings that are frequently overlooked and their deadlines

| | | | |
|------------------|---|----------------|--|
| MGT-7 | Annual Return Due 60 days after AGM · Missed by thousands of small companies every year | AOC-4 | Financial Statements Due 30 days after AGM · Penalty ₹100/day with no upper cap |
| ADT-1 | Auditor Appointment Due 15 days after AGM · Overlooked but strictly enforced | INC-20A | Business Commencement Within 180 days of incorporation · Many new companies miss this entirely |
| DIR-3 KYC | Director KYC Annual · DIN gets deactivated on default | DPT-3 | Deposits Return Annual · For companies with loans from directors/members |

 For LLPs: Form 8 & Form 11 — ₹100/day per form, no upper cap. No amnesty scheme available for LLPs under CCFS-2026.

02 — Penalties & Problems of Non-Compliance

The real cost of ignoring your ROC filing obligations

₹100

per day · per form

NO UPPER CAP

Uncapped since 1 July 2018

3 years · 2 forms
= ₹2,19,000 in late fees

Director Disqualification

Section 164(2): auto-disqualified if 3 years of non-filing — affects ALL companies the director is part of.

Prosecution Risk

Officers face fines + imprisonment up to 6 months under Sections 92 & 137 of the Companies Act, 2013.

Suo-Motu Strike-Off

ROC can remove your company under Section 248. Once STK-7 is issued, revival is extremely difficult.

DIN Deactivation

Directors' DINs get deactivated — cannot sign or file any document for any company until reactivated.


Bank & Credit Impact

Struck-off companies face frozen accounts. Promoters may face personal liability for outstanding debts.

The cost of compliance is always lower than the cost of non-compliance.

03 — Why This Amnesty Matters Now

CCFS-2026 is a once-in-a-generation compliance relief window

 **DEADLINE: July 15, 2026 — Only ~60 days remaining. After this, ROCs will initiate strict enforcement action against all defaulters. No extension announced.**

01 The Penalty Trap

Years of accumulated late fees have made normal compliance financially unviable for many MSMEs. The 90% waiver is a once-in-a-generation relief — not availing it means paying 10× more after July 15.

02 Clean Slate Opportunity

CCFS-2026 is a chance to reset your entire compliance record. Clean company books attract investors, lenders and new business partners — a fresh start for your business.

03 Cheapest Exit Route

For defunct companies, this is the cheapest window to close legally — STK-2 at just 25% of normal fee. Never been offered at this rate before in India's corporate history.

MCA General Circular 01/2026 explicitly states ROCs WILL take 'necessary action' post-July 15 against all non-compliant companies.

04 — The Objectives Include

CCFS-2026 is a once-in-a-generation compliance relief window

Improving corporate compliance

Updating MCA records

Reducing litigation and penalties

Helping inactive companies become dormant or close legally

Reducing the burden of uncapped late fees

MCA General Circular 01/2026 explicitly states ROCs WILL take 'necessary action' post-July 15 against all non-compliant companies.

05 — What is the CCFS-2026 Scheme?

MCA General Circular No. 01/2026 · Operative: 15th April – 15th July 2026

Companies Compliance Facilitation Scheme 2026 (CCFS-2026) | Sections 403 & 460, Companies Act 2013

90%

Waiver / Discount

Additional Fee Waiver

Annual Returns & Financial Statements

Pay only 10% of accumulated late fees. Normal statutory filing fee still applies separately.

50%

Waiver / Discount

Dormant Status (MSC-1)

For temporarily inactive companies

Apply for dormancy at 50% of normal filing fee. Stay registered — revive later with MSC-4.

75%

Waiver / Discount

Strike-Off (STK-2)

For permanently defunct companies

Close your company at only 25% of normal filing fee — the cheapest clean exit ever offered.

06 — Forms Covered Under the Scheme

MCA General Circular No. 01/2026 · Operative: 15 April – 15 July 2026

Companies Act, 2013 Forms

- MGT-7
- MGT-7A
- AOC-4
- AOC-4 CFS
- AOC-4 XBRL
- AOC-4 NBFC (Ind AS)
- AOC-4 CFS NBFC (Ind AS)
- ADT-1
- FC-3
- FC-4

Companies Act, 1956 Forms

- Form 20B
- Form 21A
- Form 23AC
- Form 23ACA
- Form 23AC-XBRL
- Form 23ACA-XBRL
- Form 66
- Form 23B

Key Forms: MGT-7 · MGT-7A · AOC-4 · AOC-4 CFS · AOC-4 NBFC · ADT-1 · FC-3 · FC-4 · MSC-1 · STK-2

NOT covered: INC-20A · DPT-3 · Other event-based forms

07 — Who Should Choose CCFS-2026?

Negative list approach — all companies eligible EXCEPT those explicitly excluded

✓ YES — This scheme is for you if...

- Company has not filed Annual Returns (MGT-7) for 1+ years
- Financial Statements (AOC-4) pending and late fees piling up
- Company is inactive/defunct and you want a clean legal closure
- Director disqualified or at risk of disqualification (Section 164)
- Company wants to go dormant — pause without full closure
- MSME, startup or small Pvt Ltd company with cash-flow constraints
- Accumulated additional fees make normal compliance unaffordable

✗ NOT Eligible

- Final STK-7 notice already issued by ROC
- Strike-off application filed before Apr 15, 2026
- Dormancy application filed before Apr 15, 2026
- Company already dissolved or liquidated
- LLPs — not covered by CCFS-2026

LLPs — Special Note

CCFS does NOT apply to LLPs. File Form 8 & 11 under normal process, or use Form 24 for LLP strike-off. Representations for a separate LLP amnesty are pending with MCA.

Negative List: All companies are eligible EXCEPT those above.

08 — Immunity / Relief from Penalty Proceedings

For Sections 92 and 137 Defaults

- Where annual return and financial statement filings are completed under the scheme:
 - i) Pending adjudication proceedings may conclude
 - ii) No additional penalty may be levied in specified situations
- However, if adjudication orders have already been passed, existing liabilities generally continue.

For Other Covered Forms

Immunity from prosecution may be available if:

- Forms are filed during the scheme; and
- No prosecution or show cause notice had been initiated before filing

09 — Consequences After the Scheme Ends

The MCA circular states that ROC authorities may initiate action against continuing defaulters after closure of the scheme.

Possible consequences include:

- Director disqualification
- DIN deactivation
- Prosecution
- Strike-off proceedings
- Penalties under Sections 92 and 137

MCA General Circular 01/2026 explicitly states ROCs WILL take 'necessary action' post-July 15 against all non-compliant companies.

10 - How to Avail CCFS-2026 — Step by Step

Complete all filings and payment before 15 July 2026

01

Run a Compliance Audit

Log in to MCA-21. List all pending forms, identify overdue years, compute accumulated additional fees.

02

Prepare Documents

Get financials audited by a CA. Board resolutions, UDIN generated on current date, CS/CA certification where required.

03

Decide Your Path

Continue operations → file MGT-7 + AOC-4. Pause → file MSC-1 (Dormant). Shut down → file STK-2 (Strike-Off).

04

File on MCA-21 Portal

Upload all forms on MCA V3 portal. Pay: Normal statutory fee + 10% of additional fees. Keep all SRN receipts safe.

05

Immunity is Automatic

No separate immunity form needed. File before adjudication notice = FULL immunity (Sections 92 & 137). Within 30 days = partial protection.

HARD DEADLINE — July 15, 2026. All filings must be submitted & paid on MCA-21 before this date. No extensions announced.

Closing Remarks

Act Before July 15. We're Here.

LDS & Co. is assisting
businesses across Kerala
with CCFS-2026 filings.
Reach out today.

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LDS Services for CCFS-2026

Compliance Audit

Identify all pending filings and compute your exact exposure on MCA-21

End-to-End CCFS Filing

We handle MGT-7, AOC-4, ADT-1 and all required MCA forms for you

Company Closure / Dormancy

STK-2 and MSC-1 filings at concessional rates — act within this window

Ongoing Compliance Retainer

Never miss a deadline again with our monthly compliance support package

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LDS UPGRADE SESSION

Frequently Asked Questions

Complete Q&A Guide — All questions from the CCFS 2026 webinar preparation document.

Organized by category for easy reference.

Prepared for LDS Upgrade Session — CCFS 2026 Webinar | May 16, 2026

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High-Priority Questions (Part 1)

Most likely questions — Struck-off companies, non-operational companies, Section 8 NGOs

Q: We never started operations after incorporation. Are we eligible?

Yes, your company is eligible for CCFS-2026 for regularising pending Annual Returns (MGT-7) and Financial Statements (AOC-4). However, note that INC-20A (Commencement of Business Declaration) is NOT covered under CCFS.

If you never filed INC-20A within 180 days of incorporation, that default must be addressed separately under normal MCA procedures. CCFS gives you relief on annual filings but not on INC-20A — treat these as two separate tracks.

Q: Our company is under Section 8 (NGO/non-profit) — does CCFS apply?

Yes. Section 8 companies are registered under the Companies Act, 2013 and are not on the negative list. They are fully eligible for CCFS-2026.

All annual filing defaults (MGT-7, AOC-4, ADT-1) can be regularised at 10% of accumulated late fees.

High-Priority Questions (Part 2)

Most likely questions — Foreign subsidiaries and multiple companies

Q: I have multiple companies — can I avail the scheme for all of them?

Yes, absolutely. CCFS-2026 applies company-by-company. Each company's pending filings are treated independently.

You need to file separately for each company on MCA-21, pay the applicable fees for each, and maintain separate SRN receipts. There is no restriction on availing the scheme for multiple companies under the same promoter group.

Fee Calculation Doubts

Waiver applicability, statutory fees, and real number examples

Q: Will the 10% waiver apply per form or on the total accumulated amount?

It applies per form individually. Each form (MGT-7 for each year, AOC-4 for each year, ADT-1 for each year) has its own accumulated additional fee calculated separately. You pay 10% of each form's individual accumulated fee, plus the normal statutory filing fee for each form.

Q: Is the normal statutory filing fee also waived?

No. Only the additional (late) fee is waived by 90%. The base statutory filing fee (typically Rs300 to Rs600 per form depending on authorised capital) remains fully payable. The substantial saving is entirely on the accumulated late fee component.

Q: We have 6+ years of pending filings. Is there a ceiling on late fees?

There is NO upper cap on additional fees under the Companies Act since July 1, 2018. Fees accumulate at Rs100 per day per form indefinitely. This is precisely why the CCFS 90% waiver is so significant — for a company with 6 years of two annual forms pending, the accumulated late fee can easily cross Rs4-5 lakhs. Under CCFS, you pay only Rs 40,000-50,000 of that amount.



Director Disqualification Doubts

DIN deactivation, disqualification reversal, and filing options

Q: My DIN is already deactivated under Section 164(2). Can I still file?

Section 164(2) disqualification is a serious situation. The practical challenge is that a disqualified director cannot sign or certify MCA forms. However, the company may still have other non-disqualified directors who can sign.

Alternatively, your CA can guide you on appointing a new director through alternate means. Filing under CCFS can prevent further escalation but does not automatically cure the existing disqualification.

Q: If I file now under CCFS, will my director's disqualification automatically get reversed?

No — not automatically. Filing pending returns under CCFS stops the accumulation of defaults and reduces ongoing risk, but once a director is already disqualified under Section 164(2), restoration of DIN requires a writ petition before the High Court.

CCFS does not provide a mechanism to reverse an existing disqualification. However, filing is still strongly recommended as it establishes a clean compliance record and strengthens your legal position.

Q: Who files the forms if all directors are disqualified?

This is a genuinely complex situation. If all directors are disqualified, you may need to first apply to the Regional Director for condonation and appointment of an authorised representative, or pursue a court order. In practice, your CA will need to assess the specific situation.



Financial Statements Doubts (Part 1)

Books never maintained, backdated accounts with current UDIN

Q: Our books were never maintained. How do we file AOC-4?

This is common among small companies. Your accounts team will need to reconstruct accounts for each year using available bank statements, invoices, GST returns, TDS records, and other documentary evidence.

The CA will then audit and certify the reconstructed accounts, generate UDIN on the current date, and the financial statements can be filed under CCFS. It is more work but entirely doable within the scheme window if you start immediately.

Q: Can we prepare accounts for past years now with a current-date UDIN?

Yes — this is explicitly clarified in practice for CCFS purposes. Auditors can generate UDIN as of the current date for financial statements pertaining to any past financial year.

The ICAI guidance and MCA's operational practice allow this for the purpose of filing overdue statements under schemes like CCFS.



Financial Statements Doubts (Part 2)

AGM requirements and MCA scrutiny of discrepancies

Q: Do we need to hold actual AGMs for every missed year?

Technically, AGMs should be held annually. However, for the practical purpose of CCFS filings, AGMs can be held on current dates for past years' accounts.

Board Resolutions can be passed at the current date authorising filing of financial statements for past years. Your CA will draft the resolutions appropriately. The focus under CCFS is on filing the documents — not retroactive AGM compliance.



Immunity & Legal Protection

Tax consequences, prosecution, and immunity proof

Q: After filing under CCFS, can ROC still initiate prosecution?

For Section 92 and Section 137 defaults — if you file before an adjudication notice or within 30 days of one prosecution under those sections is fully protected.

However, for any other defaults (DPT-3, INC-20A, AGM violations, etc.), CCFS provides no immunity and ROC can still act. Immunity is narrow and specific do not assume CCFS is a blanket protection against all company law violations.

Q: Is there written proof or certificate of immunity we receive?

Unlike CFSS-2020 which required a separate immunity application, CCFS-2026 does not issue a separate immunity certificate the benefit is automatic upon filing. Your proof is the combination of filed forms with acknowledgement, SRN receipts, and payment challan. All together, these establish that you filed within the scheme window. Preserve all these documents permanently.



Strike-Off & Dormancy Doubts

STK-2 prerequisites, filing sequence, bank accounts and assets

Q: For STK-2 (Strike-Off), must we clear all pending filings first?

Yes — this is a mandatory prerequisite. Before filing STK-2, all pending Annual Returns and Financial Statements must be regularised.

CCFS allows you to do both in the same window: first file and regularise all annual forms under CCFS (paying 10% of late fees), then file STK-2 at 25% of normal filing fee. Plan the sequence carefully with your CA. If you want to close your company, start this week.

Q: Can we file both CCFS forms and STK-2 simultaneously?

They must be filed in sequence, not simultaneously. First regularise all annual filings (MGT-7, AOC-4, etc.) and receive acknowledgement. Then proceed with STK-2.

Both must be completed before July 15, 2026. Given the time involved in preparing backdated accounts and getting them audited, starting immediately is essential.

Q: If the company goes dormant (MSC-1), do directors still need to do DIR-3 KYC annually?

Yes. DIR-3 KYC is a director-level obligation, not a company-level one. Even if the company is dormant, each director must continue filing annual DIR-3 KYC to keep their DIN active. Failure to do so will result in DIN deactivation, creating complications even for a dormant company.

LLP-Specific Doubts

Important clarifications for Limited Liability Partnerships

 **CCFS-2026 does NOT cover LLPs.** The scheme is issued under the Companies Act, 2013. LLPs are governed by the LLP Act, 2008 — a completely separate legislation.

Q: If there's no amnesty for LLPs, is there any practical relief?

Currently, none. LLPs must file Form 8 and Form 11 at full late penalties of Rs100/day per form with no upper cap. The only route is closing down using Form 24 (LLP Strike-Off Rules, 2017) but at full normal fees. There is no concessional scheme for LLPs as of May 2026. Representations have been made to MCA but no announcement has come.

Q: When is the expected LLP amnesty announcement?

As of May 2026, no announcement has been made. There is no confirmed timeline. The best advice is to monitor MCA notifications at www.mca.gov.in and not defer LLP compliance in anticipation of an amnesty that has not been officially confirmed.

Practical & Business Concerns (Part 1)

Impact on funding rounds, bank loans, and due diligence

Q: We are in a funding round. Will backdated filings affect investor due diligence?

Paradoxically, regularising your filings under CCFS strengthens your position in due diligence, not weakens it. Investors invariably check MCA compliance status. Pending filings and accumulated late fees are red flags.

Clean, filed accounts — even if filed under an amnesty — demonstrate proactive governance. Disclose the CCFS filing to investors upfront; it is a positive sign of compliance intent.

Q: Our company has bank loans. Will regularising filings trigger banker scrutiny?

Banks receive MCA data in many cases but do not typically initiate action solely because a company regularised its filings. In fact, having clean MCA records improves your creditworthiness.

However, if the financial statements show losses, negative net worth, or covenant breaches, those figures could trigger banking covenants. Discuss with your CA and relationship banker before filing if your loan agreements have financial covenants.

Practical & Business Concerns (Part 2)

Income tax assessments and post-July 15 enforcement action

Q: Can we file under CCFS if there is an ongoing income tax assessment for those years?

Yes. CCFS filing is completely independent of Income Tax proceedings. There is no prohibition on availing CCFS while an IT assessment is ongoing. However, the financial statements filed under CCFS must be consistent with figures reported in your ITRs. If there are discrepancies between your MCA filings and income tax returns, it can create complications in both proceedings. Ensure consistency — coordinate between your CCFS CA and tax consultant.

Q: After July 15, will ROC immediately take action or is there a grace period?

The MCA General Circular No. 01/2026 explicitly states that ROCs will take 'necessary action' post-July 15 against all non-compliant companies. Based on precedent from previous schemes, enforcement typically begins within weeks — not months.

Do not rely on any informal grace period. Post-July 15, the full Rs100/day fee resumes with no cap and director disqualification under Section 164(2) becomes increasingly certain for those with 3+ years of non-filing.

Quick Reference — Key Facts at a Glance

Summary card for CCFS-2026 — Scheme highlights

| Scheme | CCFS-2026 (MCA General Circular 01/2026) |
|---------------|---|
| Window | 15 April – 15 July 2026 |
| Coverage | All companies under Companies Act, 2013 (except negative list) |
| Benefits | 90% additional fee waiver, 50% dormancy fee (MSC-1), 75% strike-off fee (STK-2) |
| Covered Forms | MGT-7, MGT-7A, AOC-4, AOC-4 CFS, AOC-4 NBFC, ADT-1, FC-3, FC-4 |
| NOT Covered | INC-20A, DPT-3, other event-based forms |
| LLPs | NOT covered by CCFS-2026 |
| Deadline | 15 July 2026 (hard deadline — no extensions announced) |

Contact LDS: support@ldsandco.in | 0484 4861616 | www.ldsandco.in

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Act Before July 15.

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Don't miss this once-in-a-generation amnesty window.

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Don't wait. The cost of waiting exceeds the cost of acting.