

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

RAJYA SABHA

**UNSTARRED QUESTION NO.2122
ANSWERED ON TUESDAY, AUGUST 8, 2023**

IMPACT OF CFSS ON REVENUE

QUESTION

2122 DR. SANTANU SEN :

Will the Minister of Corporate Affairs be pleased to state :

- (a) whether Government has any data on amount of revenue foregone by waiving off the additional fees and penalty for the defaulting companies under the Companies Fresh Start Scheme (CFSS);
- (b) if so, the details thereof;
- (c) whether Government has assessed the impact of such revenue loss on the budgetary allocation and expenditure of the Ministry;
- (d) if so, the details thereof and the measures taken by Government to mitigate such impact; and
- (e) whether Government has any plan or proposal to recover such revenue loss from other sources?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PRORAMME IMPLEMENTATION; MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING; AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS

(RAO INDERJIT SINGH)

(a) to (e) : In terms of relevant provisions of the Companies Act, 2013, additional fee is levied on the e-forms on the basis of event occurred. However, in certain e-forms under Companies Fresh Startup Scheme, 2020, number of days of delay in filing of documents got reduced while in others viz., DIR-3 KYC/WEB, the flat fee of Rs.5,000/- was waived for whose DIN status was deactivated due to non-filing of KYC. As such the waived amount could not be captured in the databank since the update was done at Code level. As a result of this Scheme, compliance rate increased and many companies have filed returns, which otherwise may not have made filings. Hence, an accurate assessment of overall revenue implications is not possible.
