# GOVERNMENT OF INDIA MINISTRY OF CORPORATE AFFAIRS

#### **LOK SABHA**

UN-STARRED QUESTION NO. 2242 ANSWERED ON Monday, August 05, 2024 14 Shravana, 1946 (Saka)

## **Companies Fresh Start Scheme**

### **QUESTION**

2242. Shri Lavu Sri Krishna Devarayalu

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) the total number of defaulting companies under the companies fresh start scheme;
- (b) the number of companies that have availed the benefit under the said scheme;
- (c) the number of companies that have applied immunity certificates under the scheme;
- (d) the number of companies that have been granted immunity certificates;
- (e) the number of prosecution case that have been withdrawn due to the granting of immunity certificate;
- (f) whether the Government aims to reintroduce the scheme; and
- (g) if so, the details thereof and if not, the reasons therefor;

## **ANSWER**

Minister of State in the Ministry of Corporate Affairs; Minister of State in the Ministry of Road Transport and Highways

(Shri Harsh Malhotra)

(a) to (g): Yes Sir. The Government in the Ministry of Corporate Affairs (MCA) through the General Circular No. 12/2020 dated 30.03.2020 launched the Companies Fresh Start Scheme, (CFSS) 2020 which inter-alia provides opportunities to Companies to make good any filing related defaults, regardless of duration of defaults, and make a fresh start as a fully compliant entity. The Scheme condoned the delay in filing the belated documents and gives immunity from prosecutions and proceedings for imposition of penalty which might arise on account of such delayed filing of documents. No additional fees was charged for late filing during a moratorium period from 1st April to 31st December, 2020 in respect of documents, returns etc. required to be filed in MCA-21 Registry. As per records, 473131 number of Indian Companies and 1065 number of Foreign Companies have been benefited by availing the CFSS, 2020 scheme for filing their pending documents. 221860 companies have applied for immunity certificates and the same have been given to them. Further, 20 prosecution cases have been withdrawn on account of immunity certificates. There is no proposal to re-introduce Company Fresh Start Scheme as there has been no demand for such scheme from any stakeholder.

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