

PRESS RELEASE

It has been observed that a large number of companies are not filing their due documents timely with the Registrar of Companies. Due to this, the records available in the electronic registry are not updated and thereby are not available to the stakeholders for inspection. Further, due to non-filing of the documents on time, companies are burdened with additional fee and facing the prosecutions also.

2. There are many companies, who have not increased their paid up capital up to the threshold limit provided in sub-section (3) and sub-section (4) of Section 3 of the Companies Act, 1956.

3. In order to give an opportunity to the defaulting companies to enable them to make their default good by filing belated documents and to become a regular compliant in future, the Ministry has introduced a Scheme namely, "Company Law Settlement Scheme, 2010," for condoning the delay in filing documents with the Registrar, granting immunity from prosecution and charging additional fee of 25 percent of actual additional fee payable for filing belated documents under the Companies Act, 1956 and the rules made there under.

4. After granting the immunity, the Registrar concerned shall withdraw the prosecution(s) pending if any before the concerned Court(s).

5. At the conclusion of the Scheme, the Registrar shall take necessary action under the Companies Act, 1956 against the companies who have not availed this Scheme and are in default in filing of documents in a timely manner.

6. The scheme will be in operation from 30th May, 2010 to 31st Aug, 2010.

7. For details refer General Circular No: 1/2010 dated 26.05.2010 available on the website of the Ministry i.e. www.mca.gov.in.

8. Availing the benefit of the Scheme will prevent companies from prosecution and other legal action.

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Ministry of Corporate Affairs

The Press Information Officer, Press Information Bureau, Ministry of Information and Broadcasting, with the request that the above mentioned Press Note may be given wide publicity.

Sd-/
(Renuka Kumar)

Joint Secretary to the Govt. of India

Tel: 23074056