

Relaxation/concession provided to Companies/LLPs during Lockdown period to combat COVID-19

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The Ministry of Corporate Affairs has taken steps to provide several incentives/ relaxation/concession during Lockdown period so as to reduce the burden of companies/LLPs during COVID-19. This was stated by Shri Anurag Singh Thakur, Union Minister of State for Finance & Corporate Affairs, in response to a written question in the Lok Sabha today.

Enumerating the steps, Shri Thakur stated the following:

- Introducing Companies Fresh Start Scheme 2020 (CFSS) vide General Circular 12/2020 dated 30.03.2020 to enable companies to file documents without additional fees, granting immunity from prosecutions proceeding, etc.
- Introducing LLP Settlement Scheme, 2020 providing similar benefits as CFSS 2020 for the benefits of LLPs.
- Introducing Special Provisions for enabling conduct of Board and General Meetings through Video conferences by Corporates vide General Circular No 14/2020.
- Introducing Special provisions for filings under section 124 &125 r/w IEPFA (Accounting, Audit, Transfer and Refund) Rules 2016.
- Introducing Special Relaxation in holding of General Meeting by Companies whose Financial Year ended on 31st December 2019 vide General Circular dated 21-04-2020 and holding it through Video conferences vide General Circular No. 20/2020 and 28/2020.
- Allowing corporates for spending CSR funds for various activities which includes Healthcare, sanitation and disaster management.
- A general extension of 3 months to hold Annual General Meeting for the financial year 2019-2020 beyond 30.09.2020 has been granted to all about 12 lakhs companies by issue of order by each ROC on 08.09.2020 without any requirement to file any application of the form and without payment of fee.