
CCFS Scheme and UDIN Challenge for Pending Financial Statements – Practical Guidance for Professionals

(09th March 2026)
Article No 1025

SHORT SUMMARY

After the introduction of the CCFS Scheme, many professionals are facing a practical issue regarding generation of UDIN for old financial statements.

Where financial statements of previous financial years were never prepared or signed, the auditor cannot generate UDIN now for past dates because UDIN can only be generated within 60 days from the date of signing of the certificate or document.

Therefore, the practical and legally sustainable solution is to prepare the financial statements now, get them signed by the auditor on the current date, generate UDIN for the current signing date, hold AGM now and file the pending AOC-4 and MGT-7/MGT-7A under the CCFS Scheme.

However, in such cases the Company will technically be in default of Section 96 (delay in AGM) and may need compounding under Section 99.

1. BACKGROUND OF THE ISSUE

With the announcement of the CCFS Scheme, many Companies that have not complied with filing requirements for several years are attempting to regularize their compliances.

A key issue has arisen regarding UDIN generation for old financial statements. Professionals are asking how UDIN can be generated when financial statements for earlier years were never signed and UDIN cannot be generated with backdated dates.

2. UNDERSTANDING UDIN REQUIREMENT

UDIN stands for Unique Document Identification Number issued by the Institute of Chartered Accountants of India (ICAI).

It is mandatory for documents certified or signed by Chartered Accountants to ensure authenticity of documents, prevention of misuse of CA signatures and verification by regulators and stakeholders.

3. ICAI GUIDELINES FOR UDIN GENERATION

As per ICAI guidelines, UDIN must be generated at the time of signing or within 60 days from the date of signing. UDIN cannot be generated beyond 60 days from the signing date and backdating is not permitted.

4. PRACTICAL PROBLEM FACED BY PROFESSIONALS

Many Companies have not prepared financial statements for several years. If the auditor signs the report with backdated date, UDIN cannot be generated. Without UDIN, filing of AOC-4 may lead to compliance issues. Therefore, backdating financial statements is not a valid option.

5. LEGALLY SUSTAINABLE SOLUTION

The Company should prepare financial statements for all pending financial years now. The financial statements will relate to the respective financial year but the date of signing will be the current date.

The statutory auditor should sign the financial statements on the present date and generate UDIN immediately or within 60 days.

6. HOLDING AGM

Once financial statements are ready, the Company should convene a board meeting, issue notice of AGM and hold AGM now. In the AGM, shareholders will adopt the financial statements for the respective financial years.

7. FILING OF FORMS

After adoption of financial statements, the Company may file Form AOC-4 for financial statements and Form MGT-7 or MGT-7A for annual return. The Company can avail the benefit of reduced additional filing fees under the CCFS Scheme.

8. LEGAL IMPLICATION – SECTION 96

Section 96 of the Companies Act, 2013 requires every company to hold AGM within six months from the end of the financial year and the gap between two AGMs should not exceed fifteen months.

Since AGM for earlier years was not held within the prescribed timeline, the company has already committed a default.

9. PENALTY – SECTION 99

In case of failure to hold AGM as required under Section 96, the company and every officer in default may be liable for penalty which may extend up to ₹1,00,000 and in case of continuing default an additional penalty of ₹5,000 per day may apply.

10. BENEFIT OF THE SCHEME

The company may still take benefit of the CCFS Scheme for filing pending forms such as AOC-4 and MGT-7/MGT-7A with substantial reduction in additional filing fees which may go up to 90%.

RECOMMENDED COMPLIANCE STRATEGY

1. Prepare pending financial statements.
2. Get audit reports signed with current date.
3. Generate UDIN immediately.
4. Hold AGM for adoption of financial statements.
5. File AOC-4 and MGT-7 under the Scheme.
6. Apply for compounding for delay in AGM under Section 96 read with Section 99.

CONCLUSION

Due to the UDIN restriction of 60 days, auditors cannot generate UDIN for backdated financial statements. Therefore, the correct compliance approach is to prepare financial statements now, sign them with the current date, generate UDIN accordingly, hold AGM now and file the pending forms under the Scheme. However, delay in holding AGM will still require compounding under the Companies Act, 2013.

Author – CS Divesh Goyal, GOYAL DIVESH & ASSOCIATES Company Secretary in Practice from Delhi and can be contacted at csdiveshgoyal@gmail.com).

Disclaimer: The entire contents of this document have been prepared based on relevant provisions and as per the information existing at the time of the preparation. Although care has been taken to ensure the accuracy, completeness, and reliability of the information provided, I assume no responsibility, therefore. Users of this information are expected to refer to the

relevant existing provisions of applicable Laws. The user of the information agrees that the information is not professional advice and is subject to change without notice. I assume no responsibility for the consequences of the use of such information.

IN NO EVENT SHALL I SHALL BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL OR INCIDENTAL DAMAGE RESULTING FROM, ARISING OUT OF OR IN CONNECTION WITH THE USE OF THE INFORMATION