

DICA Strikes Off Over 800 Myanmar Companies for Failure to File Annual Returns (11 May 2020)

On 9 May 2020, the Directorate of Investment and Company Administration (**DICA**) – in its capacity as the company registrar under the Myanmar Companies Law 2017 (**MCL**) – released Notification 41/2020 confirming the striking off and dissolution of 810 Myanmar-incorporated companies for continued failure to file Annual Returns as required under the MCL. The Notification can be found on DICA's website [here](#).

The Notification has only been released in Myanmar language. The introductory text translates as:

"Pursuant to section 430(f) of the Myanmar Companies Law 2017 ("MCL"), 810 companies that were incorporated under the MCL have been struck off from the list of registered companies effective from the date of this Notification for failing to submit an Annual Return via the Myanmar Companies Online ("MyCo") electronic registry system."

The balance of the Notification comprises a table listing all of the struck off companies.

While this may seem like a somewhat harsh and drastic action, it is actually a normal aspect of the activities of a company registrar. The release of Notification 41/2020 is in fact a positive development in Myanmar's corporate regulatory landscape, in that it confirms

that DICA is continuing to progress towards a more compliance-focused approach and to thereby maintain the 'hygiene' of the Myanmar company register.

However, Notification 41/2020 is not such good news if your company is on the list of struck off companies and you in fact wish that company to continue in existence and operation – or if you are a creditor of a company that has been struck off without satisfying its debt obligations. It is possible to have a struck-off company reinstated under the MCL. This is done by way of a member (i.e. shareholder) or a creditor of the company obtaining a court order for reinstatement under section 430(g) of the MCL. Obtaining an order requires satisfying the court that, at the time of striking off, the company was in fact still carrying on business or in operation, or that there is otherwise a just basis on which the company should be reinstated.

If you think you might want or need to have any of the companies struck off under Notification 41/2020 reinstated, please feel free to contact us to discuss your situation. We will be happy to assist with bringing a court application seeking reinstatement, working together with our affiliated Myanmar specialist litigation firm, Myo & Myo – whose litigators have previous experience with company reinstatement applications.