

In case of reply

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Republic of Ghana
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Registrar-General's Department
Ministry of Justice
P.O.Box 118
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12TH MAY, 2020

PRESS RELEASE

DELETION OF DORMANT COMPANIES AND BUSINESSES

The Registrar-General's Department (RGD) wishes to inform all Directors, Shareholders, Company Secretaries of Companies Limited by Shares or Guarantee, External Companies, Partnerships, Business Names, and Subsidiary Business Names of the Department's impending cleanup of the Register of Businesses.

The exercise which would commence at the end of July 2020, is aimed at purging the Department's electronic database of dormant Companies and Businesses in order to have an accurate, verifiable and credible Company/Business Register.

This has become necessary as a result of the Department's database being over bloated with dormant Businesses. As at December 2019, Seven Hundred and Forty Thousand, Six Hundred and Twenty-Eight (740,628) Companies/Businesses were registered in the old system between 1963 and 2011 but only Seventy Thousand Three Hundred and Forty-Six (70,346) Businesses **representing 9.5 percent** had been re-registered into the new database, leaving **670,283** Companies/Businesses representing 90.5 which have neither re-registered in the new electronic database nor filed their Annual Returns after registration with the Registrar-General.

Again under the current system (eRegistrar), there are approximately 524,006 Companies and Businesses registered as at December 2019 and out of this figure 266,795 representing 50.91% have not filed their Renewals/Returns and are therefore not in good standing.

We are by this First Notice, asking Companies/Businesses that have neither filed their **Annual Returns/Renewals or Re-registered** into the new electronic database (e-Registrar) to do so between now and **December, 2020**. Consequently, the Department intends to publish Three Notices within a Seven (7) month period by which time Companies would have had enough time to comply with the new directives. Failure to heed to the notification by the **Registrar would trigger the procedure for strike off under Section 289 of the Companies Act 992 and Section 50 of the Incorporated Private Partnerships Act, 1962 (Act 152)**.

A Company/Partnership Strike off, can also be referred to as a **Dissolution without full winding up**. It is the process by which a Limited Liability Company or a Partnership is removed from the Register by

the Registrar of Companies/Partnerships for non-filing and inactivity. The process would effectively make the Company as non-existent for all intents and purposes.

Under Act 992 and Act 152, a Company/Partnership can be struck off the Register due to the failure of the Company/Partnership to file its Annual Returns on time or due to a change in the Company/Partnership's Registered Office and Principal Place of Business without notifying the Registrar of Companies/Partnerships timeously.

The last mode of taking the Company Name off the Register of Companies is under section 289 of the Companies Act 992 and for Partnerships, under Section 50 of the Incorporated Private Partnerships Act, 1962.

The Registrar is first of all, required to put a Notice out to all Companies/Partnerships that have not filed any Annual Returns up to date to enquire whether or not they are still carrying out Business or are in operation.

After another 2 months, if there is no response as to the filing of Annual Returns and updating of records from the Company/ Partnership, then a **Second Notice** would be published in order to remind Businesses that have not heeded to the call to comply.

A third and final notice would be published, giving Companies, **Partnerships and Businesses 3 months grace period to make all the mandatory filings**. At the expiration of the 3 months from the date of that Notice, the names of the COMPANIES/PARTNERSHIPS that have still failed to comply with all the moratoriums granted **WOULD BE STRICKEN OFF THE REGISTER and the Company/ Partnership would stand DISSOLVED**.

When the name of a Company is struck off the REGISTER, at any time within **TWELVE (12) YEARS** after the Publication in the Companies Bulletin or Gazette, the Court may on application by an Officer, Member or Creditor of the Company, makes an Order on the Terms the Court considers fit to declare the dissolution void and order the name of the Company restored into the Register.

Without this Order from the Court, the Company Name would fall into the public domain after twelve years to be used by any other person if they so wished.

On the other hand, under section 5A (1) (2) of the Business Names Act, 1962 it states that once in every year, an individual or Company registered under this Act shall deliver to the Registrar for registration, a renewal notice in the prescribed form renewing the registration.

However, a registration which is not renewed in accordance with this section shall lapse and the Registrar may remove from the Register, Business Names of persons whose registration have lapsed after the expiration of the period prescribed for renewal.

In view of the above, we are asking Companies/Businesses to visit our website www.rgd.gov.gh for the full list of Companies/ Businesses not in good standing and kindly comply by filing the necessary Returns timeously to avoid being stricken off the Register.

For further clarification call 0244619545/ 0302 664691/3

SIGNED
JEMIMA M. OWARE (MRS.)
REGISTRAR-GENERAL