

A background image of a city skyline at dusk, with tall buildings and a body of water reflecting the lights. The left side of the image is overlaid with a green gradient.

Closing Down a Company Strike Off

Closing down a company does not mean that you have failed your company or business. There are many reasons for closing down a company, amongst others, strategic planning for future expansion or as a result of a restructuring exercise.

In Malaysia, there are 2 ways to close down a business voluntarily:

- Strike Off and
- Voluntary Winding-Up.

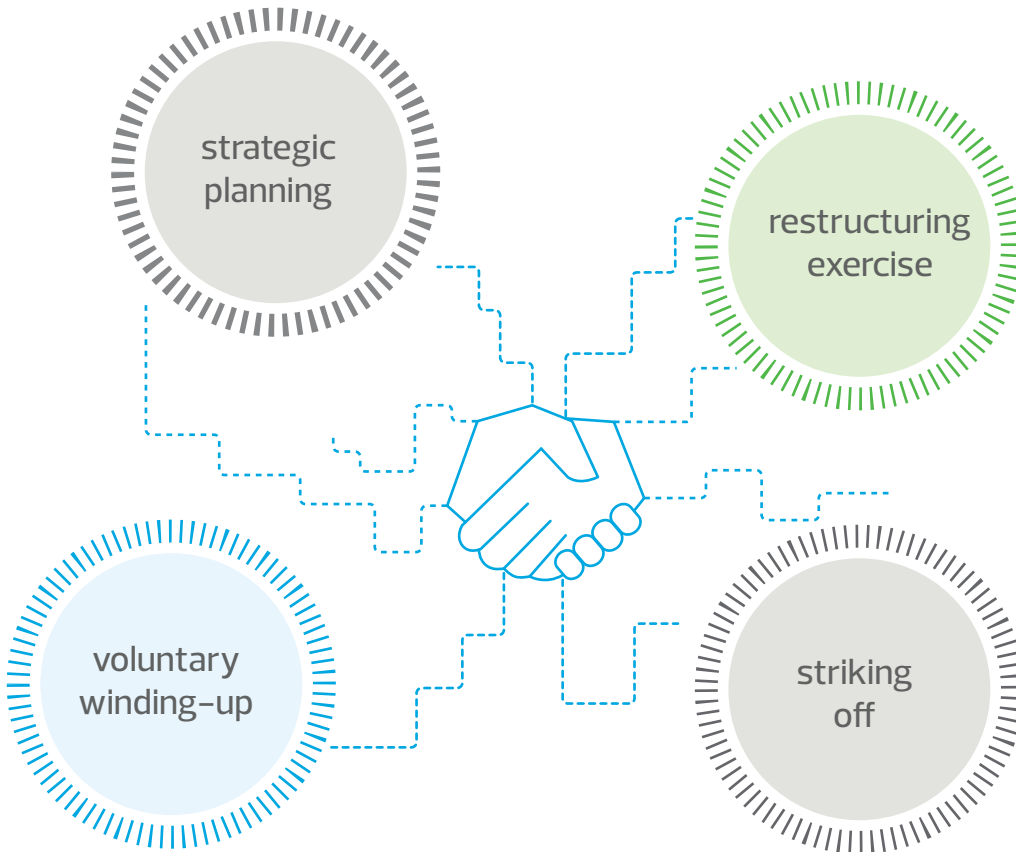
In this article, we will focus and set out the guidelines on application by directors or members on closing down a company by way of strike off.

Strike Off

Striking off a company is more cost effective as compared to voluntary winding-up. Should the directors or members decide to strike off the company under Section 550 of the Companies Act, 2016, the following requirements will have to be satisfied:

- The resolution of the shareholders has been passed for the initiation of the application to strike off the name of the company from the register on the basis that the company is not carrying on business or not in operation.
- The company has no assets and liabilities at the time when the application is made.
- The company has no outstanding charges in the Register of Charges (i.e. company must ensure that all charges are fully discharged).
- The company has no outstanding penalties or offer of compounds under the Companies Act, 2016.
- The company has no outstanding tax or other liabilities due to any Government Department or Agency (e.g.: LHDN, Customs, EPF, SOCSO, etc).
- The information of the company with the Registrar is up to date.
- The company is not involved in any legal proceedings within or outside Malaysia.
- The company has not made any return of capital to the shareholders.
- The company is not a holding company.
- The company is not a “Guarantor Corporation.”

TO FIND OUT MORE ABOUT:



COMMUNICATION

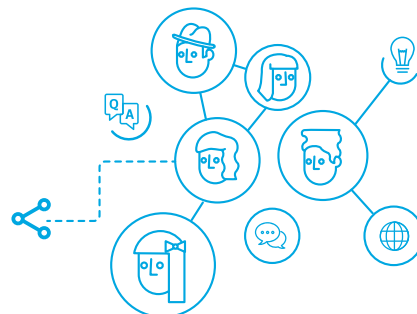
Should you have any queries or require more information, please do not hesitate to contact us.

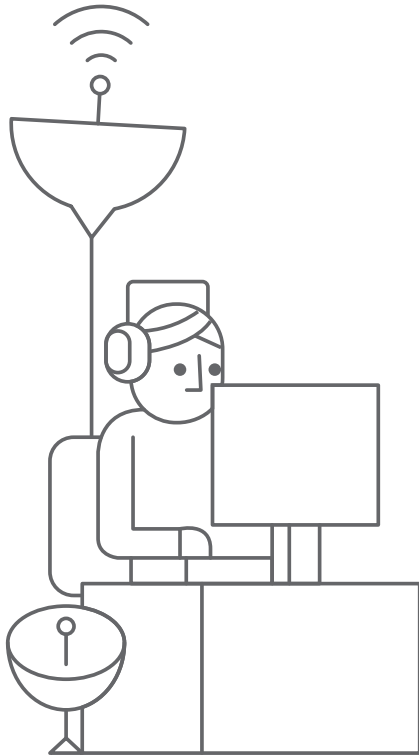


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