

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA
UN-STARRED QUESTION NO. 1790
ANSWERED ON TUESDAY, 2nd AUGUST, 2022**

**PRIVATE COMPANIES SHUT DOWN DURING THE LAST TWO YEARS
QUESTION**

1790: Shri. K.R.N. Rajeshkumar:

Will the Minister of *Corporate Affairs* be pleased to state:

- (a) whether in the name of COVID-19 more than lakhs of private companies have been shut down during the last two years;
- (b) if so, the details of closed units and new companies registered during April 2020 to June 2022, State-wise;
- (c) the details of unemployment registered and losses incurred reported thereon; and
- (d) whether Government proposes to assess the facts and reality in this regard, and if so, the details thereof along with the action taken or proposed to be taken in this regard?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION; MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING; AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS

(RAOINDERJIT SINGH)

(a) and (b): Ministry of Corporate Affairs (MCA) administers the provisions of the Companies Act, 2013 (the Act), The Limited Liability Partnership Act, 2008 and The Insolvency and Bankruptcy Code, 2016. MCA does not maintain data on event basis. However, the total number of new companies registered from 1.04.2020 to 30.6.2022 are as per Annexure A.

The term “shut down” is also not defined under the Act. However, pursuant to the provisions of section 248 of the Act where the Registrar has reasonable cause to believe that companies that are not carrying on any business or operation for a period of two immediately preceding financial years and has not made any application within such period for obtaining the status of a dormant company under section 455, shall after following the due process of law, strike off those companies from the Register of Companies (ROC). Further, Companies are also dissolved through amalgamation or otherwise with the approval of the Hon’ble courts. The details of number of such companies from 1.04.2020 to 30.6.2022 are as per Annexure B.

(c) & (d): Under the provisions of the Act, MCA is not required to maintain the data regarding unemployment. However, Ministry of Labour & Employment, Labour Bureau has informed that

Labour Bureau brings out Statistics on “**Industrial Disputes, Closures, Retrenchments and Lay-offs in India**” based on the voluntary administrative returns received every month from the Labour Departments of the States and the Regional Labour Commissioner (Central).

State/UT-wise Cases of Closure and their Workers affected in respect of Private Sector (since March, 2020) are given in the table below.

Sr.No.	State/UT	Number of Units	No. of Workers affected
1.	Bihar	1	247
2.	Goa	1	139
3.	Gujrat	1	10
4.	Himachal Pradesh	1	11
5.	Jammu and Kashmir	2	169
6.	Madhya Pradesh	2	461
7.	Telangana	4	1239
8.	Uttarakhand	2	193
Total		14	1469

Further, it is informed that the information for the remaining States/UTs may be treated as NIL/Not reported.

Annexure A

Details of new companies registered during April 2020- June 2022 State wise are as under:

<u>State</u>	<u>Number of New Companies</u>
Chandigarh	1478
Delhi	37329
Haryana	17939
Himachal Pradesh	1534
Jammu & Kashmir	2164
Ladakh	44
Punjab	5195
Rajasthan	13506
Uttar Pradesh	38080
Uttarakhand	3298
Bihar	12853
Jharkhand	4642
Arunachal Pradesh	184
Assam	3198
Manipur	534
Meghalaya	144
Mizoram	99
Nagaland	151
Sikkim	0

Tripura	338
Orissa	7210
West Bengal	17991
Chattisgarh	3261
Dadra & Nagar Haveli	108
Daman and Diu	59
Goa	1017
Gujarat	19706
Madhya Pradesh	10305
Maharashtra	67628
Andaman & Nicobar	127
Andhra Pradesh	7660
Karnataka	29290
Kerala	14476
Lakshadweep	11
Pondicherry	354
Tamil Nadu	23834
Telangana	24118
Total	369865

Annexure B

The total number of companies struck off/amalgamated/dissolved during the period from 01.04.2020 to 30.06.2022.

<u>State</u>	<u>Number of Companies Closed</u>
Chandigarh	452
Delhi	12748
Haryana	2696
Himachal Pradesh	255
Jammu & Kashmir	125
Punjab	929
Rajasthan	943
Uttar Pradesh	7495
Uttarakhand	654
Arunachal Pradesh	8
Assam	152
Bihar	634
Jharkhand	347
Manipur	5
Meghalaya	24
Mizoram	2
Nagaland	5
Sikkim	0

Orissa	299
Tripura	7
West Bengal	5599
Chattisgarh	140
Dadra & Nagar Haveli	17
Daman and Diu	9
Goa	212
Gujarat	3598
Madhya Pradesh	1716
Maharashtra	10121
Andaman & Nicobar	36
Andhra Pradesh	1274
Karnataka	3090
Kerala	1770
Lakshdweep	0
Pondicherry	55
Tamil Nadu	3986
Telangana	2770
Total	62173
