GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

RAJYA SABHA
UNSTARRED QUESTION NO. 1820
ANSWERED ON TUESDAY, 05th AUGUST, 2025

Identification of Shell Companies

1820. Dr. Sasmit Patra:

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

(a) The number of shell companies identified and struck off by MCA21 portal between Financial 2023 and Financial Year 2025;

(b) The details of the status of implementation of Corporate Social Responsibility (CSR) audits across listed companies; and

(c) Whether the Ministry has taken any action against companies found violating ESG (Environment-Social-Governance) norms?

ANSWER

THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS AND MINISTRY OF ROAD TRANSPORT AND HIGHWAYS.

(SHRI.HARSH MALHOTRA)

(a) The term 'Shell Company' is not defined in the Companies Act, 2013 (Act). However, from time to time, this Ministry carries out Strike-Off drive under section 248(1) for striking off such companies which 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 of the Act or the subscribers to the memorandum have not paid the subscription which they had undertaken to pay at the time of incorporation of a company and a declaration to this effect has not been filed within one hundred and eighty days of its incorporation under sub-section (1) of section 10A of the Act. The last strike-off drive was carried out in the year 2022-23.

Further, under section 248(2) of the Companies Act, 2013 such companies which voluntarily seek removal of their name from the Registrar of Companies after extinguishing all its liabilities are struck-off by following due process in the prescribed manner.

The number of Companies Struck-off under 248(2) of the Companies Act, 2013 during the last 2 years and the current year, state wise is at Annexure A.

(b) There is no bifurcation / criteria provided under CSR legal framework for compliance by listed and unlisted companies. Further, Rule 8 of the Companies (CSR Policy) Rules, 2014 contains provisions related to impact assessment of CSR projects that every company having average CSR obligation of Rs. 10 (ten) Crore or more in pursuance of sub-section (5) of section 135 of the Act, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of Rs. 1(one)Crore rupees or more, and which have been completed not less than one year before undertaking the impact study. The details of CSR activities, Impact Assessment etc. are required to be reported by the companies in the 'Annual Report on CSR' including an annual action plan on CSR which is part of the Company's Board Report. All data related to CSR expenditure filed by companies in MCA21 registry is available in public domain at www.csr.gov.in.

(c) The term Environmental, Social and Governance (ESG) is not covered under the Companies Act, 2013 directly. However, the essence of ESG is embedded in the Companies Act, 2013, aligning corporate conduct with sustainability and ethical standards. The key aspects of the Act that promote ESG principles can be found in relevant clauses related to Director's responsibility in their Board Report with respect to disclosures about energy conservation, appointment of women directors, disclosures on maternity benefit, duties of directors, corporate social responsibility etc. Furthermore, these disclosures are part of the financial statements, and the Board of the respective companies are responsible for compliance of applicable disclosures which are required under the Act and rules made thereunder. Whenever, any violation of the above statutory provisions of the Companies Act, 2013 is reported, appropriate action as per law is taken against such companies.

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<u>Annexure-A</u>

The number of Companies (state wise) Struck-off under Section 248(2) of the Companies Act, 2013:

States & UT	FY 2023-2024	FY 2024-2025	FY 2025-2026 [till 16th July 2025]	Grand Total
Andaman and Nicobar Islands	6	3	2	11
Andhra Pradesh	400	224	136	760
Arunachal Pradesh	4	2	2	8
Assam	90	86	34	210
Bihar	185	176	97	458
Chandigarh	51	89	44	184
Chattisgarh	67	97	57	221
Dadra and Nagar Haveli and Daman and Diu	13	7	2	22
Delhi	2,151	2,372	1,350	5,873
Goa	78	72	31	181
Gujarat	665	891	541	2,097
Haryana	585	732	360	1,677
Himachal Pradesh	27	70	29	126
Jammu & Kashmir	29	30	24	83
Jharkhand	185	92	55	332
Karnataka				

	2,317	1,615	871	4,803
Kerala	**459**	**508**	**246**	**1,213**
Ladakh	**0**	**0**	**1**	**1**
Lakshadweep	**2**	**0**	**0**	**2**
Madhya Pradesh	**446**	**358**	**219**	**1,023**
Maharashtra	**3,276**	**3,290**	**1,763**	**8,329**
Manipur	**4**	**6**	**3**	**13**
Meghalaya	**7**	**2**	**4**	**13**
Mizoram	**2**	**0**	**2**	**4**
Nagaland	**6**	**3**	**2**	**11**
Odisha	**81**	**159**	**71**	**311**
Puducherry	**18**	**22**	**12**	**52**
Punjab	**125**	**211**	**117**	**453**
Rajasthan	**426**	**572**	**293**	**1,291**
Tamil Nadu	**964**	**1,179**	**628**	**2,771**
Telangana	**1,763**	**860**	**463**	**3,086**
Tripura	**4**	**8**	**4**	**16**
Uttar Pradesh	**1,234**	**1,046**	**558**	**2,838**
Uttarakhand	**73**	**133**	**54**	**260**
West Bengal	**721**	**922**	**573**	**2,216**
Grand Total	**16,464**	**15,837**	**8,648**	**40,949**