

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS  
RAJYA SABHA  
UNSTARRED QUESTION NO. 382  
ANSWERED ON MONDAY, 03<sup>rd</sup> FEBRUARY, 2026**

**Closure of Companies**

**382. Dr. V. Sivadasan:**

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

- (a) the number of companies that were closed, struck off, liquidated or voluntarily exited from the country during the last five years, year-wise and category-wise; and
- (b) the reasons for closure, liquidation or exit of these companies, including financial distress, insolvency, regulatory non-compliance or relocation abroad?

**ANSWER**

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

**(SHRI HARSH MALHOTRA)**

(a): Ministry of Corporate Affairs (MCA) administers the provisions of Companies Act, 2013 (the Act), Limited Liability Partnership Act, 2008 and Insolvency and Bankruptcy Code, 2016. There is no definition for “Closed company” under the Act. However, Ministry takes action 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. 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 their liabilities are struck off by following due process.

Details of Struck -off companies under section 248(1) of the Companies Act in last five years on account of non-compliance of provisions of the Companies Act, 2013 are at **Annexure- A**. Details of Struck -off companies on the application of the Companies under section 248(2) of the Companies Act, 2013 in last five years on the application of the company are at **Annexure- B**. Details of closed companies (other than Strike off) through Amalgamation, Conversion & dissolution) are at **Annexure - C**.

(b): There are various reasons for closure, liquidation, exit of companies including inter alia change in economic scenario, technological innovations, business strategy, merger, demerger amalgamation, financial distress, etc. The reasons differ from company to company.

**Details of Struck -off companies under section 248(1) of the Companies Act, 2013 for PQ No 382 to be answered in Rajya Sabha on 03/02/2026- Annexure – A.**

<b>Sl. No.</b>	<b>Year</b>	<b>Action under section 248(1) of the Companies Act,2013.</b>
1	2020-2021	217
2	2021-2022	28,305
3	2022-2023	68,893
4	2023- 2024	-
5	2024-2025	-
	<b>Total</b>	97,415

**Details of Struck -off companies under section 248(2) of the Companies Act, 2013 for PQ No 382 to be answered in Rajya Sabha on 03/02/2026- Annexure- B.**

<b>Sl. No.</b>	<b>Year</b>	<b>Action under section 248(2) of the Companies Act, 2013.</b>
1	2020-2021	12,487
2	2021-2022	33,923
3	2022-2023	13,169
4	2023- 2024	16,464
5	2024-2025	15,837
	<b>Total</b>	<b>91,880</b>

**Details of closed companies (other than Strike off) through Amalgamation, Conversion& dissolution) for PQ No 382 to be answered in Rajya Sabha on 03/02/2026 – Annexure-C).**

Year	2020-2021			2021-2022			2022-2023			2023-2024			2024-2025			2025-2026 [till 30 Nov]		
Category	Amalgamated	Converted to LLP	Dissolved	Amalgamated	Converted to LLP	Dissolved												
Total number of Companies	1,691	1,409	135	1,954	1,646	241	2,192	290	246	2,930	2,200	445	2,723	2,151	591	1,282	1,012	266

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