

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 3081
ANSWERED ON FRIDAY, THE 05th JANUARY, 2018
[PAUSHA 15, 1939 (SAKA)]**

EASY EXIT FOR START-UPS

QUESTION

3081. SHRI SUNIL KUMAR MONDAL:

**Will the Minister of CORPORATE AFFAIRS
be pleased to state:**

- (a) whether there are mechanisms already in place to investigate the start-ups in view of reports of rising practice of filling annual records and tax returns essentially by the non-functional start-ups; and**
- (b) if so, the details thereof?**

ANSWER

**MINISTER OF STATE FOR LAW AND JUSTICE (SHRI P. P. CHAUDHARY)
AND CORPORATE AFFAIRS**

(a) & (b): As per provisions of the Companies Act, 2013 there is well defined mechanism to investigate a company. The company is taken up for investigation if any irregularity or fraud is reported. There is no separate mechanism for investigating start-up companies.
