

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 3186
ANSWERED ON FRIDAY, THE 05th JANUARY, 2018
[PAUSHA 15, 1939 (SAKA)]**

SHELL COMPANIES

QUESTION

3186. SHRI SUSHIL KUMAR SINGH:

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

- (a) the details of the Government's policy towards dealing with the shell companies of the country;**
- (b) the number of shell companies have been found during the last five years and the current year; and**
- (c) whether the Government has taken any steps against any of them and if so, the details thereof?**

ANSWER

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

(a) to (c): The term "Shell Company" is not defined under the Companies Act. However, Registrars of Companies (RoCs) have identified 2.97 lakh companies during 2017-18 which were not filing their Financial Statements or Annual Returns for a continuous period of two or more financial years and, prima facie, were not conducting any business or in operation. Out of such identified companies, RoCs have removed the names of 2,26,166 such companies as on 19.12.2017 from the Register of Companies after following the due process under Section 248 of the Companies Act, 2013.
