

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 53
ANSWERED ON FRIDAY, THE 15TH DECEMBER, 2017/
AGRAHAYANA 24, 1939 (SAKA)**

EASY EXIT SCHEME

QUESTION

53. SHRI GEORGE BAKER:

Will the Minister of CORPORATE AFFAIRS

कारपोरेट कार्य

मंत्री

be pleased to state:

- (a) the salient features of the Easy Exit Scheme along with its present status;**
- (b) the details of the number of companies that availed the Fast Track Exit Mode for striking their names off the register during the last three years, State/UT-wise;**
- (c) the details of the target set and achievements made under this scheme so far; and**
- (d) whether the number of defunct/inactive companies is increasing in the country, if so, the reasons therefor and the action taken/being taken by the Government in this regard?**

ANSWER

**MINISTER OF STATE FOR LAW AND JUSTICE
AND CORPORATE AFFAIRS**

(SHRI P. P. CHAUDHARY)

(श्री पी. पी. चौधरी)

विधि और न्याय एवं कारपोरेट कार्य मंत्रालय में राज्य मंत्री

(a):- The Companies (Removal of Names of Companies from the Register of Companies) Rules, 2016 prescribed under section 248 of the Companies Act, 2013 (the Act) were notified on 26.12.2016 and provide for striking off/removing the name of a company from the register of companies maintained in the online MCA21 registry. These Rules have superseded the Easy Exit Scheme/Fast Track Exit scheme. Consequently, except for those cases where applications had already been filed before commencement of the abovementioned Rules, no further application can be made under the Easy Exit Scheme/Fast Track Exit mode. Section 248 of the Act provides that the Registrar can remove the name of the company from the Register of Companies where he has reasonable cause to believe that the company has failed to commence its business within one year of its incorporation or the company is not carrying on any business or operation for two immediately preceding financial years and has also not applied for obtaining status of dormant company under Section 455 of the Act. Further, these Rules also provide for a company to apply to the Registrar after complying with the prescribed provisions/ procedures for removal of its name.

(b) to (d):- State/UT wise details of companies struck off under Fast Tract Exit mode and Companies (Removal of Names of Companies from the Register of Companies) Rules, 2016 during the last three years are attached as Annexure. No specific targets for Fast Track Exit mode /Easy Exit Scheme were prescribed. Data with regard to trend of increase/decrease in defunct/inactive companies is not available. However, the Ministry has recently removed/struck off more than 2,24,000 companies under section 248 of the Act.

ANNEXURE**ANNEXURE REFERRED TO IN REPLY TO LOK SABHA UNSTARRED QUESTION NO. 53****Details of companies Struck off under Fast Tract Exit mode and Companies (Removal of Names of Companies from the Register of Companies) Rules, 2016**

States/UTs	2014-15	2015-16	2016-17
Andaman & Nicobar Islands	0	0	1
Andhra Pradesh	345	56	2
Arunachal Pradesh-	0	1	3
Assam	25	47	37
Bihar	113	225	99
Chandigarh	347	179	123
Chhattisgarh	48	50	72
Daman and Diu	1	0	4
Delhi	2311	3154	2360
Dadar & Nagar Haveli	5	4	0
Goa	65	0	137
Gujarat	546	908	714
Himachal Pradesh	34	111	77
Haryana	222	393	278
Jharkhand	27	150	55
Jammu and Kashmir-	35	10	37
Karnataka	862	596	150
Kerala	323	445	346
Maharashtra	1664	1462	3344
Meghalaya	4	5	8
Madhya Pradesh	176	470	362
Mizoram	0	0	3
Nagaland	0	3	1
Orissa	413	56	56
Punjab	575	240	205
Pondicherry	16	17	15
Rajasthan	577	720	504
Telangana	246	6	4
Tamil Nadu	838	1202	804
Tripura	2	2	2
Uttar Pradesh	512	984	149
Uttarakhand	86	32	13
West Bengal	1107	1002	1097
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Grand Total	11525	12530	11062
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