

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UN-STARRED QUESTION NO. 1920
ANSWERED ON MONDAY, 19th DECEMBER 2022/ AGRAHAYANA 28, 1944 (SAKA)**

CLOSURE OF FOREIGN COMPANIES

1920. SHRI LAVU SRI KRISHNA DEVARAYALU:

Will the Minister of CORPORATE AFFAIRS कारपोरेट कार्य मंत्री
be pleased to state:

- (a) whether it is true that as many as 2,783 foreign companies have ceased their operations in India between 2014 and November, 2021 which includes major companies like Ford and Harley Davidson;
- (b) if so, the reasons for the same and the steps taken by the Government to incentivise important foreign companies to start their operations in India;
- (c) whether ineffective quality control which has dented perception of ease of doing quality business in India has contributed towards the reduction in foreign companies;
- (d) if so, the details thereof along with the steps taken by the Government to improve quality control and to bring it in line with international standards; and
- (e) whether only 3291 foreign companies were active out of 5068 companies registered in the country until September 2022 and if so, the details thereof and the reasons therefor?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION; MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS.

(RAO INDERJIT SINGH)

(a) Information about 'ceasing of operations' is not maintained by this Ministry. Foreign companies are required to register their 'place of business' in India as also ceasing of their 'place of business' in India with Registrar of Companies, Delhi. Accordingly, as intimated by Registrar of Companies (ROC), Delhi 877 foreign companies have ceased their 'place of business' in India between 2014 to November 2021. Ford and Harley Davidson have not closed their place of business in India.

(b) to (d) The Ministry strives to provide quality services to all corporates in the implementation of the Companies Act, 2013. A user friendly portal (MCA 21) has also been created for easy and efficient filing of return by companies and LLPs. As per the data base maintained by the Ministry the number of companies incorporated has increased from 1,22,721 in 2019-20 to 1,67,076 in 2021-22 and 1,15,229 this year till November, 2022. Overall there has been marked improvement in the indicators relating to ease of doing business.

(e) Yes, there are 3291 number of foreign companies are having active status out of 5068 foreign companies having registered their place of business in India till September 2022. The state-wise details of having place of business of foreign companies in India is enclosed as Annexure – I.

TOTAL NUMBER OF ACTIVE FOREIGN COMPANIES

State	No. of foreign Companies having place of business in India
Andhra Pradesh	47
Assam	2
Bihar	4
Chandigarh	1
Chhattisgarh	1
Delhi	1426
Goa	4
Gujrat	52
Karnataka	250
Haryana	250
Kerala	28
Madhya Pradesh	7
Maharashtra	798
Manipur	1
Odisha	9
Puducherry	1
Punjab	6
Rajasthan	15
Tamil Nadu	213
Telangana	39
Uttar Pradesh	73
Uttarakhand	4
West Bengal	60
TOTAL	3291