

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA  
UN-STARRED QUESTION NO. 4163**

**ANSWERED ON MONDAY, MARCH 27, 2023/CHAITRA 6, 1945(SAKA)**

**WINDING UP OF COMPANIES**

**QUESTION**

**4163. SHRI DR. BHARATIBEN DHIRUBHAI SHIYAL  
SHRI DR. ARVIND KUMAR SHARMA:**

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

- (a) whether the Government is considering to make closing/winding up of business especially private limited companies less cumbersome & time consuming and an economical affair;**
- (b) if so, the details thereof; and**
- (c) if not, the reasons therefor?**

**ANSWER**

**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),(b)&(c): Section 248 of the Companies Act, 2013 (The Act), inter-alia provides for removal of name of company from the Register of Companies, if it is not carrying on any business or operation for a period of two immediately preceding financial years and has not made any application within the said period for obtaining the status of a Dormant Company under Section 455 of the Act. Further, Ministry of Corporate Affairs has decided to establish a Centre for Processing Accelerated Corporate Exit (C-PACE) at Manesar, Gurgaon, Haryana to process and dispose of applications for removal of names from the Register of Companies filed by companies (including Private limited companies) under sub-section (2) of Section 248 of the Act, vide notification No. S.O. 1269(E) dated 17.03.2023. This initiative is likely to provide ease to such companies for closing their business as per provisions of chapter XVIII and getting their names removed from the Register of Companies. The afore-mentioned notification shall come into force with effect from 01.04.2023.**

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