

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
LOK SABHA
UN-STARRED QUESTION NO. 2485
ANSWERED ON MONDAY, August 1, 2022/ Sravana 10, 1944 (SAKA)
CLOSURE OF PRIVATE COMPANIES
QUESTION

2485. DR. ARVIND KUMAR SHARMA:

Will the Minister of CORPORATE AFFAIRS

be pleased to state:

- (a) whether the Government is considering to make closing of lakhs of those private limited companies which have very low business volume, less cumbersome, less time consuming and economical affair as part of ease of doing business reforms 2.0;**
- (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) to (c) No Sir. However, there are provisions for removal of name of the company under Section 248 of the Act from the Register of companies, if it is not carrying on any business or operation for a period of 2 immediately preceding financial years (non operational Companies) and has not made any application within the said period for obtaining the status of a Dormant Company under section 455 of the Act. Registrar of Companies (ROC) removes the names of such companies from the Register of Companies after following the due process of law and the removal of the names from the Register of Companies is a continuous process. Total 4,32,796 number of Companies have been struck off in Drives undertaken till 2021-22 under such provisions.
