

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA  
STARRED QUESTION NO. \*184  
ANSWERED ON MONDAY, AUGUST 5, 2024  
14 Shravana, 1946 (Saka)**

**Easy Exit of Companies**

**QUESTION**

**\*184 Smt. Kamaljeet Sehrawat:**

**Shri Balya Mama Suresh Gopinath Mhatre:**

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

- (a) whether the Government has formulated any scheme to facilitate easy exit of companies;**
- (b) if so, the salient features of the scheme along with the current status thereof; and**
- (c) the details of the achievements made so far under the said scheme?**

**ANSWER**

**Minister of Finance & Corporate Affairs**

**(Smt. Nirmala Sitharaman)**

**(a) to (c): A statement is laid on the Table of the House.**

**STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. \*184 FOR ANSWER ON 05.08.2024.**

**(a) to (c): In order to ensure an easy exit process for companies seeking voluntary exit u/s 248(2) of the Companies Act, 2013 and to improve the ease of doing business, in the Budget Announcement of 2022-23 it was envisioned that a Centre for Processing Accelerated Corporate Exit (C-PACE) with process reengineering, would be established to facilitate and speed up the voluntary corporate exit of companies from 2 years to less than 6 months. This was in line with the setting up of the Central Registration Centre (CRC) in 2016 under which incorporation of new companies and LLPs has been taken up on a pan India basis leading to an increase in incorporation from 64,395 companies and 14,682 LLPs during 2014-15 to 1,85,314 companies and 58,990 LLPs during 2023-24. Presently, the average time is being taken for incorporation of such entities, is 1-3 days.**

**Accordingly, the Ministry established C-PACE vide notification dated 17<sup>th</sup> March 2023 having pan-India jurisdiction to process applications for voluntary strike off of companies under Section 248(2) of the Companies Act, 2013 centrally so as to benefit the stakeholders by providing a hassle-free filing, timely and process-bound striking off their company's name from the Register. Before the C-PACE was operationalized on 01.05.2023, there were more than 10,000 applications for voluntary strike off of companies pending with various Registrars of Companies across the country. After its operationalization, 21372 number of companies have been struck off/dissolved during the period 01.05.2023 to 22.07.2024. Presently, only less than 2000 such applications are pending with the RoC, C-PACE at various stages of processing. The average time taken for processing of such applications has come down to below 90 days.**

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