

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 87
ANSWERED ON MONDAY, 01st December, 2025
AGRAHAYANA 10, 1947 (SAKA)**

Shell Companies

87. Shri K C Venugopal:

Will the Minister of Corporate Affairs be pleased to state:

- (a) The number of shell companies identified and struck off by the Government from official records during the last five years;**
- (b) Whether any such companies were found involved in money laundering or tax evasion, if so, the details thereof;**
- (c) The measures taken by the Government to prevent the re-emergence of such entities under new names; and**
- (d) Whether the Government proposes to strengthen inter-agency coordination with Enforcement Directorate (ED) and Income Tax Department for monitoring such activities and if so, the details thereof?**

ANSWER

**THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS AND
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS.**

(SHRI HARSH MALHOTRA)

- (a) to (c) : The term 'Shell Company' is not defined in the Companies Act, 2013 (Act). However, from time to time, this Ministry carries out Strike-Off drive under section 248(1) for striking off such companies which are not carrying on any business or operation for a period of two immediately preceding financial years and has not made any application within such period for obtaining the status of a dormant company under section 455 of the Act or the subscribers to the memorandum have not paid the subscription which they had undertaken to pay at the time of incorporation of a company and a declaration to this effect that not been filed within one hundred and eighty days of its incorporation under sub-section (1)**

of section 10A of the Act. The last strike-off drive was carried out in the year 2022-23.

Further, under section 248(2) of the Companies Act, 2013 such companies which voluntarily seek removal of their name from the Registrar of Companies after extinguishing all its liabilities are struck-off by following due process in the prescribed manner.

The Companies Act, 2013 and rules made thereunder contain adequate provisions for ensuring accountability and transparency in the management of companies. It provides for accountability for management of companies through key managerial personnel, Board of directors and shareholders. The Act & Rules require companies to maintain books of account, various returns and registers etc in the prescribed form and keep them at their registered offices.

Compliances with applicable accounting standards have also been mandated under the Act. The books of accounts are also required to be audited by independent Chartered Accountants. In addition, the Companies are required to file various documents, copies of resolutions, returns etc., with the Registrar.

The number of companies struck off under section 248 of Companies Act, 2013 during the last five years is as under :

Financial year	Total number of companies struck- off
2021-2022	62,275
2022-2023	82,125
2023-2024	16,465
2024-2025	15,837
2025-2026 (till 16th July)	8,648
Total	1,85,350

(d) Yes, whenever such instances are reported, the same are shared with other government agencies for monitoring such activities.
