

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 404
ANSWERED ON MONDAY, FEBRUARY 02, 2026
MAGHA 13, 1947 (SAKA)
SHELL COMPANIES
QUESTION**

404. Shri Neeraj Maurya:

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

- (a) whether the Government is contemplating to lay down any clear statutory definition of shell companies or accord legal status to these companies under the Companies Act, 2013;**
- (b) if so, the details thereof;**
- (c) the concrete steps taken so far by the Government to strengthen data-based monitoring mechanism and compliance to bring a check on illegal activities like money laundering and tax evasion by shell companies;**
- (d) the number of entities linked with illegal online lending apps brought under regulatory scrutiny so far and the outcome the Government is expecting from these investigations; and**
- (e) the number of dormant/shell companies identified under Section 248 of the Companies Act in the districts at Bareilly, Badaun and Shahjahanpur in Uttar Pradesh in the last five years along with the details of the actions taken against them?**

ANSWER

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

[SHRI HARSH MALHOTRA]

(a) to (b): No such proposal is under consideration.

(c): The Central Government orders Inquiries, Inspections, Investigations as per the relevant provisions of the Companies Act, 2013 based on complaints, references and information regarding

serious violations and other non-compliances. Based on findings thereof, instructions are issued for taking action, including striking off of companies under section 248 (1) of the Companies Act, 2013.

(d): Based on the findings of inquiry, inspection of books of accounts and investigation under the Companies Act, 2013, action is taken from time to time against companies, including the ones indulged in online lending activities through Loan Apps.

Ministry of Electronics and Information Technology (MeitY) is empowered to issue blocking directions to block the Information for public access under section 69A of the Information Technology Act 2000. So far, after following the due process, MeitY has blocked a total of 87 illegal loan lending applications under section 69A of the Information Technology Act 2000.

(e): ‘Dormant Company’ is referred to under Section 455 of the Companies Act, 2013 (the Act) as (i) any company formed for a future project or to hold an asset or intellectual property and has no significant accounting transaction or (ii) any inactive company which has not been carrying business or operation, or has not made significant accounting transactions during the last two financial years, or has not filed financial statements and annual returns during last two financial years.

As the term Shell Company has not been defined under the Companies Act, 2013 thus requisite information is not maintained.

The number of companies struck off u/s 248(1) of the Companies Act, 2013 for the five years in the district of Bareilly, Badaun, Shahjahanpur are as under: -

| Financial Year | Name of District | | |
|-----------------------|-------------------------|---------------|---------------------|
| | Bareilly | Badaun | Shahjahanpur |
| | 248(1) | 248(1) | 248(1) |
| 2020-21 | - | - | - |
| 2021-22 | - | - | - |
| 2022-23 | 195 | 17 | 38 |
| 2023-24 | - | - | - |
| 2024-25 | - | - | - |
| 2025-till date | - | - | - |
| Total | 195 | 17 | 38 |
