

**GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:1137
ANSWERED ON:26.11.2009
CLOSURE OF REGISTERED COMPANIES
Lal Shri Kirodi

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether several companies registered under Company Act, 1956 are lying closed;
- (b) if so, the details and the number of such companies which have not submitted their balance sheets and annual reports during the last three years;
- (c) whether any action has been taken by the Government against them; and
- (d) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CORPORATE AFFAIRS (SHRI SALMAN KHURSHID)

(a) & (b) Defunct Companies come to the notice of the authorities when they do not file Annual Returns and Balance Sheets for a considerable period. Newly incorporated Companies have 18 months time to file the Annual Returns and Balance Sheets from date of incorporation. 291509 companies have not filed their Annual Returns and Balance Sheets during the past three years ending 31.03.2008

(c) & (d) Action taken by the government against the concerned companies for non filing of Annual Returns and Balance Sheets includes filing of prosecution against the company and its directors and striking off the name of the companies as provided under section 560 of the Companies Act, 1956. As on 31.3.2008, 63917 cases were prosecuted against defaulting companies and directors and 104176 companies were struck off under section 560 of the Companies Act, 1956