

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UN-STARRED QUESTION NO. 108**

ANSWERED ON MONDAY, JULY 19, 2021/ ASHADHA 28, 1943 (SAKA)

NEW ENTERPRISES

QUESTION

†108. DR. KRISHNA PAL SINGH YADAV:

Will the Minister of CORPORATE AFFAIRS

कारपोरेट कार्य मंत्री

be pleased to state:

- (a) whether all the new enterprises get themselves registered under the Companies Act in an innovative effort but later on they become inactive or have to be closed down due to non-performance of good business;**
- (b) if so, the number of companies which became inactive till date;**
- (c) the number of companies closed during each of the last three years;**
- (d) whether want of business acumin in also a reason for their closure; and**
- (e) if so, whether the Government is taking /likely to take any step in this regard?**

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 FOR CORPORATE AFFAIRS

[RAO INDERJIT SINGH]

(a) to (c): Incorporation of new companies and closure thereof is a routine affair depending upon the objectives of incorporating the company on case to case basis. However, as per the records maintained with this Ministry, the total number of companies incorporated under the provisions of the Companies, Act 2013 as on 30.6.2021 is 21,87,026 and out of these total 13,76,366 Companies are Active Companies and remaining 8,10,660 number of companies are not active due to various reasons like, liquidated/ dissolved, struck-off after issuance of notice u/s 248 of the Act, amalgamated/ merged with other companies, converted to Limited Liability Partnership (LLP) etc. The details of companies closed during three years due to various reasons are as under:

Financial Year	Number of Companies
2018-2019	1,43,223
2019-2020	70,972
2020-2021	14,674

(d) and (e): There is no verifiable information which says that the closure of company is due to lack of business acumen.
