

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA  
UNSTARRED QUESTION NO. 4817  
ANSWERED ON FRIDAY, THE 23<sup>RD</sup> MARCH, 2018  
[CHAITRA 02, 1940 (SAKA)]**

**NON-COMPLIANCE BY CORPORATES**

**QUESTION**

**4817. SHRI K. ASHOK KUMAR:**

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

- (a) whether the Government has made it clear to the corporates that non-compliance will be very costly and strong deterrents will be there to curb the dangerous adventure of using companies for wrongful purposes and if so, the details thereof;**
- (b) whether the Government has already struck off more than 224 lakh companies that have not been doing business for long and disqualified more than three lakh directors associated with such entities and if so, the details thereof; and**
- (c) whether the things are being simplified for legitimate businesses while checks are being strengthened against illegal business activities and if so, the details thereof?**

**ANSWER**

**THE MINISTER OF STATE FOR LAW AND JUSTICE (SHRI P. P. CHAUDHARY)  
AND CORPORATE AFFAIRS**

**(a) & (b): The Government has taken serious note of those companies which are non-compliant in filing their statutory returns as per provisions of the Companies Act, 2013 (the 'Act'). Section 248(1)(c) of the Act, provides for removal of name of company from the register of companies if it is not carrying on any business or operation for a period of 2(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 Companies Act, 2013. Based on the above mentioned provision, 2.97 lakh companies were identified under this category as on 31.03.2017 and after following due process, names of 2,26,166 companies were struck off from the register of companies as of now.**

**Further, 3,09,619 directors have been identified as disqualified under section 164 (2) (a) read with section 167 of the Act. Out of the above mentioned 3,09,619 disqualified directors, 2,10,116 number of disqualified directors were the directors on the Boards of struck off companies.**

**(c): The Government has introduced a Condonation of Delay Scheme (CODS), 2018 effective from 01.01.2018 to 31.03.2018 for the non-compliant companies for regularizing their pending filing of statutory returns and become compliant.**

**\*\*\*\*\***