

Nearly 2 lakh companies found irregular in furnishing financial statements: MCA

Nearly two lakh companies registered in the country have been found to be irregular in furnishing their financial statements and other filings, according to the Ministry of Corporate Affairs (MCA).

The number of new companies getting registered in India has been rising for the past few years and official data show that there were about 9.75 lakh companies in India till September 2012.

A senior Ministry official said that nearly two lakh companies have been found to be irregular in making their required filings including financial statements.

The official said the Ministry is looking into the issue and action would be taken as required.

However, specific details could not be ascertained immediately.

In 2011-12 alone, about one lakh new companies were registered. These entities were mainly from sectors such as business services, trading, construction and real estate.

The Ministry, in August, had said that more than 1.4 lakh companies are lying dormant, with Maharashtra accounting for the largest number of such entities, followed by Delhi and Andhra Pradesh.

Maharashtra, whose capital Mumbai is known as the country's biggest financial and corporate hub, had a total of 35,664 dormant companies as on August 20, 2012, while the national capital had 28,905 such companies on this date.

Replying to a question in the Lok Sabha, Minister of State for Corporate Affairs R P N Singh had said the ministry has launched a 'fast track exit mode' for getting these defunct companies de-registered.

As per that data, Maharashtra and Delhi were followed by Andhra Pradesh (23,284), Tamil Nadu (16,373) and Gujarat (11,269) among the ones with the highest number of dormant entities.

Among others, Karnataka has 8,221 dormant companies, Uttar Pradesh (5,316), Kerala (2,422), Punjab (2,413), Haryana (2,206), Rajasthan (1,467), Madhya Pradesh (1,403), Chandigarh (1,233), Bihar (1,019) and West Bengal (967).

(Economic Times)