

**GOVERNMENT OF INDIA
COMPANY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:7268
ANSWERED ON:13.05.2005
NORMS FOR REGISTRATION OF COMPANIES
Athawale Shri Ramdas

Will the Minister of COMPANY AFFAIRS be pleased to state:

- (a) whether a large number of companies are operating in various States including Delhi particularly in Adivasi areas without getting themselves registered with the Registrar of Companies;
- (b) if so, whether it is necessary for any company to get itself registered within a stipulated period;
- (c) if so, the prescribed norms in this regard; and
- (d) the action the Government to take against these unregistered companies which are operating illegally?

Answer

MINISTER OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA)

- (a) Such information has not come to the notice of the Government.
- (b) For an entity choosing to operate as a company, registration under the Companies Act, 1956 is a mandatory legal requirement. No organisation can operate as a company without obtaining Certificate of Incorporation from Registrar of Companies.
- (c) After selecting a name and getting it approved from Registrar of Companies, the promoters/subscribers to the Memorandum and Articles of Association are required to complete necessary formalities and submit the required forms duly filled in alongwith fee thereon with the Registrar of Companies. Registrar after registering the company, issues Certificate of Incorporation.
- (d) If any instance comes to the notice that any organisation is working as company without registering itself with Registrar of Companies, necessary action is taken against that organisation under the provisions of the Companies Act, 1956.