

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 561
ANSWERED ON TUESDAY, 7TH FEBRUARY 2023**

Closure of foreign companies/subsidiaries

561# Smt. Ranjeet Ranjan:

Will the Minister of Corporate Affairs be pleased to state:

- (a) whether a total of 4560 foreign companies with registered offices or subsidiaries closed their operations in the country between 2017 and 2022;
- (b) if so, the reasons therefor;
- (c) the total number of active foreign subsidiaries operating in the country;
- (d) whether 64,000 jobs have been lost in the automobile industry since 2017 and if so, the details thereof;
- (e) whether Rs. 2,485 crores worth of investments were lost by car dealerships after 2017;
- (f) if so, the details thereof?

ANSWER

The 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 in the Ministry of Corporate Affairs.

(RAO INDERJIT SINGH)

(a) A total of 3552 foreign companies and subsidiaries of foreign companies have been closed in the country between 2017 and 2022.

(b) The closure of operations of a company is a business decision peculiar to each company which may include factors such as cessation of operation of branch office, expiration of validity of permission / licence etc. granted by the Reserve Bank of India, not starting its operation due to change of business policy of the parent company, foreign company establishing a private limited company in India, closure of Parent Company, management's decision, closure of liaison office/ branch office in India on completion of project of parent Company. The reason for closure of subsidiaries of foreign companies are also similar.

(c) There are 14137 number of active foreign subsidiaries operating in the country.

(d) to (f): Information has been called from the Ministry of Heavy Industries. However, they have informed that no such confirmed data on jobs / investments loss information is available with them.
