## GOVERNMENT OF INDIA MINISTRY OF CORPORATE AFFAIRS

## LOK SABHA UNSTARRED QUESTION NO. 958 ANSWERED ON MONDAY, 2<sup>nd</sup> DECEMBER 2024

Time Limit for Filing Representations before NCLAT

958. Shri Satpal Brahamchari: Shri Sanatan Pandey:

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

- (a) whether the Government has fixed any time limit for filing representation by the Regional Director before the National Company Law Appellate Tribunal (NCLAT) under Section 230 (for reconstruction or merger of a company) and Section 232 (status of company after merger or reconstruction) of the Companies Act, 2013;
- (b) if so, whether it is a fact that a large number of cases are pending before the National Company Law Appellate Tribunal due to non-filing of representations in time;
- (c) if so, the number of cases pending with NCLAT along with the details of the provision aimed at ensuring action against the officers responsible for non-filing of representations on time, State-wise; and
- (d) the details of action taken against the guilty officers of the Regional Director's Office during the last three years, State-wise?

## **ANSWER**

Minister of State in the Ministry of Corporate Affairs; Minister of State in the Ministry of Road Transport and Highways

(Shri Harsh Malhotra)

(a): The Regional Directors are authorised to exercise the powers of the Central Government under Section 230(5) r/w Section 232(1) of the Companies Act, 2013 (the Act) to make representation(s)before the respective benches of the National Company Law Tribunal (NCLT) in respect of statutory notices received in connection with petitions filed for any proposed Scheme of Compromise and Arrangements including those inthe nature of Merger and Amalgamation.

The provisions of Section 230(5) r/w Section 232(1) r/w Rule 8 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 fixes time limit of thirty days from the date of receipt of notice, within which representation shall be sent to the NCLT by the Regional Directors, failing which it shall be presumed that he does not have any representation to make.

(b) & (c): The National Company Law Appellate Tribunal (NCLAT) exercises appellate powers under Section 421 of the Act against all orders of passed by the NCLT and as such does not have the original powers to deal with schemes under the above referred sections. Presently, no case is pending before NCLAT where reply needs to be filed or has not been filed within the time.

Necessary directions have been issued from time to time to the field offices to adhere to the prescribed timelines in respect of all provisions of the Act necessitating filing of representation(s) before the NCLT / NCLAT under section 230 and 232.

(d): Does not arise.

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