

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 1936
ANSWERED ON FRIDAY, THE 21st DECEMBER, 2018
[AGRAHAYANA 30, 1940 (SAKA)]**

VIOLATION OF COMPANIES ACT/RULES

QUESTION

1936. SHRIMATI POONAM MAHAJAN:

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

कॉर्पोरेट कार्यमंत्री

(a) whether the Government has taken cognizance that companies violating the provisions of the Companies (Restriction on number of layers) Rules, 2017;

(b) If so, the details thereof including the number of companies that have violated the rules during each of the last three years, State/year wise;

(c) the action taken by the Government against those companies that have violated the said rules and the time-frame decided for compliance of the rules; and

(d) whether the Government ascertained the reasons for non-compliance of the rules and if so, the details thereof and the measures adopted to ensure compliance of the rules by all companies registered in India?

ANSWER

**MINISTER OF STATE FOR LAW AND
JUSTICE AND CORPORATE AFFAIRS**

(SHRI P. P. CHAUDHARY)

(श्री पी पी चौधरी)

विधि और न्याय एवं कॉर्पोरेट कार्य मंत्रालय में राज्य मंत्री

(a) to (d): As per the data-base maintained by the Ministry of Corporate Affairs, 4 Companies in Andhra Pradesh and 8 Companies in Telangana were found to be violating the Companies (Restriction on number of layers) Rules 2017, which were notified on 20th September 2017. Show Cause Notices were issued to these Companies by the concerned Registrar of Companies. Subsequently all the 12 Companies complied with the Rules.
