

IN THE NATIONAL COMPANY LAW TRIBUNAL
AMARAVATI SINGLE BENCH
(Through Hybrid Mode)

Item No.2
Rule 63 Appeal /14/2026

IN THE MATTER OF:

Lakshmmi Natta & 2 Others

... Appellant

Versus

Nalli Soumya & 6 Others

... Respondent

Rule: 63 of NCLT Rules, 2016

Order delivered on 14.07.2026

CORAM:

SHRI KISHORE VEMULAPALLI, HON'BLE MEMBER (JUDICIAL)

PRESENT:

For the Appellant : Mr. V. Venkata Rami Reddy, Adv.

ORDER

Rule 63 Appeal /14/2026:

The present Appeal has been filed under Rule 63 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016"), seeking to set aside the Registry Proceedings dated 13.03.2026 and 07.04.2026 in E-filing No.2812129/00170/2026 dated 04.03.2026, and consequently direct the Registry to number and process the Interlocutory Application filed vide the said e-filing.

2) During the course of today's hearing, the Counsel for the Appellant submitted that, prior to filing the present Interlocutory Application, the Appellants had earlier filed an application seeking leave of this Tribunal to cross-examine Respondent No.1/Petitioner No.1, Respondent No.2/Petitioner No.2 and their respective parents. However, the said application was returned by the Registry with the following objection is that *"IA is filed to cross examine the proposed parties who are neither*

parties at present nor filed any evidence by way of an affidavit in the form of NCLT-7. No conflict of facts stated to seek cross examine the proposed parties. Rule 39 of NCLT is not applicable to cross examine to obtain the new information.”

3) Aggrieved thereby, the Appellants preferred Rule 63 Appeal No.7/2025. The said Appeal came to be dismissed by this Adjudicating Authority with the observation that, since the application seeking impleadment of the proposed respondents was still pending, the prayer seeking their cross-examination was premature and could not be entertained at that stage.

4) It is further submitted that, in view of the observations made in the aforesaid Rule 63 Appeal, the Appellants filed a fresh Interlocutory Application vide E-filing No.2812129/00170/2026 dated 04.03.2026 under Rules 39 and 11 of the NCLT Rules, 2016, seeking the following prayers:

- a) Direct the Respondent No.1/ Petitioner No.1 in CP No.06/241/AMR/2024 to attend the cross examination with specific reference to her knowledge on the pleadings, submissions, documents, e-mails, correspondence and bank accounts, related to the affairs of the Respondent No.1 Company but not limited to secretarial, accounts and financial etc., in the interest of justice.
- b) Direct the Respondent No.2/ Petitioner No.2 in CP No.06/241/AMR/2024 to attend the cross examination with specific reference to her knowledge on the pleadings, submissions, documents, e-mails, correspondence and bank accounts, related to the affairs of the Respondent No.1 Company but not limited to secretarial, accounts and financial etc., in the interest of justice.

5) The Registry, however, returned the said application vide proceedings dated 13.03.2026, with following objections:

“NCLT is the Quasi Judicial Authority and prayer for cross examine the Respondent is not maintainable. Further, there is no specific point of conflict claimed in Application. Application is filed to cross examine issues in all pleadings, submissions, documents, email, correspondence and bank accounts related to the affairs of the Respondent Company, but not limited to secretarial, accounts and financial etc., in roving nature is not maintainable.”

6) In response to the said objections, the Appellants filed a Compliance Memo dated 18.03.2026, contending that this Adjudicating Authority possesses the jurisdiction under Rule 39(2) of the NCLT Rules, 2016 to permit cross-examination wherever it is necessary in the interest of natural justice and requested the Registry to register the application. However, upon consideration of the Compliance Memo, the Registry, vide proceedings dated 07.04.2026 passed under Rule 28(4) of the NCLT Rules, 2016, reiterated its earlier objections and declined to number the application, with the following remarks:

“NCLT is the Quasi-Judicial Authority and prayer for cross examine the Respondent is not maintainable. Further, there is no specific point of conflict claimed in Application. Application is filed to cross examine issues in all pleadings, submissions, documents, e-mail, correspondence and bank accounts related to the affairs of the Respondent Company, but not limited to secretarial, accounts and financial etc., in roving nature is not maintainable.”

Aggrieved by the said objections, the Appellant has preferred the present Appeal under Rule 63 of the NCLT Rules, 2016.

7) During the course of arguments, the Counsel for the Appellant relied upon Rule 39(2) of the NCLT Rules, 2016. The relevant provision is extracted below:

(2) Notwithstanding anything contained in sub-rule (1), where the Tribunal considers it necessary in the interest of natural justice, it may order cross-examination of any deponent on the points of conflict either through information and communication technology facilities such as video conferencing or otherwise as may be decided by the Tribunal, on an application moved by any party.

8) This Bench is of the considered view that, under Rule 39(2) of the NCLT Rules, 2016, an application seeking cross-examination can be entertained only when the Tribunal, upon considering the stage of the proceedings and the issues involved, forms an opinion that such cross-examination is necessary in the interest of natural justice. In the present case, the proceedings have not yet reached the stage of arguments in the main CP No.06/241/AMR/2024. Since the arguments have not yet commenced, it is premature for this Tribunal to arrive at any conclusion regarding the necessity of cross-examination. Accordingly, the present IA seeking cross-examination is premature and cannot be entertained at this stage.

9) The Counsel for the Appellant further relied upon the order passed by the Coordinate Bench of the NCLT, Hyderabad, in IA (CA) No. 141/2022 in CP No. 763/59/HDB/2019 dated 02.09.2022. The relevant portion of the said order reads as follows:

IA No. 104/2021: -

We are satisfied that interest of justice require that Mr. Mohammed Iftekarduddin be allowed to be cross examined by the Applicants. Hence, we allow the Application. The Applicants shall confine the cross

examination only in respect of the purported transfer of the shares and payment of consideration. Further taking into consideration the fact that the proceedings in the CP have come to a fag end and that any further delay in completion of the proceedings should be avoided, we hereby direct the 1st Respondent / Mr. Mohammed Iftekarduddin to be present before this Tribunal on 15.09.2022 for cross examination by the Counsel for the Applicants. Accordingly, IA No. 104/2021 is disposed of.

10) In the aforesaid matter, the Company Petition had reached the fag end. It was only after considering the stage of the proceedings the Coordinate Bench being satisfied that cross-examination was necessary in the interest of justice and permitted for the same. However, in the present case, no such stage has been reached. The proceedings in the main CP are yet to advance to the stage of final arguments. Therefore, this Tribunal is not in a position to form the satisfaction contemplated under Rule 39(2) of the NCLT Rules, 2016. Consequently, directing the Registry to number the present IA at this stage would result in entertaining a premature application, it seems pressurizing the Respondent and thereby unnecessarily burdening the proceedings. Accordingly, this Bench is of the considered view that this is not a stage where Rule 39(2) of the NCLT Rules, 2016 is consider for relief sought in I.A at this stage.

11) This Tribunal is, therefore, of the considered view that the Registry has rightly declined to number the application, as the requirements contemplated under Rule 39(2) of the NCLT Rules, 2016 are not presently satisfied. However, on request of the Counsel for the Appellant and in the interest of justice, liberty is reserved to the Appellant to file an

appropriate application under Rule 39(2) of the NCLT Rules, 2016 at the appropriate stage of the proceedings, if the Tribunal finds that any specific point of conflict requires cross-examination for protecting the interest of natural justice and for proper adjudication of the Company Petition.

12) With above observations, Rule 63 Appeal /14/2026 is dismissed and disposed of.

**Sd/-
(KISHORE VEMULAPALLI)
MEMBER (JUDICIAL)**