

**IN THE NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH**

C.P. No. 405/BB/2018

U/s 252 of the Companies Act, 2013
R/w Rule 87A of NCLT Rules, 2016

In the matter of

M/s Sweet Neem Publications Private Limited

Represented by its Promoter

Mr. Ravindra Mallikarjunappa Madhudi

S-9, 2nd Floor, "White House",
St.Marks Road, Bangalore-560001
Karnataka, India

.... Petitioner

vs

The Registrar of Companies,
Karnataka
2nd Floor, E-Wing, Kendriya Sadan,
Koramangla,
Bengaluru-560 034

...Respondent

Order Delivered on: 31st August 2018

Coram: 1. Hon'ble Shri Rajeswara Rao Vittanala, Member (Judicial)
2. Hon'ble Shri Ashok Kumar Mishra, Member (Technical)

Parties / Counsels Present:

For the Petitioner:

Shri. Chetan Kumar A.
Practising Company Secretary


Per: Hon'ble Shri Ashok Kumar Mishra, Member (Technical)

ORDER

1. The Present Company Petition bearing C.P. No. 405/BB/2018 is filed by Mr. Ravindra Mallikarjunappa Madhudi, Promoter of M/s Sweet Neem Publications Private Limited ("**Petitioner**" herein), U/s 252(3) of the Companies Act, 2013, read with Rule 87A of NCLT Rules, 2016, by inter-alia seeking for directing the

Respondent to restore the name of Company in the Register of Companies maintained by the Registrar of Companies, Karnataka as if its name had not been struck off from the rolls of the Register.

2. The averments made in the petition, counter and affidavits inter alia are as follows:
 - A. M/s. Sweet Neem Publications Private Limited (hereinafter referred to as the “**Company**”) was incorporated on 22nd March, 2011 bearing CIN **U22211KA2011PTC057769** having its registered office, at S-9, “White House”, St. Marks Road, Bangalore- 560001, within the jurisdiction of this Tribunal.
 - B. The Petitioner has submitted that the aforesaid lapse was without any mala fide motive and that the company had engaged the services of practising professional to perform the task of filing returns with the office of the Registrar of Companies and the said person has not filed the necessary returns by oversight. An affidavit stating that the Company is a going concern has also been filed at Annexure No. 9.
 - C. It is also submitted by the Petitioner that the Company has been active since incorporation and that it has prepared accounts on going concern basis and has been maintaining all the requisite documentation, as per the provisions of the Companies Act, 2013. It is also submitted that the Company is in operation and the impugned action, if not set aside, shall cause irreparable loss and injury to the Petitioner and shareholders.
 - D. It is submitted that the Petitioner did not receive any show cause notice, nor was it afforded an opportunity of being heard before the Respondent proceeded to issue notice under section 248(5) of the Companies Act, 2013. It is also averred that the Petitioner had very minimal time to show cause to the notice, nor was it afforded any opportunity of being heard. It is also submitted that the Petitioner has approached a few private equity investor and expects investment. It is further averred that the Petitioner was a Director in a listed company but has resigned due to disqualification.
 - E. The Company had filed the Affidavit dated 11.06.2018 of the Directors of the Company stating that no abnormal amounts has been deposited in the Company’s Bank Accounts during Demonetization period and further states



2

that the Company has not received any notice from any Income Tax Authorities.

- F. The Company vide the same Affidavit dated 11.06.2018 of the Directors of the Company stating that the Company undertakes to file the overdue returns such as Balance Sheets, Annual Returns and such other documents that are necessary, within 30 days from the date of restoration of name of the Company by the Registrar of Companies.
- G. The Registrar of Companies has filed a counter dated 11.07.2018 by inter alia, contending as follows:
- i. On verification of the MCA 21 portal in the month of March 2017 when action under Section 248(1) of the Companies Act, 2013 was initiated against the eligible companies, it was noticed that the Company has not filed either the Balance sheet or the Annual Returns from the year 2013-14 onwards. Therefore, the respondent issued notice in Form STK-1 dated 17.03.2017 to the company by inter-alia, stating that it had not been carrying on any business or operation for a period of two immediately preceding financial years and has not made any application within such period for obtaining the status of a dormant company under Section 455 of the Companies Act, 2013. Though the company was given 30 days' time, they did not submit any response to the impugned notice. Therefore, a consolidated notice in STK-7 in English and Hindi was released as per Rule 7 of the Companies (Removal of name of companies from the Register of Companies) Rules, 2016, in the official website of the Ministry of Corporate Affairs on 17.07.2017 and in the official Gazette on 29.07.2017.
 - ii. It is stated that appropriate notice was given to the company regarding the impugned notice, viz., STK-1, STK-5 and STK-5A. However, the company has failed to avail the opportunity given to the company. Therefore, the impugned action was taken in accordance with law.
 - iii. However, the Registrar of Companies submit that there is no enquiry, investigation and complaints against the company and the application may be considered subject to undertaking given by the company to file all pending returns within 30 days in the MCA 21 Portal from the date

of receipt of the order of the Tribunal and subject to the payment of costs.

3. Heard, Chetan Kumar A., learned Practising Company Secretary appearing for the petitioner and also perused all the materials placed on record. Based on the submissions made in the petition and the Affidavit, the learned Practising Company Secretary appearing for the petitioner urged the Tribunal to allow the petition in the interest of justice and equity.
4. The Petitioner further states that the Company has annexed to the Petition, financial statements and annual returns of the Petitioner from 31.03.2014 to 31.3.2017. The Company is carrying current assets.
5. We have considered the pleadings of the parties along with the materials available on record. As stated supra, the company is carrying current assets and Short Term Borrowings. But, it could not comply with the Statutory Filings of the company as the company had engaged the services of practising professional to perform the task of filing returns with the office of the Registrar of Companies and the said person has not filed the necessary returns by oversight. Therefore, this Tribunal has to take a lenient view to permit the company to carry on the business subject to filing of annual returns and payment of costs in order to allow the company to function.
6. By exercising the powers conferred on this Tribunal under Section 252 of the Companies Act, 2013 read with Rule 87A of NCLT Rules, 2016, and following the ratio laid down by this Tribunal in C.P. No. 209/BB/2018 dated 18th April, 2018, the Company Petition bearing C.P. No. 405/BB/2018 is disposed of with the following directions:
 - a. The Registrar of Companies, the respondent herein, is ordered to restore the name of Company in the Register of Companies maintained by the Registrar of Companies, Karnataka as if its name had not been struck off from the rolls of the Register;
 - b. The Company is directed to file all the statutory document(s) along with prescribed fees/ additional fee/fine as decided by Registrar of Companies within 30 days from the date on which its name is restored on the Register of companies by the Registrar of Companies;

- c. The Company's representative, who has filed the Company Petition is directed to personally ensure compliance of this order;
- d. The restoration of the Company's name is also subject to the payment of cost of **Rs.30,000/-** (Rupees Thirty Thousand only) to the account of Central Government in favour of the Pay & Accounts Officer, Ministry of Corporate Affairs, Southern Region, Chennai;
- e. The Petitioner is permitted to deliver a certified copy of this order with Registrar of Companies within thirty days of the receipt of this order;
- f. On such delivery and after duly complying with above directions, the Registrar of Companies, Bengaluru is directed to, on his office name and seal, publish the order in the official Gazette;
- g. This order is confined to the violations, which ultimately led to the impugned action of striking of the Company, and it will not come in the way of Registrar of Companies to take appropriate action(s) in accordance with law, for any other violations /offences, if any, committed by the Company prior or during the striking off of the Company.



ASHOK KUMAR MISHRA
MEMBER (TECHNICAL)



RAJESWARA RAO VITTANALA
MEMBER (JUDICIAL)

Sirisha