

IN THE NATIONAL COMPANY LAW TRIBUNAL

NEW DELHI BENCH

Appeal No.331/252/ND/2018

IN THE MATTER OF:

ARSHVANT HOLDINGS PRIVATE LIMITED

.....Petitioner

VERSUS

THE REGISTRAR OF COMPANIES

...Respondent

Order Delivered on: 4.9.2018

CORAM:

MS. INA MALHOTRA, MEMBER (JUDICIAL)

MS. DEEPA KRISHNA, MEMBER (TECHNICAL)

Present: Mr. Arun Saxena, Ms. Jayshree Dugar and Mr. Shivam Mishra.

ORDER

Per: DEEPA KRISHAN, MEMBER (T)

1. The erstwhile Shareholder of the Company (Mr. Raesh Shrivastava) of Arshvant Holdings Private Limited bearing CIN No.: U51909DL2010PTC202296 has filed the present appeal, invoking the provision of section 252 of the Companies Act, 2013 for restoration of the name of the petitioner company in the register maintained by the Registrar of Companies, NCT of Delhi and Haryana.

2. As per the averments, by Arshvant Holdings Private Limited, it was incorporated on 05.05.2007 having its registered office at 307, CA Chamber 18/12, WEA Karol Bagh, New Delhi 110005, within the jurisdiction of this Tribunal. The main object of Company is "To acquire and hold, buy or sell or otherwise dispose of or deal in securities of any kind, shares debentures, Debenture Stocks, Securities, Properties, Bonds, Units, Obligations and Securities issued or guaranteed by any Government, State, Union Territory, Municipal or Civic Body, Financial Institutions, Commercial Papers Negotiable Instruments and Paper Instruments of all types and Kinds."

3. It is submitted by the appellant that a sweeping action was initiated by the RoC at the instance of MCA in striking of the names of several Companies who had failed to file their Statutory Returns. The appellant has failed to file its Annual Returns and Financial Statement after the financial year ending 31.03.2012 thereby giving rise to the surmise that the business of the company was not in operation. Consequently its name was struck off by the Respondent from the Register of Companies under Section 248 of the Companies Act, 2013, upon taking steps in accordance with law and issuing a notification in the Official Gazette. The name of the effected companies was posted on its website.

4. The appellant company admits its default in carrying out the statutory compliances, but submits that the same was on account of lack of knowledge and negligence. The copies of the audited Balance Sheets for the previous



financial years have been placed on record to show that the business of the company was in operation.

5. In order to sustain the said plea, the petitioner has placed before us the following evidence:

- i. Copy of Acknowledgement of Income Tax Returns for the Financial Years 2010-11,2011-12,2012-13,2013-14,2015-16 and 2016-17.
- ii. Copy of Annual Return and Financial Statement for the Financial Year 2010-11.
- iii. Copy of Bank account statement of the company for the period of 2010-11 and 2011-12.
- iv. Copy of Audited Financial statement and the Annual Returns of the Company for the Financial years 2011-12, 2012-13, 2013-14, 2014-15, 2015-16 and 2016-17.
- v. Annual Accounts for the Financial Year 2013, 2014, 2015, 2016 & 2017 were duly laid and adopted in the respective Annual General Meeting of the petitioner company under the relevant provisions of the Companies Act, 2013.
- vi. Copy of Share Certificate in support of the Investment made by the Petitioner Company.

6. The provisions pertaining to restoration of the name of the company has been provided in Section 252 of the Companies Act, 2013 and the



same envisages that if the Tribunal is of the opinion that the removal of the name of the company from the register of the companies is not justified in view of the absence of any of the grounds on which the order was passed by the Registrar, it may order restoration of the name of the company in the register of companies. Further, restoration may also be directed by the Tribunal if it is just and equitable to restore the name of the company in the Register of Companies.

7. On perusal of the documents referred to in paragraph 5 above, a reasonable presumption can be inferred that the company was active before being struck off from the register. The assumption of RoC that the company was not in operation was founded merely on grounds of non-filing of the Statutory Returns. The Act itself provides for redressal of these defaults. Merely to disallow restoration on grounds of its failure to file annual returns would neither be just nor equitable. As per several decisions of various Courts it should only be in exceptional circumstances that Court should refuse restoration where the company has been struck off for its failure to file annual return as that would be excessive or inappropriate penalty for that oversight.

8. Accordingly, the petition is allowed subject to payment of costs of Rs. 25,000/- to the Prime Minister Relief Fund. The restoration of the petitioner company's name in the Register will be subject to their filing all outstanding documents for the defaulting years as required by law and completion of all formalities, including payment of any late fee or

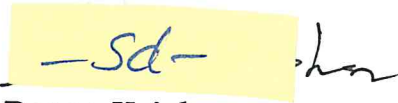


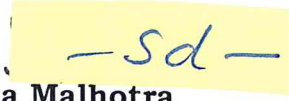
other charges which are leviable by the respondent for the late filing of statutory returns. The name of the petitioner company shall then stand restored in the Register of the Registrar of Companies, as if its name of the company had not been struck off in accordance with Section 248(5) of the Companies Act, 2013 with all consequential effects and benefits.

9. The direction for freezing the Bank Account(s) of the appellant company, if on this ground, shall consequently be also set aside immediately to enable the company carry out its business operation. Compliance of this order for restoration shall be made by the respondent with all its consequential effects within one week of compliance by the appellant.

10. The petition is disposed of accordingly.

11. Let the copy of the order be served to the parties.


Deepa Krishan
Member (T)


Ina Malhotra
Member (J)