

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

T.P NO. 102/2016

IN

CA NO. 124/2(41)/CB/2016

***PRESENT: SHRI RATAKONDA MURALI, MEMBER JUDICIAL
SHRI. ASHOK KUMAR MISHRA, MEMBER TECHNICAL***

**IN THE MATTER OF THE COMPANIES ACT, 2013
SECTION 2(41) OF THE COMPANIES ACT, 2013**

AND

**IN THE MATTER OF M/s BU INDIA PRIVATE LIMITED
(Formerly Known As - RAY AND KESHAVAN DESIGN ASSOCIATES
PRIVATE LIMITED)**

CA NO. 124/2(41)/CB/2016 AND T.P NO. 102/2016

**1. M/S BU INDIA PRIVATE LIMITED,
Old No. 6, New No. 25,
Gurappa Avenue,
Primerose Road,
Bangalore-560025.**

- APPLICANT

PARTIES PRESENTED: Ms. Ambika V.S., M/s R.K. Bhat & Co., # 624, 1st
Floor, 15th Main, 24th Cross, BSK II Stage,
Bengaluru-560070, Practicing Company Secretary
and Authorised representative for the Applicant.

Heard on 05/09/2016, 14/09/2016, 26/10/2016 and 03/10/2016.

ORDER

The Petition was originally filed before the Company Law Board, Southern Region, Chennai under Section 2(41) of the Companies Act, 2013. Consequent upon the establishment of National Company Law Tribunal Bench at Bengaluru, the said case was transferred to this Tribunal on abolition of Company Law Board, Southern Region, Chennai Bench and renumbered as T.P No. 102/2016.



This petition is filed by the Applicant Company under section 2(41) of the Companies Act, 2013 with a prayer to allow the petitioner company which is a subsidiary of body corporate registered outside India to follow calendar year (1st January to 31st December) as its financial year.

The averments in the application are briefly stated hereunder:-

The Applicant Company is a Private Limited Company, originally incorporated under the Companies Act, 1956 on 25/05/1990 under the name and style of "RAY AND KESHAVAN DESIGN ASSOCIATES PRIVATE LIMITED" vide Corporate Identity No. U74993KA1990FTC024916. Subsequently, the Applicant Company changed its name to 'BU India Private Limited' w.e.f. 24/08/2016. The Registered Office of the company is situated at Old No. 6, New No.25, Gurappa Avenue, Primerose Road, Bangalore-560025.

The main object of the Applicant Company is carry on deal in, develop and turn to account the business of Design, Reprography, Information Processing, phototypesetting, phototypography, Photo Composition, Computer Graphics; to purchase, hire or by other means acquire any or all equipment, tools, machinery, appliances and resources to support these services on an ongoing basis; to carry on all or any of the business of printers, stationers, lithographers, type founders etc., Detailed of the main objects are mentioned in the Memorandum of Association attached with the Petition.

The Applicant Company is a subsidiary of BERKELEY SQUARE HOLDING B.V. (the Immediate Holding Company) which in turn is an indirect subsidiary of "WPP Jubilee Limited"(the Foreign Holding Company), a body corporate incorporated outside India. The Immediate Holding Company and Foreign Holding Company both are following Calendar year as its financial year. and Indian subsidiary Company i.e., Petitioner Company is required to follow the same period of financial year to align its accounts for consolidation by the holding company.





The Board of Directors of the Applicant Company in their Board Meeting held on 25/08/2016 has passed a resolution that the existing financial year from 1st January to 31st December be retained. The Holding Company of the Applicant Company, vide letter dated 14/12/2015 has also given their consent that the Applicant Company to retain the calendar year as the financial year of the Company i.e., the period commencing from 1st day of January of a year and ending on the 31st Day of December of the same year. Applicant Company have submitted financial statements of the WPP Jubilee Limited (Foreign Holding Company) ending 31st December 2014; and Balance sheet and profit and loss account of the Holding Company Berkeley Square Holding B.V. for the year ending 31st December 2013 and 31st December 2014.

The Practicing Company Secretary of the Applicant Company has given an Affidavit dated 26/09/2016 stating that the Foreign Holding Company WPP Jubilee Limited has to consolidate the accounts. The Practicing Company Secretary has also submitted the balance sheet of 31st December 2014 of the Holding Company Berkeley Square Holding B.V.

The Practicing Company Secretary relies on the provisions of section 2 (41) of the Companies Act, 2013 which permits the subsidiary company to follow each financial year to align with the financial year of holding company for purpose of consolidation of accounts. As per Section 2 (41) of the Companies Act, 2013 reads as under:\

“financial year”, in relation to any company or body corporate, means the period ending on the 31st day of March every year, and where it has been incorporated on or after the 1st day of January of a year, the period ending on the 31st day of March of the following year, in respect whereof financial statement of the company or body corporate is made up;

Provided that on an application made by a company or body corporate, which is a holding company or a subsidiary of a company incorporated outside India and is required to follow a different financial year for consolidation of its accounts outside India, the Tribunal may, if it is satisfied, allow any period as its financial year, whether or not that period is a year.”



We have seen the documents along with petition and also the report of the Registrar of Companies, Karnataka, Bengaluru who recommended for change of financial year as requested by the Petitioner Company. Certified copies of latest Balance sheet of the Immediate Holding Company and Foreign Holding Company are enclosed with the Petition. We have seen the Board Resolution of the Petitioner Company and also the consent letter of Holding Company. So there are grounds to permit the Applicant Company to adopt calendar year as financial year of the Holding Company for the purpose of consolidation of accounts.

Accordingly, the following order is passed under section 420 read with section 2 (41) of the Companies Act, 2013:-

The Applicant Company "BU INDIA PRIVATE LIMITED" is permitted to retain its financial year as 1st January to 31st December to match with the financial year of the Immediate Holding Company and Foreign Holding Company.


19/10/16
(RATAKONDA MURALI)
MEMBER, JUDICIAL


19/10/2016
(ASHOK KUMAR MISHRA)
MEMBER, TECHNICAL

DATED THIS THE 19th DAY OF OCTOBER, 2016