

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

C.P.NO. 04/2017

DATED: TUESDAY THE 31ST DAY OF JANUARY 2017

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

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

AND

IN THE MATTER OF M/s ADVA IT SOLUTIONS PRIVATE LIMITED

C.P.NO. 04/2017

**M/s ADVA IT Solutions Private Limited
4th Floor, Quadrant 3 & 4,
Umiya Business Bay Tower 2,
Outer Ring Road,
Marathahalli (Sarjapur Sector)
Bangalore-560037.**

- Petitioner

PARTIES PRESENT:-

Mr. V.Srinivas, Practicing Company
Secretary, # 87, 2nd Floor, 7th Main, 21st Cross,
N.S.Palya, B.T.M. II Stage, Bangalore-560076.
and Authorised representative for the
Petitioner.

Heard on 23/01/2017.

ORDER

This petition is filed by the Petitioner under section 2(41) of the Companies Act, 2013 with a prayer to permit the company to change its existing financial year 1st April -31st March to 1st January - 31st December as its financial year.

The averments in the Company petition are briefly stated hereunder:-

The Petitioner Company is a Private Limited Company, incorporated under the Companies Act, 1956 on 25th April 2013 under the name and style of "**M/s ADVA IT Solutions Private Limited**" vide Corporate Identity No. **U72200KA2013FTC068756**. The Registered Office of the company is situated at # 4th Floor, Quadrant 3 & 4, Umiya Business Bay Tower 2, Outer Ring Road, Marathahalli (Sarjapur Sector) Bangalore-560037.

The main objects of the Company is to carry on the business of designing, developing, processing, making, manufacturing, assembling, marketing, providing, selling, importing, exporting, network hardware and/or network software solutions, networking equipment/devices, network management solutions, and a leading

service provider in the area of information technology solutions etc., Details of the objects of the Company are mentioned in the Memorandum of Association of the Petitioner Company.

The Petitioner Company is a subsidiary of the Holding Company viz., ADVA Optical Networking North America Inc. and the Holding Company is a wholly owned subsidiary of the Ultimate Holding Company – ADVA Optical Networking SE. Since the Holding Company and Ultimate Holding Company are following 1st January to 31st December as their financial year and the Petitioner Company is required to maintain accounts and close its financials as on 31st December every year in order to streamline the preparation of the consolidated financials and maintain the uniformity to prepare accounts, and consolidated the accounts with its Holding Company as well as Ultimate Holding Company.

The certified copy of the latest audited financials of the Holding Company duly notarized and apostilled is enclosed with the Petition.

As per section 2(41) of the Companies Act, 2013 which reads as follows:

“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.”

Provided further that a company or body corporate, existing on the commencement of this Act, shall, within a period of two years from such commencement, align its financial year as per the provisions of this clause;”

In view of the above, the Petitioner Company has made the following prayers:-

- 1) To allow the Petitioner Company to have the current financial year starting from the 1st April 2016 to 31st December 2016 and;
- 2) For the subsequent financial year of the Company be the period from 1st January to 31st December.



The Board of Directors of the Petitioner Company at the meeting held on 12th September 2016 passed a resolution seeking for change of financial year as 1st April 2016 to 31st December 2016, and for the subsequent financial year of the company be the period from 1st January to 31st December. The Resolution of Board of Directors is enclosed with the Petition.

We have seen the documents along with petition and also the report of the Registrar of Companies, Karnataka, Bangalore vide letter No. ROCB/AHN/SEC 2(41)/19364/2017 dated 4th January 2017. In his report it is stated that, the Application may be considered favourably. Certified copy of latest Balance sheet of the Petitioner Company is enclosed with the Petition. We have seen the Board Resolution of the Petitioner Company. We have seen the extract from the minutes of Board Resolution of the "ADVA Networking North America, Inc," and the consent letter dated 12/10/2016 of the Holding Company to follow its financial year from 1st January to 31st December.

So there are grounds to permit the Petitioner Company to follow 1st January to 31st December every year as its financial year 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 Petitioner Company "**ADVA IT SOLUTIONS PRIVATE LIMITED**" is permitted to follow its financial year as 1st January to 31st December to match with the financial year of the Holding Company/Ultimate Holding Company.


(RATAKONDA MURALI)
MEMBER, JUDICIAL


(ASHOK KUMAR MISHRA)
MEMBER, TECHNICAL

DATED THIS THE 31st DAY OF JANUARY, 2017.