

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

**IN**

**T.P.NO. 106/2016**

**C.A NO. 159/2(41)/CB/2016**

***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 RGF SELECT INDIA PRIVATE LIMITED  
(Formerly known as "RGF HR AGENT INDIA PRIVATE LIMITED")**

**C.A NO. 159/2(41)/CB/2016 AND T.P.NO. 106/2016**

**1. M/S RGF Select India Private Limited  
# 580, Aswan Plaza,  
3<sup>rd</sup> Floor, 20<sup>th</sup> Main Road,  
8<sup>th</sup> Block, Koramangala,  
Bangalore-560095.**

**- APPLICANT**

**PARTIES PRESENTED:** - Ms. Gunjan Sandu, No.55/10, 1<sup>st</sup> floor, F-6, II  
Sector, 19<sup>th</sup> Main, 80 Feet Road, Mahalakshmi  
Nilaya, HSR Layout, Bangalore-560102 -  
Practicing Company Secretary and  
Authorised representative for the Applicant

Heard on 31/08/2016, 22/09/2016 and 19/10/2016.

**ORDER**

The Petition is filed by the Applicant 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 numbered as T.P No. 106/2016.

This petition is filed by the Petitioner under section 2(41) of the Companies Act, 2013 with a prayer to permit the company which is a subsidiary of body corporate registered outside India to follow calendar year (1<sup>st</sup> January to 31<sup>st</sup> December) as its financial year for consolidation of its accounts with its Holding Company.

The averments made in the application are briefly stated hereunder:



The Applicant Company is a Private Limited Company, incorporated under the Companies Act, 1956 on 2<sup>nd</sup> May 2011 under the name and style of "RGF HR Agent India Private Limited" vide Corporate Identity No. U93000KA2011FTC058433. Subsequently the Company has changed its name to "RGF Select India Private Limited", w.e.f. 30<sup>th</sup> September 2013. The Registered Office of the company is situated at # 580, Aswan Plaza, 3<sup>rd</sup> Floor, 20<sup>th</sup> Main Road, 8<sup>th</sup> Block, Koramangala, Bangalore-560095.

The main objects of the Company is to carry on in India or elsewhere the business to act as consultant, advisor, engage in manpower recruitment, bring in necessary skilled personnel and to provide recruitment services and solutions in relation to Human Resources, placement consultancy, staffing consultancy; to own, operate, maintain and install one or more internet servers and host, design, develop, update and maintain host advertisements, classifieds, news publications etc., details of the objects are mentioned in the Memorandum and Articles of Association of the Applicant Company.

The Applicant Company is a subsidiary of RGF Hong Kong Limited. The financial year of Holding Company i.e., M/s RGF Hong Kong Limited is from 1<sup>st</sup> January to 31<sup>st</sup> December.

The Petitioner Company is currently following the calendar year as financial year in line with its Holding Company follows the calendar year from 1<sup>st</sup> January to 31<sup>st</sup> December as its financial year. The Company has realized that it has to align with the consolidation of accounts outside India in accordance with the requirements of the Holding Company.

The Company is a subsidiary of Foreign Companies having presence across nations and hence is required to follow uniform financial year for the purpose of consolidation of accounts.



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 31<sup>st</sup> day of March every year, and where it has been incorporated on or after the 1<sup>st</sup> day of January of a year, the period ending on the 31<sup>st</sup> 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.”

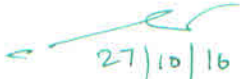
The Board of Directors of the Applicant Company at the meeting held on 18<sup>th</sup> August 2015 passed a resolution for adoption of calendar year, i.e, 1<sup>st</sup> January to 31<sup>st</sup> December as the financial year of the Applicant Company. The Resolution of Board of Directors is enclosed with Petition. The Board of Directors of the Holding Company in the Meeting held on 18<sup>th</sup> March 2015 has also given consent to continue the calendar year as financial year to the Petitioner Company.

We have seen the documents along with petition and also the report of the Registrar of Companies, Karnataka, Bengaluru who recommended the application may be considered on merits. Certified copy of latest Balance sheet of the Holding Company is enclosed with Petition. We have seen the Board Resolution of the Petitioner Company.

The Registrar of Companies, Karnataka, Bengaluru letter bearing No. ROCB/PSSEC/2(41)/2016 dated 26/05/2016 has also forwarded to consider the case on merit. So there are grounds to permit the Petitioner Company to retain its calendar year as financial year of 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 Petitioner Company "RGF SELECT INDIA PRIVATE LIMITED" is permitted to continue its financial year as 1<sup>st</sup> January to 31<sup>st</sup> December to match with the financial year of its Holding Company.

  
27/10/16  
**(RATAKONDA MURALI)**  
**MEMBER, JUDICIAL**

  
27/10  
**(ASHOK KUMAR MISHRA)**  
**MEMBER, TECHNICAL**

DATED THIS THE 27<sup>th</sup> DAY OF OCTOBER, 2016