

**In the National Company Law Tribunal
Single Bench, Chennai**

CA/50/2(41)/2017

Under Section 2(41) of the Companies Act, 1956

In the matter of

Geze India Private Limited

Order delivered on: 10.07.2017

For the Petitioner: Shri M.J. Venkatanarayanan, PCA

Per: ANANTHA PADMANABHA SWAMY, MEMBER (J)

ORDER

1. Under consideration is a Company Application filed under Section 2(41) of the Companies Act, 2013 with a prayer to allow the Applicant Company to continue with its existing financial year i.e. a period of 12 months starting from 1st July to 30th June each year, as its financial year in terms of the provisions of section 2(41) of the Companies Act, 2013.
2. This application has been filed by the Applicant Company, Geze India Private Limited which was incorporated on 1st November 2008 having the Corporate Identity Number U28113TN2008PTC069764 and having its registered office at MF2, Guindy Industrial Estate, Guindy, Chennai-600097. The main objects of the Applicant Company as set out in sub-clause A of Clause III of the Memorandum of Association are to carry on the business as manufacturers, processors, installers importers, exporters, distributors, assemblers or otherwise deal in all kinds of iron, steels, copper, bronze and other ferrous & non-ferrous metal products and such other activities as are required for carrying on the business of Company.

3. The Applicant Company is a subsidiary of a foreign company M/s. GEZE International GMBH (In short, 'Holding Company') incorporated and registered under the laws of Germany having Company Registration No. HRB251845Stuttgart and its registered office at Reinhold-Voster-Strabe 21-29, 71229 Leonberg. The Holding company holds 99.46% of the Applicant Company's paid-up capital i.e. 1,85,00,000 equity shares of Rs. 10/- each and predominantly controls the management of the Applicant Company and follows the calendar year from 1st July to 30th June as financial year.
4. The applicant company has placed on record the resolution dated 23rd December 2016 annexed as **Annexure- C**, passed by the Board of Directors of the applicant company wherein it was resolved to make an application to this Bench to allow the company to follow the Financial Year starting from 1st July to 30th June under 1st Proviso to Section 2(41) of the Companies Act, 2013. The Applicant Company has also produced a certified copy of resolution annexed as Annexure- A10 passed by its shareholders in the extra-Ordinary General meeting dated 8th February 2017 thereby consenting to adoption of the existing financial year of the Company.
5. The Holding Company conveyed its consent by a Letter of Consent annexed as **Annexure- E**, dated 3rd January 2017 to the Applicant Company to follow the calendar year from 1st July to 30th June for applying for approval to continue to follow the Calendar Financial year from 1st July to 30th June for consolidation of accounts outside India.

6. Heard counsel for Applicant Company. It is submitted that the Applicant Company being a subsidiary of the Holding company, has to mandatorily adopt the financial year from 1st July to 30th June to align its financial statements with that of its Holding Company which is incorporated outside India. Thus to comply with the aforesaid requirement, the Holding Company has been consolidating its financial statements with its subsidiaries every year to present true and fair financial state of affairs to the shareholders of the company and also to the statutory authorities. Also as per the Balance Sheet and Financial Statement of Holding Company and Applicant Company, it is evident that both the companies are following financial year from 1st July and ending 30th June every year.
7. In view of the above observations, this Bench is satisfied that it is just and reasonable to permit the applicant company to retain the financial year commencing from 1st July to 30th June each year, for consolidation of its accounts in line with the accounts of its holding company which is registered outside India. Thus, in exercise of the powers conferred under 1st proviso to Section 2(41) of the Companies Act, 2013, this company application is allowed. The applicant company is directed to furnish a copy of this order to the ROC concerned, as per the procedure prescribed for the purpose of information and record.



K.ANANTHA PADMANABHA SWAMY, MEMBER (J)