

**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH (COURT- I) CHENNAI**

ATTENDANCE CUM ORDER SHEET OF THE HEARING
HELD ON **19.07.2024** THROUGH VIDEO CONFERENCING

PRESENT: HON'BLE SHRI. SANJIV JAIN, MEMBER (JUDICIAL)
HON'BLE SHRI. VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

APPLICATION NUMBER : Comp.Appeal/51/2024
PETITION NUMBER :
NAME OF THE PETITIONER(S) : (P Ravikumar) M/s Velmurugan Cotspin Pvt
Ltd
NAME OF THE RESPONDENTS : Roc, Coimbatore
UNDER SECTION : Sec 252(3) of CA, 2013

ORDER

Present: None for the Appellant.

None for the Respondent.

Vide order pronounced in the Open Court, the appeal is allowed and the Company namely Velmurugan Cotspin Pvt Ltd is restored subject to cost of Rs. 50,000/-.

File be consigned to records.

Sd/-

(VENKATARAMAN SUBRAMANIAM)
MEMBER (TECHNICAL)

MG

Sd/-

(SANJIV JAIN)
MEMBER (JUDICIAL)

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH – I, CHENNAI**

Com.Appeal/51/CHE/2024

Under Section 252(3) of the Companies Act, 2013 read with Rule 11 of NCLT
Rules, 2016

In the matter of *Velmurugan Cotspin Private Limited*

P.RAVIKUMAR,

S/O LATE M.PALANISAMY

Director and Shareholder of Velmurugan Cotspin Private Limited,
No.400, K.P.C. Nagar, Vellakovil,
Kangayam Taluk, Tirupur – 638 111

... Applicant

-Vs-

REGISTRAR OF COMPANIES, COIMBATORE

No.7, AGT Business Park, I Floor,
Phase II, Avinashi Road, Civil Aerodrome Post,
Coimbatore- 641 014

... Respondent

Order pronounced on 19th July, 2024

Present:

For Applicant :V.Manivannan, Advocate

For Respondent:Avinash Krishnan Ravi, Advocate

CORAM

SANJIV JAIN, MEMBER (JUDICIAL)

VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

ORDER

(Hearing Conducted through VC)

This Appeal has been filed by **P.Ravikumar** in the capacity as a
Shareholder of the Company namely, **VELMURUGAN COTSPIN PRIVATE**

LIMITED under Section 252(3) of the Companies Act, 2013 read with Rule 11 of the NCLT Rules, 2016 aggrieved against the order of strike off carried out by the Respondent namely, the Registrar of Companies, Coimbatore under Section 248 of the Companies Act, 2013, seeking thereof to restore the name of the Company in the Register maintained by the Respondent/RoC.

2. The brief facts of the matter are tabulated below:-

S. NO.	PARTICULARS	FACT
a)	Name of Company	Velmurugan Cotspin Private Limited
b)	CIN No.	U17111TZ2006PTC13086
c)	Date of Incorporation	19.09.2006
d)	Registered Office Address	No. 400, KPC Nagar, Vellakovil, Kangayam Taluk, Vellakovil, Tirupur – 638 111
e)	Date of STK-5	15.11.2021
f)	Date of STK-5	30.11.2021
g)	Date of STK-7	09.02.2022
h)	Reason of Strike Off	Annual Return & Balance Sheet filed up to 2017-2018

3. The main object of the Company is to *carry on the business of manufacture, buying, selling, dealing, in imports and exports of all kinds of yarn, cloth, textile, fabrics made of all materials and types, cotton jute, silk, wool, rayon and other fabrics and fibrous substance etc.* The details of the main

object are set out in the Memorandum of Association which has been filed along with the typed set of documents.

4. The reason for non-filing of returns is that the company was unable to comply with the provisions of the Companies Act, 2013, owing to the unfortunate event of death of family members of the Applicant who were also the managerial persons in the Company. It is stated that, one Ms. J. Vidhyalakshmi has given a consent to appoint herself as one of incoming director of the company upon its revival. It is stated that the Company was struck off on 09.02.2022.

5. It is stated that the Company during the financial year 2006-2007 had purchased 3.45 acres of Land for Rs.50,000/- at Senapathipalayam Village, Kangeyam Taluk, Tiruppur District vide Registered Sale Deed bearing No. 1894 of 2006 dated 22.09.2006 in the office of the Sub-Registrar, Vellakovil.

6. It is stated that the Company has been paying the property tax for the \said property upto date and has also been paying the electricity consumption charges upto date.

7. It is stated that, after purchase of the land, a spinning unit was set up over the land and initial business activities were commenced. The Company also obtained registration from GST Department on 25.09.2017.

8. It is stated that due to failing health of two of the directors in the recent years which was further aggravated by the Covid first wave, the management of the business of the Company was severely affected. It is submitted that the two directors of the company died one after the other within a very short of less than two months. Mrs. Jothimani, one of the directors died on 12.12.2019. Subsequently the other director of the company Mr. M. Palanisamy died on 27.02.2020. However, the directors are survived by their only son who is the remaining director of the company and the applicant herein.

9. It is stated that Company has a shareholding of 15,000 Equity Shares pattern consisting of 13,000 Shares in name of Mr. P. Ravikumar in his Individual Capacity and 2000 Shares in the name of P. Ravikumar-Hindu Undivided Family (HUF).

10. Upon notice, the Respondent/RoC filed the Report. It is stated that the Company had defaulted in filing the statutory returns since 2018.

11. It is stated that the RoC has no objection to restore the name of the company back to the Register of Companies subject to the following:

i) NCLT (Amendment) Rules 2017, Rule 87A has been inserted into the NCLT Rules 2016. As per Rule 87A(4), where the Tribunal makes an order restoring the name of the company in the register, the order shall direct that:

a) The appellant or applicant shall deliver a certified copy to the Registrar of Companies within thirty days from the date of the order;

b) On such delivery, the Registrar of Companies do, in his official name and seal, publish the order in the Official Gazette;

c) The appellant or applicant do pay to the Registrar of Companies his costs of, and occasioned by, the appeal or application, unless the Tribunal directs otherwise; and

d) The company shall file pending financial statements and annual returns with the Registrar for the financial years 2018-19 to till date with fees and additional fees as prescribed in the Companies Act, 2013 and comply with all other requirements of the Act and rules made thereunder within such time as may be directed by the Tribunal.

e) Further, as per instructions of the Regional Director, the field offices have been directed to obtain an Affidavit from the directors of the company that the company which is to be restored did not involve itself in any unlawful action and was not used as means to transact tainted money during demonetization period.

12. We have considered the plea of the Applicant and the Respondent/RoC as well.

13. The Applicant is seeking restoration of the name of the company in the register as maintained by RoC. In order to sustain the said plea, the Applicant has placed the followings as Annexures in the Application typeset:

- a) Copy of Sale Deed dated 22.09.2006 registered as Doc.No.1894/2006 at SRO Vellakovil executed in favour of the Company with Translated abstract
- b) Copy of Encumbrance Certificate reflecting the registered sale deed with translated version.
- c) Copy of recent property tax payment receipt dated 27.11.2023
- d) Copy of recent electricity consumption payment receipt dated 27.11.2023
- e) Copy of GST Registration certificate in the name of the company
- f) Copy of death certificate of Mrs.Jothimani dated 12.12.2019
- g) Copy of Legal Heir Certificate of Mrs.Jothimani dated 09.01.2020
- h) Copy of death certificate of Mr.M.Palanisamy dated 27.02.2020

- i) Copy of Legal Heir Certificate of Mr.M.Palanisamy dated 11.03.2020
- j) Copy of Income Tax Return acknowledgements 2018-2019 to 2022-2023
- k) Copy of Bank Account statement dated 18.12.2023 for the period 01.04.2022 to 18.12.2023
- l) Copy of letter of consent issued by Ms.J.Vidhyalakshmi

14. It is seen from the audited Balance Sheet that as on 2019-2020 and 2020-2021 the company made a profit of Rs.1,72,366 and Rs.1,37,382 respectively. It is manifestly clear from the Profit and loss account for the period 2019-2020 and 2020-2021 that the company has been carrying on business.

15. It is also seen that the company has purchased 3.45 acres of land at Senapathipalayam Village, Kangeyam Taluk, Tiruppur District. Further, it is averred that the Company wants to carry on with the business after revival of its name. Hence, this Tribunal is of the view that it is 'just' to restore the name of the Company in the register maintained by the Respondent – Registrar of Company.

16. From the documents annexed along with the Application it is seen that the Company was active and carrying on its business activities two years preceding the date of strike off.

17. Taking into consideration the provisions of Section 252 of the Companies Act, 2013 which vests this Tribunal with a discretion to restore the Company whose name has been struck off, keeping in consideration that it is just to do so, we restore the name of the Company in the register. The Application is allowed subject to the following directions namely:

- (i) The Registrar of Companies/Respondent is ordered to restore the original status of the Company viz. **VELMURUGAN COTSPIN LIMITED** as if the name of the Company has not been struck off from the Register of Companies with resultant and consequential actions like changing the status of Company from “**strike off**” to “**Active**”
- (ii) The Company shall within a period of 30 days from the restoration of the Company’s name in the register being maintained by the RoC, the Applicant/ petitioner will file *inter alia* its annual returns and balance sheets as well other compliances statutorily required to be made under the Companies Act, 2013 for the period from which there has been default with requisite charges/fees as well as additional fee/late charges.
- (iii) That the Restoration of the Company’s name is also subject to the payment of cost of **₹50,000/- (Rupees Fifty Thousand Only/-)**

volunteered by the Applicant through online payment in www.mca.gov.in under miscellaneous fees by mentioning the particulars as “payment of cost for revival of Company”.

- (iv) Till all compliances are made by the Company, the Company shall not alienate or dispose of any of its valuable assets.
- (v) It is further observed that by virtue of this order of restoration of the name of Company in the register it will not entitle the Directors of the Company whose names in case have been disqualified by virtue of provisions of Section 164 of the Companies Act, 2013 by the Respondent/RoC automatically to be restored to directorship except in accordance with law.
- (vi) An affidavit of compliance of the aforesaid directions shall be filed by the Applicant within a period of 2 months from the date of this order.
- (vii) Further, this order allowing the Application shall also not circumscribe the power of the respondent to proceed against the Appellant Company and its Directors as mandated for alleged late filing of any forms, documents, returns and such other compliance under the provisions of Companies Act, 2013.

18. Accordingly, **Company Appeal/ 51/CHE/2024** stands **allowed** on the aforementioned terms.

19. File be consigned to records.

-Sd-

VENKATRAMAN SUBRAMANIAM
MEMBER (TECHNICAL)

SriramAnanth.V

-Sd-

SANJIV JAIN
MEMBER (JUDICIAL)