

**IN THE NATIONAL COMPANY LAW TRIBUNAL
ALLAHABAD BENCH, PRAYAGRAJ**

CP No.27/ALD/2023

IN THE MATTER OF:

An application/petition under Section 252(3) treated as an appeal filed under Section 252(1) of the Companies Act, 2013.

IN THE MATTER OF:

1. M/s Shaznsab Product & Services Private Limited through its Directors Mr. Shadab Khan and Mr. Rahat Khan.
Registered Office: Baroon Sarai, Sardhana, Meerut U.P. 250342.
.....**Applicant No. 1**

2. Mr. Shadab Khan, Director,
R/o House No. 20 Phuta Chah, Sardhana, Meerut-250342, U.P.
..... **Applicant No. 2**

3. Mr. Rahat Khan,
R/o H No. 20 Moh, Futa Chah, Meerut-250342, U.P.
.....**Applicant No. 3**

.....APPELLANTS/PETITIONERS

Versus

REGISTRAR OF COMPANIES KANPUR.

Ministry of Corporate Affairs
Government of India.

.....RESPONDENT

ORDER PRONOUNCED ON: 8th MAY, 2024

CORAM:

Shri Praveen Gupta : Hon'ble Member (Judicial)
Shri Ashish Verma : Hon'ble Member (Technical)

Appearances:

Sh. Piyush Kesarwani, PCS. : *For the Petitioner*
Sh. Gaurav Mahajan, Sr S.C. : *For the I.T Deptt.*
Sh. Krishna Dev Vyas, Adv. : *For the RoC*

ORDER

1. This Petition has been filed on 22.2.2023 by M/s Shaznsab Product & Services Pvt. Ltd. (hereinafter referred as the Appellant Company), through its directors and promoters Mr. Shadab Khan and Mr. Rahat Khan (Collectively referred as the Appellants) under Section 252(3) of the Companies Act, 2013, (hereinafter referred as the Act) against the order of the Registrar of Companies, Uttar Pradesh, Kanpur (hereinafter referred as “ROC/Respondent”) striking off the name of the Company from the Register of Companies with prayer to restore the name of the Company i.e. M/s Shaznsab Product & Services Pvt. Ltd. in the Register of Companies maintained by the ROC. Later, a supplementary affidavit was filed on 01.04.2024 to treat the present petition filed u/s of 252(3) as an appeal filed u/s 252(1).
2. The Appellant Company was incorporated on 25.04.2017 as Private Limited Company under the Companies Act, 2013

bearing CIN: U74999UP2017PTC092589 under the jurisdiction of Registrar of Companies (Uttar Pradesh) Kanpur (ROC). The registered office of the Company is at Baroon Sarai, Sardhana, Meerut, UP- 250342.

- 3.** The Company is engaged in the business of manufacturing, import, export, marketing and distribution of various products including but not limited to Lead acid and other type of batteries, handicrafts, personal accessories and auto parts and undertaking all activities for the aforementioned business both in India and abroad.
- 4.** The Authorized, issued, subscribed and paid-up Share Capital of the Company as on 31.3.2021 is Rs. 1,00,000/- divided into 10,000 equity shares of Rs.10/- with 5100 shares held by the directors of the Company Mr. Shadab Khan (DIN:07804145) and 4900 shares held by Mr. Rahat Khan (DIN:07804146).
- 5.** It is stated that the Appellant Company has defaulted in filing statutory documents i.e. Balance sheet and annual returns since incorporation. Consequently, the Company's name has been struck off by the Respondent from its Register of Companies pursuant to Section 248(1) and 248(5) of the Act.

A notice in Form STK 1 regarding this matter was issued on 24.11.2021. However, the Appellant contends that they did not receive any notice through physical mode and therefore, were unaware of it. Consequently, due to a lack of professional guidance and oversight on their part, they could not file the documents within time, leading to the removal of the Company's name from the Register of Companies on 29.4.2022 and its subsequent dissolution.

- 6.** As stated in Appeal, the Appellant Company has been an ongoing concern since its incorporation and has duly complied with all the regulatory requirements as prescribed by the Act. It is also stated in the Appeal that since its incorporation, the Appellant Company has been regularly filing its income tax return with the Income Tax Department. Certified True Copies of the Acknowledgements for filing of income tax returns for the assessment year 2018-19, 2019-20, 2020-2, 2021-22 and copy of bank statement has been annexed as Annexure VI(Colly.) and Annexure VII respectively with the appeal.
- 7.** In view of the facts and circumstances of the case as explained above, the Appellant Company has prayed to pass

appropriate order to restore the name of the Company in the Register of Companies maintained by the office of the Registrar of Companies.

- 8.** After considering the above appeal, notices were issued to ROC and the Income Tax Department calling for their reports to satisfy ourselves whether restoration of the name of the company would be in the interest of justice and in the public interest and appellant are genuinely interested in running the Company after its restoration and to ascertain whether removal of the name of the Company is justified in view of the grounds on which such order was passed by the ROC.
- 9.** The ROC/Respondent has filed reply stating that the name of the Appellant Company was struck off from the register of companies on account of default in statutory compliances by not filing statutory documents i.e. Balance Sheet and Annual Returns since incorporation in contravention to Section(s) 92/137 of the Companies Act 2013. Despite being given fair opportunity of being heard by way of show cause notice, the Company and its directors failed in fulfilling their mandatory duty of filing the statutory returns of the Company. However, the Respondent further states that the matter may be decided

on merits subject to assurance of the company to file all the pending financial statements along with the annual accounts with the office of the ROC through MCA portal and heavy fine may be imposed on the company and its directors to ensure that the company becomes more diligent in timely compliance of the Companies Act, 2013 in future.

- 10.** The Income Tax Department has filed its reply/report, stating that as per the ITBA portal of the Income Tax department, the Appellant Company has filed its return of income for the AY 2018-19, 2019-20, 2020-21 and 2021-22 and the balance sheet annexed with the appeal shows turnovers for the aforementioned assessment years as well. There are neither outstanding demands nor any assessment proceedings are pending against the Company. It is further stated in the report of the Income Tax Department that it would be in the interest of revenue if the name of the Company is restored in the register of ROC subject to fulfilment of the necessary statutory compliances to be made by the Appellant Company.
- 11.** Considering the facts and circumstances and response from the concerned statutory authorities connected with the functioning of the companies as discussed in aforesaid paras,

we find that that the Appellant Company has been carrying on the business and also filing return of income. Though annual returns along with financial statements have not been filed with the ROC since incorporation but all the financial statements since the incorporation of the Company have been filed with the Appeal and it has been undertaken by the Company that it would file all the pending annual returns and financial statements after its name is restored. Even ROC in his report has asked for assurance from the Company to file all the pending annual returns and financial statements subject to payment of heavy fine in case the appeal for restoration of the name of the Company is allowed. In order to show that the company is actively involved in carrying out its business, copies of income tax returns from AY 2018-19 to AY 2021-22 and bank statements of the Company have been submitted. As the company has been found to be having required resources for carrying on the business and it has been carrying on the business at the time when its name was struck off, and also reported by the Income Tax Department that it would be in the interest of revenue if the name of the Company is restored , we find that non-filing of annual

returns with financial statements is only technical in nature for which the Appellant has given undertaking to fulfil these requirements as per the Companies Act, 2013 and the Income Tax Act, 1961 as well.

- 12.** Therefore, we allow the instant appeal to the extent of directing the ROC, Uttar Pradesh, Kanpur to restore the name of the Appellant Company on the Register of Companies in the same position as nearly as may be as if the name of the company had not been struck off from the Register of Companies, changing the status of the Appellant Company from “**struck off**” to “**active**” and take such further action against the Appellant Company in accordance with the statutory provisions.
- 13.** Taking into account the report of the ROC as discussed in para 9, the restoration of the Company’s name will be subject to the payment of the cost of Rs. 25,000/- through online payment in *www.mca.gov.in* under the head “*miscellaneous fees*” by mentioning particular as “*Payment of cost for restoration of the company pursuant to orders in CP No.27/ALD/2023*” and also to make payment of Rs. 25,000/- to the Prime Minister National Relief Fund.

14. This Petition/Appeal is disposed of on the terms directed above. The ROC shall give effect to this order only after perusal of the compliance report of the cost imposed. After due compliance with the above directions, the ROC, Uttar Pradesh, Kanpur shall publish the order for restoration of the name of the company in the Official Gazette under its office name and seal. The Company is directed to file all the statutory documents including Annual Accounts and Annual Returns along with the prescribed fees and additional fees as ordered by the ROC, Uttar Pradesh, Kanpur as applicable under the Companies Act, 2013 within 45 days from the date on which its name is restored on the register of companies maintained by the Registrar of Companies, Uttar Pradesh, Kanpur. They shall also fulfil all the other relevant statutory compliances, such as under the Companies Act, 2013 and the Income Tax Act, 1961, etc. This order is confined to the violations, which ultimately led to the impugned action of striking off the name of the Company, and it will not come in the way of the Registrar of the Companies, Uttar Pradesh or any other concerned Government Authority to take appropriate action(s) in accordance with law, for any other

violations/offences, if any, committed by the Appellant Company prior to or during the period the name of the Company remained struck off.

- 15.** The Registry is directed to send copies of the order forthwith through e-mail to all the parties in the matter.
- 16.** The appellant company is directed to deliver a certified copy of this order with ROC, Uttar Pradesh, Kanpur within 30 days of the receipt of the order.
- 17.** Certified copy of the order be issued upon making an application by any concerned party with all requisite formalities.
- 18.** Company Petition No.27/ALD/2023 stands disposed off accordingly.

-Sd-

(Ashish Verma)
Member (Technical)

-Sd-

(Praveen Gupta)
Member (Judicial)

Date: 8th May, 2024