

IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
DIVISION BENCH
COURT - 1

ITEM No. 202
Appeal/29(AHM)2022

Orders under Section 252(3)

IN THE MATTER OF:

Naimish Navinchandra Ravani.
(Ethnic Culture Enhancers Limited)
V/s
ROC, Gujarat

.....Applicant

.....Respondent

Order delivered on 15.03.2023

Coram:

Dr. Madan B. Gosavi, Hon'ble Member(J)
Kaushalendra Kumar Singh, Hon'ble Member(T)

PRESENT:

For the Applicant :
For the Respondent :

ORDER

The case is fixed for the pronouncement of the order. The order is pronounced in the open court, vide separate sheet.

-SD-

KAUSHALENDRA KUMAR SINGH
MEMBER (TECHNICAL)

-SD-

DR. MADAN B GOSAVI
MEMBER (JUDICIAL)

Swetambary

**IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH
COURT-1**

Co. Appeal No. 29 of 2022

[An Application under Section 252(3) of the Companies Act, 2013]

In the matter of:

Ethnic Culture Enhancers Limited

(CIN: U55101GJ2010PLC060131)

Having its registered office at:

503, Iscon Elegance, Shree Parasnath

Vejalpur Co Op H, Old Sur No – 880/883 & 836

TP 24 FP, S G Highway, Vejalpur,

Ahmedabad – 380 051, Gujarat.

Mr. Naimish Navinchandra Ravani

(Director and Shareholder of Ethnic Culture Enhancers Limited)

Residing at: Kusum Villa, Gala Aurum Road,

Behind Karnavati Club, Mumatpura Road,

Ahmedabad – 380 015, Gujarat.

..... Appellant

Versus

The Registrar of Companies, Gujarat

Having its office at:

ROC Bhavan, Opp. Rupal Park Society,

Behind Ankur Bus Stop, Naranpura,

Ahmedabad – 380 013, Gujarat.

.....Respondent

Order Pronounced on: 15th March, 2023

Coram: DR. MADAN B. GOSAVI, MEMBER (JUDICIAL)

KAUSHALENDRA KUMAR SINGH, MEMBER (TECHNICAL)

Appearance:

Ms. Vaibhavi K. Parikh, Ld. Adv. appeared for the Appellant.

ORDER

1. The instant appeal is filed under Section 252(3) of the Companies Act, 2013 (**'the Act'**) for restoration of the name of struck off Company M/s Ethnic Culture Enhancers Limited (**'Company'**). The name of the company was struck off by the ROC, Gujarat (Dadra & Nagar Haveli) (**'ROC, Gujarat'**) by publishing form STK-7 on 18.02.2022.

2. The averments made by the Appellants are summarized as under:-

(i) The Company was incorporated on 2nd April, 2010 with CIN: U55101GJ2010PLC060131 and the company was carrying on the business of purchasing, developing and selling the lands. The Company did not file its Annual Returns and Financial Statements since 2019 which resulted into belief on the part of Registrar of Companies (**'ROC'**) that the company is neither carrying on business nor is in operation. This belief was further strengthened due to the fact that the company had not made any application for obtaining status of dormant company under Section 455 of the Companies Act, 2013. Accordingly, the ROC, Gujarat after complying with statutory formalities as given under Section 248 of the

Companies Act, 2013 struck off the name of the company on 18.02.2022.

(ii) The Appellant had received the notice from the Respondent for initiation of proceedings under Section 248 of the Companies Act, 2013, for the purpose of striking off the name of the Company from the Register maintained by the Respondent, but due to Covid – 19 pandemic situations, the Appellant could neither comply nor respond to the said Notice. Due to such non-compliance, name of the Company has been struck off by the Respondent without properly appreciating the facts. The Company is continuing its operations since its incorporation.

(iii) The Appellant submitted that Mr. Chirag Trivedi who was a Director and Major Shareholder, holding 2,46,175 shares (49.24%), was deceased on 14th April, 2019, thereafter company has initiated to fill the casual vacancy of the Director, but to transfer the shareholding, there was no Legal Heirs/Claimant to claim the shares of holding of Mr. Chirag Trivedi. As the major stake of shareholding comes to an unresolved dispute, the company did not transferred shares. Moreover, company did file all other statutory returns and made all other compliances, except filing of Annual Return with ROC, due to the only reason of unresolved issue of transfer of share.

(iv) The Company is not a shell company and there are no unusual transactions in its Bank Account by or on behalf of the Company during the period of demonetisation or anytime from the date of incorporation till the date the company was struck off.

3. The ROC, Gujarat filed its observation on 16.08.2022, before this Tribunal wherein the ROC, Gujarat has opposed the restoration of name of the Company. However, ROC is praying that if the name of the company is restored by this Tribunal, the Appellants may be directed to pay the exemplary costs/fees for default of non-filing of Financial Statements & Annual Returns.

4. The Income Tax Department vide Letter Dated 25.07.2022 has submitted that there is an outstanding demand of Rs.75,96,949/- of the Company.

5. We have considered the submissions made by Learned Counsel for the Appellant, as well as the ROC report, and other material available on record. The name of this company was struck off from Register of Companies on 18.02.2022 for the reason that the company did not file Financial Statements & Annual Returns since 2019. It is admitted fact that the company has failed to comply with the relevant provisions of the Act for filing the statutory returns before the ROC, Gujarat.

6. As per the balance sheet for the F.Y. ending on 31.03.2022, the Company has Current Assets of Rs.15,86,41,808/- (Rupees Fifteen Crores Eighty-Six Lakhs Forty-One Thousand Eight

Hundred and Eight Only), Investments of Rs.5,13,338/- (Rupees Five Lakhs Thirteen Thousand Three Hundred and Thirty-Eight Only), Current Liabilities of Rs.12,15,76,139/- (Rupees Twelve Crores Fifteen Lakhs Seventy-Six Thousand One Hundred and Thirty-Nine Only) and Loans of Rs.4,98,59,309/- (Rupees Four Crores Ninety-Eight Lakhs Fifty-Nine Thousand Three Hundred and Nine Only). The Company has made Profit to the tune of Rs.39,72,563/- (Rupees Thirty-Nine Lakhs Seventy-Two Thousand Five Hundred and Sixty-Three Only) which reflects that the Company is in operation in the F.Y. 2021-22. It is also noted that the company's total assets and liabilities as on 31.03.2022 are of Rs.17,64,35,448/- (Rupees Seventeen Crores Sixty-Four Lakhs Thirty-Five Thousand Four Hundred Forty-Eight Only).

7. In view of the above facts, we consider it as just and proper to restore the name of the company in the Register of Companies from date of its striking off, subject to payment of cost for non-compliance with rules relating to filing the Statutory Returns and Audited Financial Statements. Hence, we allow the present appeal and pass the following orders:-

ORDER

(i) The Registrar of Companies, Gujarat the respondent herein, is directed to restore the original status of the Company as if the name of the Company has not been struck off from the Register of Companies with resultant and consequential actions like changing status of the Company from 'struck off' to Active.

(ii) The Appellant is directed to file all pending statutory document(s) including Annual Accounts and Annual returns for the financial years in default along with prescribed fees/additional fee/fine as prescribed under the Companies Act, 2013 within 45 days from the date on which its name is restored on the Register of Companies by the ROC, Gujarat (Dadra & Nagar Haveli);

(iii) The restoration of the Company's name is subject to the payment of cost of **Rs. 25,000/-** (Rupees Twenty-Five Thousand Only) to be paid to **Prime Minister's Relief Fund**. The name of the company shall then, as a consequence, stand restored to the Register of the Registrar of Companies, as if the name of the company has not been struck off in accordance with Section 248(1) of the Companies Act, 2013.

(iv) The Appellant to submit a certified copy of this order to ROC, Gujarat within thirty days of the receipt of this order.

(v) On such delivery and after duly complying with the above directions, the Registrar of Companies, Gujarat (Dadra & Nagar Haveli) is directed to, on his office name and seal, publish the order in the official Gazette.

(vi) This order is confined to the violations, which ultimately leads to the impugned action of striking off the name of the Company, and it will not come in the way of ROC to take appropriate action(s) in accordance with law, for any other

violations/offences, if any, committed by the Appellant Company prior or during the striking off of the company.

8. The **Company Appeal No. 29 of 2022** stands allowed and disposed of as per the above terms.

9. A certified copy of this order, if applied for, be issued upon compliance with all requisite formalities.

-SD-

KAUSHALENDRA KUMAR SINGH
MEMBER (TECHNICAL)

Swetambary

-SD-

DR. MADAN B GOSAVI
MEMBER (JUDICIAL)