

THE HONOURABLE SRI JUSTICE M.S. RAMACHANDRA RAO

Writ Petition No.28486 of 2019

ORDER :

Aggrieved by the action of 2nd respondent – Registrar of Companies, in disqualifying the petitioners as Directors under Section 164(2)(a) of the Companies Act, 2013 and in deactivating their Director Identification Number (DIN), the present Writ Petition has been filed.

2. Learned counsel appearing for petitioners contended that the *lis* in the present Writ Petition is squarely covered by the common order dated 18.07.2019 passed by this court in W.P.No.5422 of 2018 and batch, and hence the same may accordingly be allowed.

3. Sri N. Rajeswar Rao, learned Assistant Solicitor General, appearing for respondents, does not dispute the same.

4. The relevant portion of the order in W.P.No.5422 of 2018 and batch dated 18.07.2019, is as under:

“23. In view of the above facts and circumstances and the judgments referred to supra, as the impugned orders in present writ petitions disqualifying the petitioners as directors under Section 164(2)(a) of the Act, have been passed considering the period prior to 01.04.2014, the same cannot be sustained, and are liable to be set aside to that extent.

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30. In view of the above facts and circumstances and the judgment referred to supra, the deactivation of the DINs of the

petitioners for alleged violations under Section 164 of the Act, cannot be sustained.

31. For the foregoing reasons, the impugned orders in the writ petitions to the extent of disqualifying the petitioners under Section 164(2)(a) of the Act and deactivation of their DINs, are set aside, and the 2nd respondent is directed to activate the DINs of the petitioners, enabling them to function as Directors other than in strike off companies.

32. It is made clear that this order will not preclude the 2nd respondent from taking appropriate action in accordance with law for violations as envisaged under Section 164(2) of the Act, giving the said provision prospective effect from 01.04.2014 and for necessary action against DIN in case of violations of Rule 11 of the Rules.

33. It is also made clear that if the petitioners are aggrieved by the action of the respondents in striking off their companies under Section 248 of the Act, they are at liberty to avail alternative remedy under Section 252 of the Act. 34.

All the writ petitions are accordingly allowed to the extent indicated above.”

5. In view of the same, and for the reasons alike, the present Writ Petition is also allowed *mutatis mutandis*, in terms of the common order dated 18.07.2019 passed in W.P.No.5422 of 2018 and batch. No order as to costs.

6. As a sequel, miscellaneous petitions pending if any in this Writ Petition, shall stand closed.

JUSTICE M.S.RAMACHANDRA RAO

Date: 24.12.2019

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