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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ W.P.(C) 259/2019

ANIL MOUDGILL AND ANR.

..... Petitioners

Through: Mr Saurabh D. Karan Singh and Ms
Kanika Jain, Advocates.

versus

THE REGISTRAR OF COMPANIES NCT OF
DELHI AND HARYANA

..... Respondent

Through: Mr Chiranjeev Kumar and Mr
Mukesh Sachdeva, Advocates for
UOI.

CORAM:

HON'BLE MR. JUSTICE VIBHU BAKHRU

ORDER

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14.01.2019

CM No. 1241/2019

1. Allowed, subject to all just exceptions.

W.P.(C) 259/2019 & CM No. 1240/2019

2. Issue notice. The learned counsel appearing for the respondent accepts notice.

3. The petitioners have filed the present petition, *inter alia*, impugning the list of disqualified directors to the extent it includes the names of the petitioners. The petitioners state that they have been included in the list of disqualified directors in terms of Section 164(2)(a) of the Companies Act, 2013 (hereafter 'the Act') on account of defaults alleged to have been committed in relation to filing of returns of M/s Legal Value Technology

Services Private Limited (hereafter 'the Company'). The petitioners state that the action under Section 164(2) of the Act is not warranted as, in fact, there have been no defaults for a continuous period of three years. The learned counsel appearing for the petitioners state that the Company had not defaulted in filing the Financial Statement for the year 2014-15, 2015-16 and 2016-17; but the Annual Returns were duly filed. He submits that the said singular default cannot be construed as non filing of returns/financial statements as contemplated under Section 164 of the Act.

4. In view of the averments made in the present petition, the impugned list of disqualified directors to the extent it includes the names of the petitioners is set aside. However, it is clarified that this order would not preclude the Registrar of Companies (ROC) or the concerned authority to take an appropriate action, if in their opinion the same is warranted. In such a case, ROC/concerned authority shall issue a show cause notice clearly indicating the defaults on account of which the action is proposed to be taken against the petitioners. The petitioners shall be given full opportunity to respond to the same before any such punitive action is taken.

5. The petition is disposed of in the aforesaid terms. The pending application is also disposed of.

VIBHU BAKHRU, J

JANUARY 14, 2019
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