HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

(Special Original Jurisdiction)

FRIDAY, THE EIGHTEENTH DAY OF DECEMBER
TWO THOUSAND AND TWENTY

PRESENT

THE HON'BLE SRI JUSTICE CHALLA KODANDA RAM

WRIT PETITION NO: 23232 OF 2020

Between:

Kalal Bala Goud, S/o. Ramulu Goud, Aged about 44 years, Occ Business, R/o. H.No. 12-28, Sri Ram Nagar Colony, Near Forest Office, Allipur, Zahirabad, Medak -502318

...PETITIONER

AND

1. The Ministry of Corporate Affairs, A Wing, Shastri Bhawan, Rajendra Prasad Road, New Delhi - 110 001, Represented by its Secretary
2. The Registrar of Companies, Telangana, 2nd Floor, Corporate Bhawan, GSI Post, Tattiannaram Nagole, Bandlaguda Hyderabad, Telangana -500 068.

...RESPONDENTS

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to pass an order or direction or any other proceedings one in the nature of Writ of Mandamus declaring the action of respondents in deactivating the DIN number 03569691 of the petitioner and restricting the petitioner from filing statutory returns, i.e., the annual returns and financial statements of the companies in which he is a director as arbitrary, illegal, without jurisdiction, contrary of the provisions of the Companies Act, 2013 and Rule 11 of the Companies (Appointment and Qualification of Directors) Rules, 2014, violative of the principles of natural justice besides violating the petitioners rights guaranteed under Article 14 and Article 19 (1) (g) of the Constitution of India.

IA NO: 1 OF 2020

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to stay the disabling, of DIN and direct the 1st respondent to restore the DIN number 03569691 of the petitioner so as to enable to submit the annual returns and financial statements of the companies of which he is a director pending disposal of the writ petition.

Counsel for the Petitioner : SRI S. CHAKRAPANI
Counsel for the Respondents: SRI NAMAVARAPU RAJESHWAR RAO,
ASST. SOLICITOR GENERAL

The Court made the following: ORDER

THE HON'BLE SRI JUSTICE CHALLA KODANDA RAM

WRIT PETITION No. 23232 of 2020

ORDER:

The petitioner challenges his disqualification from Directorship under Section 164(2) of the Companies Act, 2013, for the alleged default in filing financial statement/Annual Returns, and consequently seek restoration of his Director Identification Number (DIN) viz., 03569691.

Learned counsel for the petitioner submits that the issue raised in the present Writ Petition is squarely covered by the common order dated 18.07.2019 in W.P.No.5422 of 2018 and batch.

Learned Assistant Solicitor General appearing for the 2nd respondent - Registrar of Companies does not dispute the aforesaid submission.

Operative portion of the aforesaid order reads as under:

> **"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.**
>
> **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.**
>
> **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.

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

In view of the said Order dated 18.07.2019 and for the reasons recorded therein, this Writ Petition is also allowed in terms thereof. No costs.

Miscellaneous Petitions, if any pending, shall stand closed.

Sd/- V. SUDHA
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The Secretary, Ministry of Corporate Affairs, A Wing, Shastri Bhawan, Rajendra Prasad Road, New Delhi - 110 001.
2. The Registrar of Companies, Telangana. 2nd Floor, Corporate Bhawan, GSI Post, Tattiannaram Nagole, Bandlaguda Hyderabad, Telangana -500 068.
3. One CC to Sri S. Chakrapani, Advocate [OPUC]
4. One CC to Sri Namavarapu Rajeshwar Rao, Asst.Solicitor General, Advocate [OPUC]
5. Two CD Copies

sm

HIGH COURT

DATED:18/12/2020

ORDER

WP.No.23232 of 2020



ALLOWING THE WP

WITHOUT COSTS

SSV
6 copies
Dt 24/12/2020