IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 03-03-2026

CORAM

THE HON'BLE MR JUSTICE KRISHNAN RAMASAMY

WP No. 8337 of 2022
AND
WMP NO. 8313 OF 2022,WMP NO. 8314 OF 2022

1. Neo Neem Extractions Pvt Ltd
   No.07, Third Street, Kamdar Nagar,
   Nungambakkam, Chennai-34, Rep. by its
   Director K.Venkataramani

2. K.Venkataramani
   S/o.P.Krishnamurthy, No.97, third Street,
   Kamdar Nagar, Nungambakkam, Chennai-34.

3. Ajay P Shanghavi
   S/o.Prathaprai Shanghavi, No.97, third Street,
   Kamdar Nagar, Nungambakkam, Chennai-34.

..Petitioner(s)

Vs

Deputy Registrar of Companies
office of the Registrar of Companies, Tamil Nadu,
Shastri Bhavan, 2nd Floor, No.26,
Haddows Road, Chennai-06.

..Respondent(s)

PRAYER : Petition filed under Article 226 of the Constitution of India, to issue a Writ of Certiorari, to call for the records and quash the notice dated 15.03.2022 bearing Ref. No.ROC(SR) / CMS / 96/ Neo Neem/ 2021 issued by the respondent herein, namely, the Deputy Registrar of Companies, Office of the Registrar of Companies, Tamil Nadu.

For Petitioner(s): Mr.S.Ravi, Senior Counsel for
Gupta and Ravi
Mr.C.Manohar Gupta

For Respondent(s): Mr.K.Subbu Ranga Bharathi CGC

Order

This Writ Petition has been filed to call for the records and quash the notice dated 15.03.2022 bearing Ref. No.ROC(SR) / CMS / 96/ Neo Neem/ 2021 issued by the respondent herein, namely, the Deputy Registrar of Companies, Office of the Registrar of Companies, Tamil Nadu.

2. Heard the learned Senior Counsel for the petitioners and the learned Central Government Standing Counsel appearing for the respondent.

3. The learned Senior Counsel for the petitioners would submit that the impugned show cause notice was issued on 15.03.2022 for the alleged violation of non-compliance of the provisions of Section 96 of the Companies Act, with regard to the failure on the part of the petitioners to convene the Annual General Meeting for the financial year 2016-17. As per the provisions of the said Act, the Annual General Meeting for the financial year 2016-17 should be convened on or before 30.09.2017. In the present case, due to various reasons, the Meeting was not convened within the stipulated time, however, the Meeting

was convened on 24.03.2018 for the financial year 2016-17. Even in the case of violation of the provisions of the Act in convening the Annual General Meeting, the respondent should have initiated action within 6 months from the date of knowledge of the commission of the offence by the petitioners. If any default is made in holding a Meeting of the Company, under Section 96 of the Companies Act, the Company and every officer of the Company is only liable to be punished only with fine. Therefore, he would submit that in the present case, the issuance of show cause notice dated 15.03.2022 is barred by limitation.

4. The learned Central Government Standing Counsel appearing for the respondent would submit that due to Covid-19 pandemic, the respondent was not in a position to issue the show cause notice in time. The respondent had issued the impugned notice immediately after he came to know about the commission of offence on the part of the petitioners. Hence, prayed for dismissal of this Writ Petition.

5. In the present case, the impugned show cause notice was issued on 15.03.2022, for the alleged violation of non-compliance of the provisions of Section 96 of the Companies Act, 2013. Section 96 of the said Act dealt with the aspect of convening the Annual General Meeting. The time limit provided under Section 96 is on or before 30th September of every year. In the present case, for the financial year 2016-17, the last date for convening the meeting is

30.09.2017. Admittedly, no Annual General Meeting was convened for the financial year 2016-17 within the stipulated time and there was a delay in convening the Meeting and finally, the petitioners had convened the Meeting on 24.03.2018. Subsequent to the Meeting, the returns have also been filed. Thereafter only, the respondent has got the knowledge about the delay in convening the Meeting in the month of March 2018. The time limit provided for convening the Annual General Meeting under Section 96 is within a period of six months. Under Section 99 of the Companies Act, the non-convening of the Annual General Meeting is a punishable offence with fine amount. Section 99 of the Companies Act is extracted hereunder:

> *"**99. Punishment for default in complying with provisions of Sections 96 to 98:-***
>
> *If any default is made in holding a meeting of the company in accordance with Section 96 or Section 97 or Section 98 or in complying with any directions of the Tribunal, the company and every officer of the company who is in default shall be punishable with fine which may extend to one lakh rupees and in the case of a continuing default, with a further fine which may extend to five thousand rupees for every day during which such default continues."*

6. The reading of the above provision would show that the offence is punishable with fine alone. Insofar as the contention raised by the petitioners that the issuance of the show cause notice is barred by limitation is concerned, it

would be appropriate to refer to Section 468 of Cr.P.C., which deals with the period of limitation. The provisions of Section 468 of Cr.P.C. is extracted hereunder:

> *"**468. Bar to taking cognizance after lapse of the period of limitation:-** (1) Except as otherwise provided elsewhere in this Code, no Court, shall take cognizance of an offence of the category specified in sub-section (2), after the expiry of the period of limitation. (2) The period of limitation shall be— (a) six months, if the offence is punishable with fine only; (b) one year, if the offence is punishable with imprisonment for a term not exceeding one year; (c) three years, if the offence is punishable with imprisonment for a term exceeding one year but not exceeding three years. (3) For the purposes of this section, the period of limitation, in relation to offences which may be tried together, shall be determined with reference to the offence which is punishable with the more severe punishment or, as the case may be, the most severe punishment.*

7. A reading of the above provision would make it clear that when an offence is punishable with fine only, the period of limitation for taking cognizance is six months. In the present case, the alleged offence came to the knowledge of the respondent only in the month of March 2018. Therefore, taking March 2018 into consideration, the respondent ought to have initiated the proceedings within 6 months (i.e) on or before 30.09.2018. However, the

respondent failed to initiate the proceedings within the said period of limitation. In the present case, the initiation of proceedings by the respondent is on 15.03.2022. Therefore, the proceedings of the respondent is barred by limitation. In such view of the matter, the respondent has no authority to issue the present show cause notice and the same is liable to be quashed.

8. In view of the above, this Writ Petition is allowed and the impugned notice dated 15.03.2022 bearing Ref. No.ROC(SR) / CMS / 96/ Neo Neem/ 2021 issued by the respondent is quashed. No costs. Consequently, connected miscellaneous petitions are closed.

03-03-2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No

GSK

To

Deputy Registrar of Companies
office of the Registrar of Companies, Tamil Nadu,
Shastri Bhavan, 2nd Floor, No.26, Haddows Road,
Chennai-06.

KRISHNAN RAMASAMY J.

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