NATIONAL COMPANY LAW APPELLATE TRIBUNAL
CHENNAI BENCH

17.08.2026

Present: JUSTICE N. SESHASAYEE, MEMBER (JUDICIAL)
JATINDRANATH SWAIN, MEMBER (TECHNICAL)

Company Appeal (AT) (CH) No. 22/2024
(IA No.1789/2025)

IN THE MATTER OF:

P. Venugopal,
Shareholder of Sri Sai Pardha Real
Estates Private Limited
Having office at
H. No. 4-29, Rudraram Village,
Patancheru Mandal, Medak District,
Telangana -502 329. ... Appellant

V

The Registrar of Companies,
II Floor, Corporate Bhavan,
GSI Post, ThattiAnnaram Village,
Bandlaguda, Hyderabad-500068,
Telangana.

T. Ananda Kumar
S/o. Sri T. Narasimham
H.No.6-1-10, Prakash Nagar, VTC
Near Thava Rangiah Kalyana Mandapam,
Nellore, Andhra Pradesh – 524 003.

S. Penchala Reddy
R/o Flat No.506, Dheeraj Heights,
Magunta Layout,
Near Pichireddy Kalyana Mandapam,
Dargamitta, Nellore AP 524 003. ... Respondents

(Arising out of Order dated 15.06.2022 passed by the Adjudicating Authority (National Company Law Tribunal, Hyderabad Bench) in CA No.02/252/HDB/2022)

Present:

For Appellant : Mr. A.M. Sridharan &
Ms. Renuka Parameswari R, Advocates

For Respondents : Mr. Prithvi Raj JS, Advocate for R2 & R3
Mr. B. Dhanaraj, Advocate for Intervenor
Mr. S.S. Raghavan, Advocate
for Petitioner in IA No. 1789/2025

JUDGMENT
(Hybrid Mode)

Per: Justice N Seshasayee, Member (Judicial)

This appeal is preferred challenging the order of the NCLT dated 15.06.2022 in CA 02/2022, by which the Tribunal has confirmed the proceedings of the Registrar of Companies dated 02.07.2018 passed under Section 248 of the Companies Act, 2013.

2. The minimum facts which are relevant for the current purposes are:

(a) On 06.04.1994, the company was registered. It was stated to be engaged in the real estate business. According to the appellant, the company had acquired vast lands but beyond that hardly any business took place. At any rate, right from its inception, it failed to submit annual returns and balance sheets to the RoC.

(b) Be that as it may, the RoC initiated the proceedings under Section 248 of the Companies Act, 2013, and eventually struck the name of the company from the Register vide its proceedings dated 02.07.2018.

(c) This was challenged by the appellant, one of the promoters of the company, under Sec.252 of the Companies Act, 2013. The Tribunal, vide its order dated 15.06.2022, dismissed the appeal essentially on the ground that even though the audited financial statements were filed from 1994-1995 to 2019-2020, they were not filed with other supporting documents, in particular, documents to support the filing of income tax returns or the bank statements.

3. The 2nd Respondent herein, a shareholder of the company, supports the appellant. During the pendency of this appeal, certain Mr. S. Adi Reddy & Mr. K.L. Venkat, both former directors of the company, have filed applications to implead themselves vide IA No.1023/2025 and IA No.1789/2025 respectively. And both were not impleaded as such, but were heard as intervenors.

4. The learned counsel for the appellant submitted that, while the company has become defunct a few decades ago, if not from its very inception, the fact remains that the company has a huge land bank. In the fitness of things, the company may have to be wound up in the manner known to law, but for it to happen, the company may have to be restored. In other words, he submitted that there is just and equitable ground available for setting aside the order of the RoC as well as that of the Adjudicating Authority and to restore the name of the company in the Registrar of Companies.

5. Supporting the submission of the appellant, the learned counsel for the 2nd Respondent added that while the RoC has passed its order under Section 248 of the Act, 2013, on 02.07.2018, Shri. S. Aadi Reddy, one of the intervenors, has been on a selling spree of the lands of the company as evidenced by sale deeds dated 14.05.2025, and, very shockingly, in the name of the very same company whose name has already been struck off from the Register of the Companies.

6. Per contra, both the intervenors alleged that the appellant has no locus standi to prefer this appeal. He is not the managing

director of the company as he projected himself to be. Indeed, the RoC itself has noted that the appellant has stepped down as a managing director with effect from 16.05.1997 and as a director on 08.10.2001. Secondly, they alleged that the appellant has been selling the lands of the company and appropriating the sale proceeds for himself. Hence, it was contended that to protect the interest of the company in preserving its assets, the intervenor Shri Adi Reddy representing CD has filed OS Nos.120 of 2022, O.S.38 of 2022, O.S. 97 of 2025 and OS 503 of 2025 for cancellation of fraudulent sale deeds.

Discussion & Decision

7. We are presented with few undisputed facts: (a) that the company came into being in 1994; (b) that it acquired certain stretch of lands as part of its business; (c) except acquisition of lands, there has hardly been any business; (d) that for non-filing of returns for two years and more, the RoC, the first respondent herein had initiated an action under Sec.248 of the Act, and vide its proceedings dated 02.07.2018, RoC struck off the name of the company from its register and also ordered dissolution of the company under Sec.248(5) of the Act that

was affirmed by the Adjudicating Authority; that notwithstanding the proceedings of the RoC, both sides accuse each other of unilaterally dealing with the lands of company. While the Respondent No.2 (who is in support of the appellant) has produced certain sale deeds executed by one of the intervenors, but on behalf of the company, the other side has furnished the details of the suits filed against the appellant challenging the sales of land belonging to the company that the appellant herein is alleged to have executed.

8. When the company is shown to have assets, but is defunct otherwise, it can only be wound up, and it may not be appropriate to dissolve the company. With the company having been struck off from the Register, it appears that the company's properties have been dealt with without anyone owing accountability to any. Besides, there is also a possibility of revenue loss to the Government, as there are issues of capital gains that need to be negotiated. We therefore consider that there is a compelling need to restore the company to the Register of the Companies for its eventual winding up. Set in the context, the allegation that the appellant had stepped

down from the office of Managing Director or director may not be very significant.

9. Accordingly, this appeal is allowed. All pending interlocutory applications, if any, would stand closed. No costs.

[Justice N. Seshasayee]
Member (Judicial)

[Jatindranath Swain]
Member (Technical)

VG/MS/AK