NATIONAL COMPANY LAW APPELLATE TRIBUNAL
PRINCIPAL BENCH: NEW DELHI

Company Appeal (AT) No. 96 of 2026

[Arising out of the Impugned Order dated 06.01.2026 passed by the 'Adjudicating Authority' (National Company Law Tribunal, Mumbai Bench, Court-V) in Company Appeal No. 54/MB/2025 (C.A. No. 54/252/MB/2025)]

IN THE MATTER OF:

1. **M/s Radiant Inn Private Limited**
(formerly Chaitanya Institute of Medical Sciences Private Limited)
CIN: U55101MH2008PTC179562

Registered office:
Plot no.126, Flat No.101,
First Floor, Prajakta Pinnacle, Telecom Nagar,
Nagpur, Maharashtra – 440022.
Through its Member(s)/Director(s)
Mr. Deepak Ashutosh Bharadwaj &
Mrs. Suhani Deepak Bhardwaj **...Appellant No.1**

2. **Mrs. Suhani Deepak Bharadwaj**
G-1, Ravi Palace, Plot No.25,
Talmale Layout, Trimuty Nagar,
Nagpur – 440022 **...Appellant No.2**

Versus

Registrar of Companies, Mumbai
100, Everest, Marine Drive
Mumbai, Maharashtra – 400002 **... Respondent**

Present:

For Appellants : Mr. Anup Lohiya, Mr. Abhishek Aggarwal, Mr. Aayush Aggarwal and Ms. Chahat Aggarwal, Advocates

For Respondent : None. (Proceeded ex parte vide order dated 31.08.2026)

J U D G M E N T
(Hybrid Mode)

[Per: Arun Baroka, Member (Technical)]

This Appeal under Section 421 of the Companies Act, 2013 ('the Act') is directed against the order dated 06.01.2026 passed by the National Company Law Tribunal, Mumbai Bench, Court-V ('NCLT') in Company Appeal No. 54/MB/2025. By the impugned order, the NCLT dismissed the Appellant's application under Section 252(3) of the Act seeking restoration of its name in the Register of Companies. The Registrar of Companies had struck off the Appellant's name by notice in Form STK-7 dated 12.09.2018.

2. The Appellant was incorporated on 28.02.2008 as Chaitanya Institute of Medical Sciences Private Limited. Its name was later changed to Radiant Inn Private Limited in 2015. Its objects relate to hotel and lodging-house operations and allied activities. The Appellant alleges to holds a leasehold interest over Plot No. P-77, Butibori Industrial Area, Nagpur, admeasuring 4,000 square metres, granted by the Maharashtra Industrial Development Corporation ('MIDC'). The lease is stated to be for 95 years. Property Cards dated 10.01.2025 and 15.07.2025 record the Appellant (under its former name in the earlier card) as the current lessee, and both record reflect Building Completion Certificate obtained on 08.01.2013.

3. The Appellant filed its financial statements and annual returns up to the financial year 2013-14, but for undisclosed reason did not file them for the financial years 2014-15 to 2024-25. It did not seek the status of a dormant

company under Section 455 of the Act. The Registrar issued a public notice in Form STK-5 dated 19.07.2018 under Section 248(1) and (4), followed by a notice in Form STK-7 dated 12.09.2018 under Section 248(5), striking off the Appellant's name.

4. In 2025, the Appellant approached the NCLT under Section 252(3). The NCLT dismissed the application, inter alia, holding that the statutory strike-off procedure had been followed; the Appellant had failed to file its financial statements for the relevant years; its generated revenue from operations and gross total income were reflected to be nil; and the material placed did not establish that it was carrying on business or was in operation. The NCLT also considered the MIDC lease and found insufficient material to establish the fulfilment of its conditions.

5. During the present Appeal, this Appellate Tribunal, by order dated 08.07.2026, took note of the Property Card dated 15.07.2025 and called upon the Appellant to clarify the business or any other activity proposed to be undertaken or being carried after restoration. In response, the Appellant filed an Affidavit-cum-Undertaking affirmed on 17.07.2026. It expressly stated that the Appellant was neither willing nor proposing to recommence any business or operational activity in the near future. Restoration was sought only to deal with and realise the leasehold asset, regularise statutory compliances and discharge liabilities. The Appellant proposed to transfer or assign the leasehold rights, subject to MIDC's permission or any other

condition under the lease, and apply the proceeds towards its dues and liabilities. The Respondent was proceeded ex parte on 31.08.2026.

Submissions

6. The Appellant submits that no notice in Form STK-1 was served upon the Appellant or its Directors as required by Section 248(1), and that the public notice in Form STK-5 could not substitute individual notice. It further contends that the Registrar did not satisfy himself, as required by Section 248(6), that adequate provision had been made for realisation of amounts due to the Appellant and discharge of its liabilities. Reliance is placed on **Deorao Shriram Kalkar & Anr. v. Registrar of Companies, Pune, Company Appeal (AT) No. 188 of 2019**, decided on 06.12.2019.

7. It is further submitted that the leasehold interest in the MIDC plot subsists and is reflected in the Property Card dated 15.07.2025. The Appellant relies upon its audited accounts, Income Tax Returns, bank account, appointment of auditors and conduct of Board and Annual General Meetings to contend that it was not abandoned. It is argued that the three expressions given under Section 252(3)—carrying on business, being in operation, or otherwise being just—are alternative grounds. Even if the Appellant was not carrying on business, restoration is said to be just so that the leasehold asset may be realised and liabilities discharged. Reliance is placed on **Urvashi Infrastructure Limited v. Registrar of Companies, Company Appeal (AT) No. 28 of 2021,** decided on 07.12.2022. The Appellant

also undertakes to file all pending statutory returns with applicable fees and additional fees.

8. The Respondent did not appear before us. Its reply before the NCLT stated that the Appellant had failed to file annual financial statements after financial year 2013-14; the public notice afforded an opportunity to object, but no representation was made; the Appellant had no revenue from operations; and the lease, by itself, did not establish that the Appellant was carrying on business.

Consideration

9. We have heard learned counsel for the Appellant and examined the record, including the Affidavit-cum-Undertaking and the written submissions. The fact that the Respondent has been proceeded ex parte does not dispense with the Appellant's obligation to establish that the requirements of Section 252(3) are satisfied.

10. Section 252 provides distinct remedies. In an appeal under Section 252(1), which must be filed within three years, the Tribunal examines whether the Registrar's removal of the company's name was justified having regard to the grounds on which the order was passed. An application under Section 252(3), which may be made within twenty years, requires the Tribunal to be satisfied that, at the time of strike-off, the company was carrying on business or was in operation, or that it is otherwise just that its name be restored. The present application was filed in 2025, after expiry of the three-year period,

and was expressly made under Section 252(3). The matter must, therefore, be examined on the tests prescribed by that provision.

11. The Appellant asserts that Form STK-1 was not served upon it or its Directors. The Registrar's reply refers to the public notice in Form STK-5 and does not establish service of Form STK-1. We proceed on the basis that such service has not been shown. However, the Appellant admits, that it did not file its financial statements and annual returns after financial year 2013-14, and had not applied for dormant-company status. Its own financial statements show no revenue from operations. The circumstances constituted to be forming the basis for action under Section 248(1)(c) which did existed. More importantly, the material which the Appellant says it would have placed before the Registrar in fact has been considered by the NCLT and is before us too. In proceedings under Section 252(3), the alleged procedural lapse, by itself, does not establish that restoration is just.

12. Section 248(6) requires the Registrar, before passing an order under Section 248(5), has to satisfy himself that sufficient provision has been made for realisation of amounts due to the company and discharge of its liabilities. The proviso to Section 248(6) makes the company's assets available for payment or discharge of its liabilities even after strike-off. Section 250 preserves the company's existence for the limited purposes of realising amounts due to it and discharging its liabilities. Further, Section 248(7) continues the liability of its directors, managers, officers and members, while

Section 248(8) preserves the power to wind up a struck-off company. Thus, even assuming that the satisfaction contemplated by Section 248(6) was not recorded, it does not follow that restoration is the only means of protecting creditors or discharging liabilities.

13. The decision in **Deorao Shriram Kalkar (supra)** does not advance the Appellant's case. As reported, that matter concerned a company which had responded to the Registrar's notice, but whose name was nevertheless struck off without the requisite satisfaction under Section 248(6). In the present case, no representation was made before the strike-off, and the application is to be tested under Section 252(3).

14. The financial statements show that inventory and short-term borrowings remained unchanged from 31.03.2015 to 31.03.2024. Cash in hand declined from ₹ 92,221 to ₹ 31,000, while the annual expenses, apart from the year ended 31.03.2015, remained nominal. The revenue from operations was nil and the Income Tax Returns reflected nil gross total income. These findings of the NCLT are not rebutted. The bank statements filed before us, covering the period from 01.04.2023, show that credits were mostly transfers from the Directors and debits were mainly bank charges and utility payments. Maintenance of a bank account and payment of electricity and water charges for the plot indicate upkeep of an asset; they do not establish the carrying on of business.

15. The Appellant's own pleadings state that it carried on business on the MIDC plot only up to 2013-14. The Affidavit-cum-Undertaking now makes it clear that the Appellant does not propose to recommence business. Preparation of accounts, filing of Income Tax Returns and maintenance of a bank account are not, in the circumstances of this case, sufficient to establish that the Appellant was carrying on business or was in operation when its name was struck off. We agree with the NCLT on this aspect.

16. It is correct that the grounds in Section 252(3) are alternative. A company which was not carrying on business may nevertheless be restored if the Tribunal is satisfied that it is otherwise just to do so. However, the expression 'otherwise it is just' does not make restoration automatic whenever a struck-off company has an asset. The purpose of restoration and its impact on the company, its members, creditors and other affected persons must be considered.

17. The Appellant's affidavit is unequivocal. It does not intend to revive or carry on business. It seeks restoration exclusively to realise or transfer its leasehold interest, regularise filings and settle liabilities, and thereafter close its affairs. In substance, restoration is sought as a means to transfer the only asset and bring the Appellant's affairs to an end. In **Valuefab Solutions Pvt. Ltd. v. Registrar of Companies, Karnataka, Company Appeal (AT) No. 147 of 2018**, decided on 22.05.2018, this Appellate Tribunal held that there was no justification for restoring a company merely so that it could undergo

winding-up or closure. Though the company in said case didn't have fixed assets, the relevant consideration is the purpose for which restoration is sought. The existence of a leasehold asset does not, by itself, alter the nature of the relief sought here.

18. Restoration under Section 252(3) places the company and other persons, as nearly as possible, in the position they would have occupied had its name not been struck off. It restores the company's corporate status; it is not merely a mechanism for enabling its former Directors to deal with a particular asset. Before the NCLT, the Appellant had asserted that it intended to revive its business. The affidavit filed before this Appellate Tribunal expressly abandons that position and states that no business will be undertaken. The explanation for non-filing of statutory returns for eleven financial years—that the Directors were unaware of the compliances—is also unconvincing, particularly when the Appellant states that auditors were appointed and meetings were held, and the record shows filings for change of name and registered office. The Appellant also waited from 2018 until 2025 to seek restoration, without explaining the delay.

19. The application for restoration has been made by the Directors, who are also the members of the Appellant. No creditor, workman, statutory authority or MIDC has sought restoration. The affidavit refers generally to statutory and non-statutory dues but does not identify any creditor whose claim is imperilled by the refusal to restore. The statutory safeguards under the

proviso to Section 248(6), Sections 248(7) and 248(8), and Section 250 remain available. Any creditor, workman or authority which considers restoration necessary to protect its interest may pursue the remedy available under Section 252(3). The plea that refusal to restore would necessarily prejudice creditors or statutory authorities is, therefore, not made out.

20. We have also considered the leasehold interest. The Property Cards record the Appellant (the earlier card under its former name) as the current lessee and show that a Building Completion Certificate was obtained on 08.01.2013. We accordingly proceed on the basis that the leasehold interest subsists. The NCLT's observations that the conditions of the lease were not shown to have been fulfilled, or that the restoration application was filed to resist termination by MIDC, are not borne out by the Property Cards and are not endorsed by us. However, whether the lease can be transferred or assigned, and on what conditions, are matters governed by the lease and the applicable policies and permissions of MIDC. MIDC is not a party to these proceedings, and we express no opinion on the rights of MIDC or the Appellant under the lease.

21. The subsistence of the leasehold interest does not establish that the Appellant was carrying on business or in operation. Nor does it, in the facts of this case, make restoration otherwise just. The Appellant has expressly stated that it seeks restoration only to realise or transfer the leasehold asset and close its affairs. We do not find sufficient justification to restore the name

of the Appellant to the Register of Companies. The undertaking to file pending returns and pay applicable fees cannot independently furnish the statutory basis for restoration. The order of the NCLT rejecting the application is sustainable, though the observations concerning the status and conditions of the MIDC lease require the clarification set out below.

Conclusion and Order

22. For the reasons stated above, we hold that the Appellant has failed to establish either, that it was carrying on business or was in operation at the time its name was struck off, or that it is otherwise just to restore its name under Section 252(3) of the Act. The existence of a subsisting leasehold interest, is not sufficient to warrant restoration, particularly when the Appellant does not propose to recommence business and seeks restoration only for realisation of the asset and closure of its affairs.

23. The Appeal, Company Appeal (AT) No. 96 of 2026, is accordingly dismissed. The order dated 06.01.2026 passed by the NCLT, Mumbai Bench, Court-V, in Company Appeal No. 54/MB/2025 is upheld, subject to the clarification that the observations in paragraphs 22 and 23, and the corresponding observation in paragraph 24, of the impugned order concerning fulfilment of the conditions of the MIDC lease shall not be treated as a finding on the subsistence or status of the lease.

24. Nothing in this judgment shall affect the rights of MIDC under the lease or in law, or the rights of any creditor, workman or statutory authority, including under the proviso to Section 248(6), Sections 248(7) and 248(8), and

Section 250 of the Act. We express no opinion on the respective rights of the Appellant and MIDC in respect of Plot No. P-77, Butibori Industrial Area, Nagpur.

25. There shall be no order as to costs. Pending Interlocutory Applications, if any, stand closed.

[Justice Sharad Kumar Sharma]
Member (Judicial)

[Arun Baroka]
Member (Technical)

[Indevar Pandey]
Member (Technical)

New Delhi.
November 18, 2026.
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