HC-KAR

CNR: KAHC010381712026

NC: 2026:KHC:58665
WP No. 17419 of 2026
C/W WP No. 10482 of 2026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 16TH DAY OF OCTOBER, 2026

BEFORE

THE HON'BLE MR. JUSTICE C.M. POONACHA

WRIT PETITION NO. 17419 OF 2026 (GM-RES)

C/W

WRIT PETITION NO. 10482 OF 2026 (GM-RES)

IN WP No. 17419/2026

BETWEEN:

1. MR. SHIVAPURAM RAM MOHAN
S/O S. T. SATYANARAYANA,
AGED ABOUT 61 YEARS
RESIDING AT NO 1113/C,
KAMALAVASINI UPSTAIRS,
1ST H MAIN, GIRI NAGAR
2ND PHASE, BENGALURU-560085

...PETITIONER

(BY SMT. C. DHANA LAKSHMI, ADVOCATE FOR
SMT. MAHIMA DASAIN.,ADVOCATE)

AND:

1. UNION OF INDIA
REPRESENTED BY SECRETARY,
MINISTRY OF CORPORATE AFFAIRS, C-1/25,
PANDARA PARK, NEW DELHI - 110 003.

2. REGISTRAR OF COMPANIES,
E WING, 2ND FLOOR,
KENDRIYA SADANA, KORAMANGALA,

BENGALURU 560 034

...RESPONDENTS

(BY SRI. KUMAR M N, CGSPC, FOR R1 & R2)

THIS WP IS FILED UNDER ARTICLES 226 & 227 OF THE CONSTITUTION OF INDIA PRAYING TO ISSUE A WRIT OF MANDAMUS OR ANY OTHER APPROPRIATE WRIT OR ORDER OR DIRECTION OF RESPONDENTS NO.1 & 2 TO REACTIVATE THE PETITIONER' S DIN NO.05138403 WITH IMMEDIATE EFFECT.

IN WP NO. 10482/2026

BETWEEN:

1. SRI. JALAJ KOTHARI
S/O SUNIL KOTHARI,
AGED ABOUT 35 YEARS
PLOT NO. 9, PRAGATI NAGAR,
KISHANGARH, MADANGANJ, AJMER,
RAJASTHAN-305801
DIN 08192171

...PETITIONER

(BY SRI. SHASHANK REDDY B K, ADVOCATE FOR
SRI. MISHRA VINAY KUMAR.,ADVOCATE)

AND:

1. UNION OF INDIA
REPRESENTED BY DIRECTOR GENERAL
OF CORPORATE
MINISTRY OF CORPORATE AFFAIRS,
SHASTRI BHAWAN, RAJENDRA PRASAD ROAD,
NEW DELHI-110001

2. THE REGIONAL DIRECTOR
- SOUTH WESTERN REGION MINISTRY
OF CORPORATE AFFAIRS 'E' WING,
2ND FLOOR, KENDRIYA SADANA,

KORMANGALA, BANGLORE-560034,
KARNATAKA

3. REGISTRAR OF COMPANIES
- KARNATAKA MINISTRY OF
CORPORATE AFFAIRS 'E' WING,
2ND FLOOR, KENDRIYA SADANA,
KORMANGALA, BANGLORE-560034,
KARNATAKA

...RESPONDENTS

(BY SRI. KUMAR M N., CGSPC FOR R1 TO R3)

THIS WP IS FILED UNDER ARTICLE 226 OF THE CONSTITUTION OF INDIA PRAYING TO SETTING ASIDE THE DEACTIVATION OF THE PETITIONERS DIN VIDE ANNEXURE-E, AND THEREBY DIRECTING THE RESPONDENT NO.2 TO RE-ACTIVATE THE PETITIONERS DIRECTOR IDENTIFICATION NUMBER (DIN)- 08192171.

THESE PETITIONS, COMING ON FOR PRELIMINARY HEARING IN 'B' GROUP, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE C.M. POONACHA

ORAL ORDER

The present writ petitions are filed seeking for the following reliefs:

WP No.17419/2026

> *"i) Issue a Writ of Mandamus or any other appropriate Writ or order or direction to Respondents No. 1 & 2 to reactivate the Petitioner's Din No. 05138403 with immediate effect.*

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ii) Allow the Petitioner to file his pending web Form DIR-3 KYC for all outstanding upon reactivation of the DIN, without Imposition of any penalty or late fee attributable to the period during which the DIN remained illegally deactivated.

iii) To direct the Respondents to pay the costs of this Petition to the Petitioner

iv) Grant such other and further order(s) as the Hon'ble court deems fit and proper in the interest of justice and circumstances of the case."

WP No.10482/2026

a. Setting aside the deactivation of the Petitioner's DIN vide Annexure-E, and thereby directing the Respondent re-activate the Petitioner's Director No.2 to Identification Number (DIN) - 08192171;

b. Setting aside the order/communication 24/02/2025 issued by the Director General of Corporate Affairs (Respondent No.1) bearing reference number CRF_202505092496605, in so far as it pertains to the deactivation of the Petitioner's DIN, the details of the said order which is forthcoming at Annexure-D;

c. Direct the Respondents to afford an opportunity of hearing to the Petitioner, before deactivating his Director Identification Number in the future;

d. Pass such other Orders as this Hon'ble Court deems fit given the facts and circumstances of the instant case, in the interest of Justice and Equity."

2. The petitioners are aggrieved by the de-activation of their Director Identification Number[1] by the respondents. In

[1] Hereinafter referred to as 'DIN'

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this context, it is forthcoming that the petitioner in WP No.17419/2026 was assigned DIN 05138403 and the petitioner in WP No.10482/2026 was assigned DIN 08192171. The said DINs have been deactivated by the respondents.

3. In this context, it is submitted on behalf of the respondents that complaints were received and an enquiry was conducted after issuing notice to the parties.

4. Learned counsel for the petitioner in WP.No.17419/2026 submits that the petitioner participated in the enquiry and filed reply, consequent to which, without further information, the DIN of the petitioner has been deactivated.

5. Learned counsel for the petitioner in WP.No.10482/2026 submits that the petitioner has not received any notice and without the petitioner having participated in the enquiry, the DIN has been deactivated.

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6. Further, it is submitted on behalf of the petitioner that by virtue of Section 206 of the Companies Act, 2013[2] having regard to sub-Section (4), the enquiry has to be conducted and the punishment has to be imposed only in terms of sub-Section (7).

7. The said Section 206 of the Act reads as under:

> ***"206**. (1) Where on a scrutiny of any document filed by a company or on any information received by him, the Registrar is of the opinion that any further information or explanation or any further documents relating to the company is necessary, he may by a written notice require the company—*
>
> > *(a) to furnish in writing such information or explanation; or*
> >
> > *(b) to produce such documents,*
> >
> > *within such reasonable time, as may be specified in the notice.*
>
> *(2) On the receipt of a notice under sub-section (1), it shall be the duty of the company and of its officers concerned to furnish such information or explanation to the best of their knowledge and power and to produce the documents to the Registrar within the time specified or extended by the Registrar:*
> *Provided that where such information or explanation relates to any past period, the officers who had been in the employment of the company for such period, if so called upon by the Registrar through a notice served on them in writing, shall also furnish such information or explanation to the best of their knowledge.*

[2] Hereinafter referred to as the 'Act'

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(3) If no information or explanation is furnished to the Registrar within the time specified under sub-section (1) or if the Registrar on an examination of the documents furnished is of the opinion that the information or explanation furnished is inadequate or if the Registrar is satisfied on a scrutiny of the documents furnished that an unsatisfactory state of affairs exists in the company and does not disclose a full and fair statement of the information required, he may, by another written notice, call on the company to produce for his inspection such further books of account, books, papers and explanations as he may require at such place and at such time as he may specify in the notice:

Provided that before any notice is served under this sub-section, the Registrar shall record his reasons in writing for issuing such notice.

(4) If the Registrar is satisfied on the basis of information available with or furnished to him or on a representation made to him by any person that the business of a company is being carried on for a fraudulent or unlawful purpose or not in compliance with the provisions of this Act or if the grievances of investors are not being addressed, the Registrar may, after informing the company of the allegations made against it by a written order, call on the company to furnish in writing any information or explanation on matters specified in the order within such time as he may specify therein and carry out such inquiry as he deems fit after providing the company a reasonable opportunity of being heard:

Provided that the Central Government may, if it is satisfied that the circumstances so warrant, direct the Registrar or an inspector appointed by it for the purpose to carry out the inquiry under this sub-section:

Provided further that where business of a company has been or is being carried on for a fraudulent or unlawful purpose, every officer of the company who is in default shall be punishable for fraud in the manner as provided in section 447.

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(5) Without prejudice to the foregoing provisions of this section, the Central Government may, if it is satisfied that the circumstances so warrant, direct inspection of books and papers of a company by an inspector appointed by it for the purpose.

(6) The Central Government may, having regard to the circumstances by general or special order, authorise any statutory authority to carry out the inspection of books of account of a company or class of companies.

(7) If a company fails to furnish any information or explanation or produce any document required under this section, the company and every officer of the company, who is in default shall be punishable with a fine which may extend to one lakh rupees and in the case of a continuing failure, with an additional fine which may extend to five hundred rupees for every day after the first during which the failure continues."

8. It is further forthcoming that the enquiry has been conducted against the petitioner in WP.No.17419/2026 by taking recourse to Rule 11 of the Companies (Appointment and Qualification of Directors) Rules, 2014[3]. The said Rule 11 reads as under:

"11. Cancellation or surrender or Deactivation of DIN.–

The Central Government or Regional Director (Northern Region) Noida or any officer authorised by the Regional Director may, upon being satisfied on verification of particulars or documentary proof attached with the application received from any person, cancel or deactivate the DIN in case —

[3] Hereinafter referred to as 'Rules'

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(a) the DIN is found to be duplicated in respect of the same person provided the data related to both the DIN shall be merged with the validly retained number;

(b) the DIN was obtained in a wrongful manner or by fraudulent means;

(c) of the death of the concerned individual;

(d) the concerned individual has been declared as a person of unsound mind by a competent Court;

(e) if the concerned individual has been adjudicated an insolvent:

Provided that before cancellation or deactivation of DIN pursuant to clause (b), an opportunity of being heard shall be given to the concerned individual;

*(f) on an application made in **Form DIR-5** by the DIN holder to surrender his or her DIN along with declaration that he has never been appointed as director in any company and the said DIN has never been used for filing of any document with any authority, the Central Government may deactivate such DIN:*

Provided that before deactivation of any DIN in such case, the Central Government shall verify e-records.

Explanation.– For the purposes of clause (b) –

(i) the term "wrongful manner" means if the DIN is obtained on the strength of documents which are not legally valid or incomplete documents are furnished or on suppression of material information or on the basis of wrong certification or by making misleading or false information or by misrepresentation;

(ii) the term "fraudulent means" means if the DIN is obtained with an intent to deceive any other person or any authority including the Central Government."

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9. It is pertinent to notice that recourse to Rule 11 of the Rules could be taken only in the circumstances as specified in the said Rules.

10. It is forthcoming that the allegation against the petitioners is not one of the circumstances mentioned in Rule 11 of the Rules.

11. The respondents have further contended that the petitioners were required to file DIR-3 KYC periodically, which has not been done.

12. It is the contention on behalf of the petitioners that even for the purpose of filing DIR-3 KYC, the DIN is required.

13. It is clear and forthcoming from the aforementioned that the action of the respondents in deactivating the DIN is *ex facie* untenable and liable to be interfered with.

14. Accordingly, respondents Nos.1 and 2 are directed to reactivate the petitioners DIN forthwith, in any event, not later than one week from the date of receipt of a copy of this

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order. Further the respondents shall permit the petitioners to file the pending DIR-3 KYC Forms upon activation of the DIN;

15. This order will not preclude the respondents from taking further action in accordance with law.

16. The writ petitions are disposed of in the aforesaid terms.

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(C.M. POONACHA)
JUDGE

ND/List No.: 1 Sl No.: 43