

**BANARAS BEADS LIMITED**

AN EXPORT HOUSE RECOGNISED BY GOVERNMENT OF INDIA
CIN No. L01131UP1980PLC004984

AN ISO
CERTIFIED
COMPANY

Manufacturers & Exporters of All kind of Beads, Fashion Jewelry and Accessories.

Regd. & Head Office : A-1, Industrial Estate,
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REF.: BBL/SECT/

September 2, 2025

To,
The National Stock Exchange Of (I) Ltd.,
Exchange Plaza, 5th Floor,
Plot No.C/1, G-Block,
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051

Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir,

This is to inform you that Hon'ble High Court of Judicature at Allahabad has stayed on 28.08.2025 the order dt. 30.06.2025 passed by Regional Director (Northan Region) Ministry of Corporate Affairs New Delhi in the matter of appeal filed by company against the order of Registrar of Companies, Uttar Pradesh, in which they have imposed penalty of Rs. 6 lacs (Rs. 5 lacs on company and Rs 1 lac of KMP) against non/delay compliance of Section 90 of the Companies Act 2013 and in accordance with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the detail of the same is as under:

Name of the authority	Nature and details of the action taken, initiated or order passed	Date of receipt of direction or order, or any other communication from the authority	Details of the violation/contravention committed or alleged to be committed
Hon'ble High Court Judicature Allahabad Stay order in Writ - C No. 39573 of 2025	That Hon'ble High Court Judicature Allahabad has passed an interim order on 28.08.2025 in Writ Petition No. 39573 of 2025, copy attached. In said order Hon'ble High Court has stayed the operation of the orders dt. 28.06.2024 passed by ROC UP and order dt. 30.06.2025 passed by your goodself (RD NR).	On 28.08.2025 hearing held in Writ Petition No. 39573 of 2025 and order uploaded at High Court website on 01.09.2025 and not received original order as on date. By this we have received order from High Court website on 01.09.2025.	Order of adjudication of penalty Under Section 454 of the Companies Act 2013 read with Rule 3 of the Companies (Adjudication of Penalties) Rules 2014 for violation of provisions of Section 90 of the Companies Act, 2013. The Penalty amount to be deposited within 90 days of receipt of order or file and appeal before RD with 60 days.

You are requested to take the above information on record.

Thanking you,

For **BANARAS BEADS LIMITED**

(R.K. SINGH)
COMPANY SECRETARY
Encl. As above



HIGH COURT OF JUDICATURE AT ALLAHABAD

WRIT - C No. - 29573 of 2025

Banaras Beads Limited And Another

.....Petitioner(s)

Versus

Union Of India And 2 Others

.....Respondent(s)

Counsel for Petitioner(s)	:	Ankita Singhal, Siddharth Singhal
Counsel for Respondent(s)	:	A.S.G.I., Sanjay Kumar Yadav

Court No. - 33

HON'BLE PRAKASH PADIA, J.

1. Heard Shri Siddharth Singhal, learned counsel for the petitioners and Shri Sanjay Kumar Yadav, learned counsel appearing on behalf of Respondent No.1.

2. The petitioners have preferred the present writ petition inter-alia with the following prayers:-

"i. Issue a writ order or direction in the nature of Certiorari quashing the impugned order dated 28.06.2024 passed by Adjudicating Officer (Annexure No. 1 to the writ petition).

ii. Issue a writ order or direction in the nature of Certiorari quashing the impugned order dated 30.06.2025 passed by respondent No.2 in Appeal (Annexure-2 to the writ petition).

iii. Issue a writ order or direction in the nature of Prohibition restraining the respondents from taking any coercive measures pursuant to the orders dated 28.06.2024 and 30.06.2025 passed by respondent No. 3 and 2 respectively."

3. Facts in brief as contained in the writ petition are that the petitioner no.1 company was incorporated as a private limited company and converted on 02.01.1995 as a Public Limited Company with its shares listed with BSE and NSE. A show cause notice dated 26.04.2024 was issued by the Respondent No.3 on allegations of delay in filing of Form BEN-2 which is in violation of the provision of Section 90(4) of the Act

of 2013. A detailed reply was submitted by the petitioners in response to the aforesaid show cause notice.

4. It is argued that without considering the reply submitted by the petitioner, the Respondent No.3 passed an impugned order dated 28.06.2024 whereby it has been held that the petitioners liable for penalty under Section 90(11) for violation of Section 90(4) of the Act of 2013.

5. Aggrieved against the aforesaid, statutory appeal was filed by the petitioners before the Appellate Authority which was turned down by the Respondent No.2 vide order dated 30.06.2025. It is argued that both the orders impugned dated 28.06.2024 and 30.06.2025 passed by the Respondent No.3 and 2 respectively are wholly arbitrarily and do not consider the specific case pleaded by the petitioners before the said authorities. The orders impugned have been passed in a most mechanical manner and there is no discussion on the stand of the petitioners rendering the said orders unsustainable and contrary to the settled principles of natural justice.

6. Counsel for the petitioners placed reliance upon the judgment and order passed by this Court in **Writ C No.37953 of 2024 (Upendra Nath Tripathi vs. State of U.P. and 4 others)** decided on 19.11.2024 as well as Judgment and order dated 13.09.2019 passed by this Court in **Writ C No.25502 of 2019 (Ahmad Ullah vs. Union of India and 5 Others)**.

7. Heard counsel for the parties and perused the record.

8. From perusal of the record, the Court is of the prima facie opinion that the appellate order passed by the Respondent No.2 was passed without providing any reasons whatsoever. After noting down the contentions made by the parties and without recording any independent findings the appeal filed by the petitioners was rejected.

9. Matter requires consideration.

10. Admit.

11. Issue notice. Since all the parties were represented by the learned Standing Counsel, notices need not be issued to the Respondents.

12. Counsel for the Respondents prays for and granted six weeks' time to file counter affidavit. Petitioners will have two weeks' thereafter to file rejoinder affidavit.

13. List for final disposal in the month of March, 2026.

14. Until further orders of this Court, effect and operation of the orders dated 28.06.2024 and 30.06.2025 passed by respondent Nos. 3 and 2 respectively, shall remain stayed, provided the petitioners will deposit a security other than cash or bank guarantee for the sum of Rs.6,00,000/- before the Respondent No.2, Regional Director (Northern Region) Ministry of Corporate Affairs, New Delhi.

(Prakash Padia,J.)

August 28, 2025
Swati

**BEFORE THE REGIONAL DIRECTOR,
NORTHERN REGION
MINISTRY OF CORPORATE AFFAIRS, NEW DELHI
RD(NR)/ADJ/454/F97342281**

THE REGIONAL DIRECTOR (NR)

In the matter of the Companies Act, 2013- Section 454 r/w Section 90

AND

In the Matter of **BANARAS BEADS LIMITED** having registered office at A-1 Industrial Estate, Varanasi- 221106

Application under Section 454(5) of the Companies Act, 2013 for violation of section 90 of Companies Act, 2013.

In the matter of:

1. Banaras Beads Limited
2. Mr. Ramesh Kumar Singh, Company Secretary

...Appellant(s)

Through:

1. Mr. Rohit Gupta, PCS
- Mr. Shashiraj Dara, Joint Director

...For Appellant(s)

...Presenting Officer

Date(s) of Hearings: 19.02.2025, 03.03.2025, 10.03.2025, 19.03.2025.

ORDER

1. The present appeal arises from the order dated 28.06.2024, passed by the Registrar of Companies (ROC)/Adjudicating Officer, in exercise of powers conferred under Section 454(1) of the Companies Act, 2013 (hereinafter referred to as "the Act"), read with the Companies (Adjudication of Penalties) Rules, 2014. The said order was issued in adjudication of penalties under the provisions of the Companies Act, 2013, whereby a penalty of ₹5,00,000 was imposed on Banaras Beads Limited Capital ("the Company") and ₹1,00,000 on its Company Secretary/Key Managerial Personnel (KMP) for non-compliance with Section 90 of the Act.
2. The adjudication order concluded that the appellant company was under statutory obligation to file e-Form BEN-2 under Rule 4 of the Companies (Significant Beneficial Owners) Rules, 2018, read with Section 90 of the Act, to report details of significant beneficial ownership. The e-form was due by 21.12.2020, but was filed belatedly on 25.01.2024, with a delay of 1131 days. The default, being admitted, is undisputed.



3. The appellant(s), Banaras Beads Limited Capital, preferred this appeal vide SRN F97342281 on 12.08.2024, challenging the adjudication order dated 28.06.2024, issued by the Registrar of Companies, Kanpur with the following grounds: -

- a. Reference to MCA General Circular dated 01.12.2020 regarding waiver of additional fee on submission of BEN-2 by the company until 31.03.2020.
- b. The delay in filing of BEN-2 was without any *mala fide* intention or lack of awareness.
- c. It was a major amendment of introduction of SBO in the provisions of section 90 of the Act, the Ministry of Corporate Affairs should have informed the company of compliance requirements from time to time.
- d. There was no third-party complaint or undue gain to the appellant company.
- e. The appellant company is an MSME with small turnover, the payment of such huge/maximum penalty amount of Rs. 6 lacs are beyond its financial capacity.
- f. The company *suo moto* filed BEN-2 and made good the default good, hence the act of the adjudicating officer is totally against the provisions of the Companies Act, 2013 and the natural justice.
- g. The Ministry of Corporate Affairs should propose specific declaration exemptions on the definition of "Control" regarding class or class of persons, who shall not be required to make declaration under section 2(27) of the Act.
- h. The Adjudicating Officer acted arbitrarily and ignored the above submission and documents adduced by the company, hence, prayed to set aside the order.

4. In terms of Rule 6(1) of the Companies (Adjudication of Penalties) Rules, 2014, the Adjudicating Officer vide letter dated 20.02.2025 confronted the grounds of the appeal and reaffirmed the legal position *inter alia* that the company had filed BEN-2 on 25.01.2024 for declaration of two Significant Beneficial Owner. The company received BEN-1 on 01.07.2019 and made delay in compliance of section 90 of the Companies Act, 2013. Thus, the company and its directors, including Key Managerial Personnel, are officers in default, as per section 2(60) of the Companies Act, 2013, making liable for penal provisions. The Adjudicating Officer had issued Show Cause Notice under section 206(1) of the Act. The company furnished its reply on 16.02.2024. Thereafter, the hearing in the matter was fixed and concluded in the presence of authorised representative of the company on 22.05.2024. Based on the submission made by the company, it became evident that the reporting company has belatedly filed eform BEN-2 which was also been admitted by the company in its reply. Further, the issues and legal provisions raised in the appeal are baseless and the company and its directors cannot deny the statutory obligation on the company and its directors.

5. Adequate opportunities were afforded to all parties, with multiple hearings conducted on dates afore mentioned in adherence to the directions issued by this Forum. The final hearing was fixed on 19.03.2025. Ld. PCS appeared on behalf of the appellant company and Mr. Ramesh



Kumar Singh, Company Secretary. Ld. PCS reiterated the appellants stand *inter alia* that the company has undergone a red phase during the covid and is MSME, although a listed entity, and the penalty imposed is too disproportionate viz-a-viz the financial strength. The Presenting Officer, Mr. Shashiraj Dara, Joint Director, made the following submissions: -

- MCA General Circular dated 01.12.2020 merely extended the additional fee waiver period and not the statutory deadline for filing. After 31.03.2020, filings would attract applicable fees and penalties for delay. The liability for penalty arises not due to late fee alone but from breach of statutory duty under Section 90 of the Act read with Rule 4 of the SBO Rules, 2018. Moreover, the penalty under Section 450 and Section 90(10) of the Act is distinct from late filing fee.
- Ignorance of law is not a valid defence. Section 90 of the Act imposes a strict obligation to identify and report Significant Beneficial Owners (SBOs). Once BEN-1 was received on 01.07.2019, the statutory compliance by the company trigger to comply with the relevant provisions of the Act.
- The responsibility for compliance of the relevant provisions of the Act lies with the company and its officers under Section 2(60) of the companies Act, 2013. The Ministry has issued regular circulars, notifications, and updates on its portal. Further, the regulatory compliance cannot be excused due to alleged lack of communication if rules are published in the official gazette and are available in the public domain.
- Non-compliance under section 90 of the Companies Act, 2013 is a continuing offence. Penalty provisions apply in the case of *suo moto* admission/application for adjudication and not dependent on the receipt of third-party complaints or material gain. Section 90(11) of the Companies Act, 2013 makes it a punishable offence irrespective of whether public interest is directly affected or not.
- While financial condition of the company may be a mitigating factor in penalty computation, in this case, the maximum penalty imposed is within the statutory limit, as there is a delay of over three years in the instant matter. The company is also a listed entity, which is under obligation to higher governance standards.
- Filing after a delay of 1131 days cannot be considered as voluntary compliance in the spirit of Section 90 of the Companies Act, 2013. The company responded only post-receipt of Show Cause Notice issued under Section 206(1) of the Act. There is no provision that automatic waiver of penalty shall apply upon post-facto compliance.
- This argument of exemptions or immunities in declaration under section 2(27) of the Act is misconceived. Section 2(27) defines "control" and does not relate to exemptions from SBO filings.
- The company was given ample opportunity to be heard. Hearing was held on 22.05.2024. The company admitted the delay in its written submissions. No procedural lapse or arbitrariness is evident from the order of the Adjudicating Officer.



- No legally sustainable ground exists in the prayer for setting aside the order. The findings of the Adjudicating Officer were based on admitted facts and applicable law. The company's obligation to file form BEN-2 within the prescribed time, once triggered by receipt of BEN-1, was not met.

6. In view of the above facts and submissions made by the Adjudicating Officer and the Presenting Officer, the present appeal is devoid of merit and fails to demonstrate any error of fact or application of law in the order dated 28.06.2024 passed by the Adjudicating Officer. Therefore, the undersigned by virtue of power vested in the Regional Director under section 454(7) of the Companies Act, 2013 read with the Companies (Adjudication of Penalties) Rules, 2014 confirms the order of the Adjudicating Officer. The present appeal is dismissed as devoid of merits and disposed of accordingly.

Signed on this _____, 2025 at Delhi.

30 JUN 2025

(VINOD SHARMA)
REGIONAL DIRECTOR (NR)

No.: RD(NR)/Adj454/90/F97342281/2025/ **3287**

Dated: **30 JUN 2025**

1. Banaras Beads Limited
A-1, Industrial Estate, Varanasi, Uttar Pradesh-221106.
2. Mr. Ramesh Kumar Singh, Company Secretary
c/o A-1, Industrial Estate, Varanasi, Uttar Pradesh-221106.
3. Registrar of Companies, Uttar Pradesh, Kanpur
4. E-Gov. Cell, Ministry of Corporate Affairs

