

ADJ/48/RD (SR)/2019-20
BEFORE THE REGIONAL DIRECTOR
(SOUTHERN REGION)
MINISTRY OF CORPORATE AFFAIRS, CHENNAI
IN THE MATTER OF THE COMPANIES ACT 2016
SECTION 454(7) OF COMPANIES ACT 2013

IN THE MATTER OF M/s. BISGATE MEDIA PRIVATE LIMITED

1. M/s. Bisgate Media Private Limited,
T.C. 24/536-5 (New T.C. 28/465) Second Floor,
R.K.R. Plaza Thycaud, Thiruvananthapuram,
Kerala - 695 014.
2. Ms. Premakumari Rajanpillai PrajothApplicants/ Appellants

Date of hearing **26.10.2020**
Present **Shri. Cheringal Jithesh, Practising Company Secretary**
 (COP No. - 18272)

ORDER

This is an appeal filed under Section 454 (7) of the Companies Act, 2013 by the above Applicants in Form ADJ vide SRN No. R35955871, dated 20.03.2020 against the Adjudication Order No. ROC/S-454/10A/149/2020 dated 20.01.2020 under Section 454 (3) passed by the Registrar of Companies, Kerala for default in compliance with the requirements of Section 10A of the Companies Act, 2013 read with the Companies (Adjudication of Penalties) Rules, 2014.

2. The subject Company was incorporated on 16.11.2018. E-form INC-20A should have been filed within a period of 180 days from the date of incorporation as required under sub-clause (a) of sub-Section (1) of Section 10A of the Companies Act, 2013 (hereinafter referred to as the Act, 2013) and had filed the said form belatedly with a delay of 77 days on 31.07.2019. The Registrar of Companies, Kerala examined the said default and passed the Adjudication Order No. ROC/S-454/10A/149/2020 dated 20.01.2020 (impugned Order) under Section 454 (3) & (4) of the Act, 2013 for the delay of 77 days in filing the Form INC-20A under Section 10A(2) of the Act, 2013 read with Rule 23A of the Companies (Incorporation) Rules, 2014 (hereinafter referred to as the Rules, 2014) and imposed a penalty of Rs. 50,000/- upon the Company and Rs. 77,000/- upon the Director in default viz. Ms. Premakumari Rajanpillai Prajoth @ Rs. 1,000/- per day.

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3. The Appellants challenged the impugned order on the grounds that there were no malafides in delayed filings and in fact lack of alert or warning while uploading the incorporation documents with regard to the requirement of filing of the Form INC-20A did not help company's cause. Besides, the penalties levied is burdensome since company's paid up capital is only Rs. 4,00,000/-.

4. An opportunity of being heard was given to the Appellants on 26.10.2020, where the Authorized Representative Shri. Cheringal Jithesh, PCS appeared for the Appellants while reiterating the grounds already espoused, stated that the company did some business in the first year ended 31.03.2019, but it ended up in losses. Moreover, during the year 2020-21, the company did not do any business. These submissions were considered. Now, the fact of the matter is that the company is due to file INC-20A by 15.05.2019 and the company ought to have filed the INC-20A even before the due date, if it wanted to do the business even before the last date. The company did do the business and posted revenue of Rs. 5,08,541/- with a loss of Rs. 5,36,232/- for the period ended 31.03.2019. However, there is ground made for interfering with the order of the Registrar of Companies to reduce the quantum of penalty on the grounds of smallness of the company.

5. In light of the above, the impugned order of the Registrar of Companies is modified to the extent of reducing the penalty. Accordingly, the penalties are reduced to Rs. 25,000/- on the Company and Rs. 38,500/- for the Director. The Appellants shall pay the penalty in 30 days.

Dated at Chennai this the 03rd day of November, 2020.



(M.R. BHAT)
REGIONAL DIRECTOR (SR)

To

1. M/s. Bisgate Media Private Limited,
T.C. 24/536-5 (New T.C. 28/465) Second Floor,
R.K.R. Plaza Thycaud, Thiruvananthapuram,
Kerala - 695 014.
2. Ms. Premakumari Rajanpillai Prajoth
3. The Registrar of Companies, Kerala.
4. The Officer in Charge, e-Gov. Cell, Ministry of Corporate Affairs, A-Wing, Shastri Bhavan, Dr. Rajendra Prasad Road, New Delhi -110 001- with a request to upload this Order on the website of the Ministry. Mail sent to Shri Vivek Meena, Asst. Director (vivek.meena@gov.in) and Shri B. Srikumar, Deputy Director, (srikumar.b@gov.in)