

ADJ/36/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. FAZZ HOLDINGS PRIVATE LIMITED

1. M/s. Fazz Holdings Private Limited,
No. 32-534, Mundasseri Tower, Parambilangadi,
Kottakkal, Malappuram,
Kerala - 676 503.
2. Shri. Fazil MundasseriApplicants/ 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. R35871177, dated 19.03.2020 against the Adjudication Order No. ROC/S-454/10A/127/2020 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 22.11.2018. 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 51 days on 11.07.2019. The Registrar of Companies, Kerala examined the said default and passed the Adjudication Order No. ROC/S-454/10A/127/2020 dated 20.01.2020 (impugned Order) under Section 454 (3) & (4) of the Act, 2013 for the delay of 51 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. 51,000/- upon the Director in default viz. Shri. Fazil Mundasseri @ Rs. 1,000/- per day.

Contd...

3. The Appellant had stated in the appeal that the delay in filing the form had occasioned due to a marginal delay in pooling the subscription money and since it is a small company, the penalties as imposed may be waived.

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 and stated that the form was due for filing on 21.05.2019 and the company tried to file the form INC-20A after 31 days of expiry of 180 days, but was unsuccessful. The subscription money was received on 28.06.2019 with a marginal delay. He further informed that the company did not do any business till date. These circumstances occasioned delay. Upon hearing the Authorized Representative, it is concluded that the only mitigating factor is that the company did not do any business till date. The financial statement filed for the period ending 31.03.2019 also reflects that there was 'NIL' revenue from operations.

5. In light of the above, there is a ground for interfering with the impugned adjudication order of the Registrar of Companies to the extent of reducing the penalty. Accordingly, the penalties are reduced to Rs. 15,000/- on the Company and Rs. 15,500/- 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. Fazz Holdings Private Limited,
No. 32-534, Mundasseri Tower, Parambilangadi,
Kottakkal, Malappuram,
Kerala - 676 503.
2. Shri. Fazil Mundasseri
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)