

ADJ/06/RD (SR)/2019-20 (Scalasoft)
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. SCALASOFT GLOBAL SOLUTIONS PRIVATE LIMITED

1 M/s Scalasoft Global Solutions Private Limited,
Sunja, TC 13/26,
Pettah P O, Trivandrum,
Kerala - 695 024

2 Ms Archana Ramachandran Nair

Appellants

Date of hearing 04 09 2020

Present **Shri N.V.Prakash, Advocate, Roll No.2269/2007**

ORDER

M/s Scalasoft Global Solutions Private Limited, (hereinafter referred to as the Company), having share capital, was incorporated on 21 12 2018 but the Appellant Director failed to file the declaration in e-form INC 20A within the prescribed 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 69 days on 27 08 2019. The Registrar of Companies, Kerala and Lakshadweep examined the said default and passed the Adjudication Order No ROC/S-454/10A/365/2020 dated 03 02 2020 (impugned Order) under Section 454 (3) & (4) of the Act, 2013 for the delay of 69 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 69,000/- upon the Director in default viz Ms Archana Ramachandran Nair @ Rs 1,000/- per day

2 Aggrieved by the above said Order dated 03 02 2020, the instant appeal was filed by the Appellants in terms of Section 454 (5) of the Act in Form ADJ on 29 02 2020 vide SRN R 34365957. The appeal was filed within limitation period

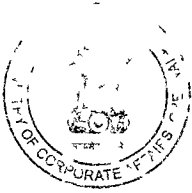
3 The appellants have contended in the Appeal that delay occurred due to inadvertence, unintentional and even though business was not commenced until the date of filing of INC-20A, the same was filed and hence sought condonation of delay and prayed for setting aside of the impugned Order



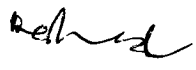
4 An opportunity of being heard was afforded on 04 09 2020 to the Appellants who were represented by their Authorized Representative Shri N V Prakash, Advocate who contended that the Company's paid up capital, being a startup, is only Rs 1,00,000/- whereas for a delay of 69 days, a penalty of Rs 50,000/- on the Company and Rs 69,000/- on the Officer in default was levied which is unjustified and excessive especially since the startup did not even start business as on date and requested for setting aside of the impugned order

5 Considering the grounds urged by the Appellants in the Appeal and the submissions made by the Authorized Representative, keeping in view that the Appellant Company has not even started the business yet, and since the Company had filed Form 20A albeit with a delay in spite of there being no generation of revenues, the undersigned deems it appropriate to set aside the impugned Order dated 03 02 2020 passed by the ROC, Kerala and further keeping in view that a Scheme called 'CFSS' was introduced in end March, 2020 which enabled defaulting Companies to file the overdue documents without being penalized, the impugned Order is set aside on the grounds of equity, justice and good conscience The Appellants are directed to file order in Form No INC-28 within a period of 30 days on MCA-21 Portal

Dated at Chennai this the 12th day of September, 2020



To


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

- 1 M/s Scalasoft Global Solutions Private Limited,
Sunja, TC 13/26,
Pettah P O, Trivandrum,
Kerala - 695 024
- 2 Ms Archana Ramachandran Nair
- 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)