



BEFORE THE REGIONAL DIRECTOR, WESTERN REGION

MINISTRY OF CORPORATE AFFAIRS, MUMBAI

प्रादेशिक निदेशक, पश्चिम क्षेत्र, कारपोरेट कार्य मंत्रालय, मुंबई के समक्ष

सं. - प्रादे. निदे.(प.क्षे.)/454(5)/Jeet Machine/137/F96626759/2024-25/

6412  
12 AUG 2024

APPEAL UNDER 454(5) OF COMPANIES ACT, 2013 AGAINST ORDER PASSED FOR OFFENCES COMMITTED UNDER SECTION 137 OF THE COMPANIES ACT, 2013.

In the matter of JEET MACHINE TOOLS LIMITED & ORS.

1. Jeet Machine Tools Limited - Company
2. Harveer Ajit Chawla - CFO (KMP)

...Appellants

Through: Yogesh D. Dabholkar, Practicing Company Secretary and Authorized Representative for Appellants.

HON'BLE REGIONAL DIRECTOR (WESTERN REGION)

ORDER

Appeal under sub-Section (5) of Section 454 of the Companies Act, 2013 (Act) r/w the Companies (Adjudication of Penalties) Rules, 2014 (Rules) have been filed by Jeet Machine Tools Limited (Company) having CIN L28900MH1984PLC032859 and, its CFO, against Order No. ROC(M)/JEETMACHINE/ADJ-ORDER/Sec.137/Sr.72/1143 dated 07/05/2024 (ROC Order) of Registrar of Companies, Mumbai for violating provisions of Section 137 of the Act.

2. The appeal lies within the jurisdiction of the Regional Director, Western Region, Ministry of Corporate Affairs, Government of India.
3. The Registrar of Companies, Mumbai (RoC Mumbai) vide Adjudication Order dated 07/05/2024 held the Company and its Officers/Directors, who have defaulted liable for penalty under Section 137(3) of the Act from 31/10/2019 to 18/10/2020 for not filing Financial Statements for the Financial Year 2018-19 within thirty days from the date of Annual General Meeting in pursuance of Section 96 of the Act as under:

*[Handwritten Signature]*

No. of days default	Penalty imposed on Company / KMP	First default (In Rs.)	Default continues	Total penalty levied (In Rs.)	Maximum penalty (In Rs.)
354 days	Jeet Machine Tools Limited	N.A.	354X1,000 = 3,54,000/-	3,54,000/-	10,00,000/-
	Ajit Singh Chawla (MD)	1,00,000/-	354X100 = 35,400/-	1,35,400/-	5,00,000/-
	Harveer Ajit Chawla (CFO)	1,00,000/-	354X100 = 35,400/-	1,35,400/-	5,00,000/-
	<b>TOTAL</b>			<b>6,24,800/-</b>	<b>20,00,000/-</b>

4. Appellants have filed Form-ADJ vide SRN F96626759 dt. 03/07/2024. As per provisions of sub-Section (6) of Section 454, every appeal under sub-section (5) shall be filed within sixty (60) days from the date on which the copy of the order made by the adjudicating officer is received by the aggrieved person. On examination of the application/appeal, it is seen that the said application/appeal has been filed within 60 days from the date of passing of the adjudication order.

5. Grounds of Appeal & Relief sought:

- a) The company has lost Mr. Ajit Singh Chawla, Managing Director of the Director on 28/12/2020.
- b) The company has filed both copy of Financial Statements (Form AOC-4) and Annual Return (Form MGT-7) vide SRN R81829632 and R81612723 dt.31/12/2020 under the Companies Fresh Start Scheme (CFSS), 2020. Further, companies availing this Scheme shall not be charged additional fee, they will be granted immunity from the launch of prosecution or the proceedings for imposing penalty under the Act where the prosecution and proceedings arose due to delay in filing of belated documents.
- c) The company has also filed the Form CFSS on May 16, 2021 vide SRN T19087543.
- d) The Adjudication Order passed by RoC, Mumbai be set aside.
- e) Pass such order as the Hon'ble Regional Director may deem fit and proper.

6. The matter was posted for hearing as per Section 454(5) r/w Section 454(7) of the Act on 05/08/2024. Yogesh D. Dabholkar, Practicing Company Secretary appeared on behalf of Appellants as their authorized representative. The authorized representative reiterated the submission made by the applicants in their application and have admitted the contravention of Section 137 of the Companies Act, 2013. The Authorized Representative further stated that they have appealed on the ground that Financial Statements has been filed by the company on 31/12/2020 under the Companies Fresh Start Scheme (CFSS), 2020 and Immunity Certificate was issued by Ministry of Corporate Affairs to the company and its directors.

7. The appellants vide letter dt.05/07/2024 have submitted an Immunity Certificate issued by Ministry of Corporate Affairs under CFSS-2020 along with other necessary filings related to CFSS-2020.

*[Handwritten Signature]*

8. Since, the applicants during the course of Adjudication proceedings have not informed that Annual Return and Financial Statements for the year 2018-19 were filed on 31/12/2020 under the Companies Fresh Start Scheme (CFSS), 2020 which has immunity for further proceedings and therefore, RoC represented by ARoC has given her no objection in allowing the appeal in accordance with Ministry's CFSS-2020 General Circular No.12/2020 dt.30/03/2020.

9. Facts of the Case:

- a. The Company has failed to file a copy of Financial Statements with the Registrar of Companies for the Financial Year 2018-19 within thirty days as per the provisions of Section 137 of the Companies Act, 2013.
- b. Due date of filing Financial Statements was 30/10/2019.
- c. Financial Statements were not filed till the date of dispatch of the show cause notice dt.19/10/2020. Default period is thus calculated to be at a total of 354 days from 31/10/2019 to 18/10/2020.
- d. Financial Statements were filed on 31/12/2020 under CFSS-2020 and Ministry has granted immunity vide clause (vii) & (ix) of Para '6' of CFSS-2020 General Circular No.12/2020 dt.30/03/2020 which was binding upon RoC, Mumbai. Also, immunity application was filed within time and immunity certificate was issued by Ministry of Corporate Affairs to the company and its directors.


10. Taking into consideration the Adjudication Order of the RoC, Mumbai; submissions made by the Appellants in their application; further submissions made by the Appellants vide letter dt.05/07/2024 & oral submissions made by the authorized representative and ARoC, Mumbai, during the course of hearing; the Adjudication Order dated 07/05/2024 passed by Registrar of Companies, Mumbai, is 'Set Aside' under Section 454(7) of the Companies Act, 2013 and the penalty is waived off, as the RoC has failed to give benefit of immunity granted by MCA to the company and its directors vide Circular No.12/2020 under CFSS-2020.

11. In view of above, the said appeal is hereby dismissed and disposed of.

A copy of this order shall be published on the website of the Ministry of Corporate Affairs as per Rules.

Signed and sealed on 9<sup>th</sup> day of August 2024.



  
(SANTOSH KUMAR)  
REGIONAL DIRECTOR  
WESTERN REGION, MUMBAI

To,

1. Jeet Machine Tools Limited,  
25 Ambalal Doshi Marg, Hamam Street, Fort,  
Mumbai, Mumbai City, Maharashtra 400023, India.
2. Harveer Ajit Chawla,  
46, Deejay Apartments, Bhulabhai Desai Road,  
Mumbai 400026, Maharashtra, India.
3. Registrar of Companies, Mumbai.
4. E-Gov Cell, Ministry of Corporate Affairs, New Delhi.
5. Master Copy.
6. Office Copy.



(TUSHAR WAGH, ICLS)  
DEPUTY DIRECTOR