

**Application No. RD/ER/454/39(A)/2024/Appeal**

**BEFORE THE REGIONAL DIRECTOR, EASTERN REGION**  
**MINISTRY OF CORPORATE AFFAIRS, KOLKATA.**

**IN THE MATTER OF**

THE COMPANIES ACT, 2013

**-AND-**

**IN THE MATTER OF**

M/S. MARS MERCANTILES PRIVATE LIMITED  
175, KARNANNI ESTATE, 209, A J C BOSE ROAD,  
KOLKATA WB 700017 INDIA

**-AND-**

**IN THE MATTER OF**

Application under section 454 of The Companies Act, 2013 for preferring an appeal against the penalty order dated 11/01/2024 of Registrar of Companies, West Bengal passed for violating the provisions of section 158 of the Companies Act, 2013.

**-AND-**

**IN THE MATTER OF**

1. M/S. MARS MERCANTILES PRIVATE LIMITED  
175, KARNANNI ESTATE, 209, A J C BOSE ROAD,  
KOLKATA WB 700017 INDIA



2. DINESH PRADHAN (Director)  
ADARSH NAGAR, HIRAPUR, DHANBAD 826001,  
JHARKHAND, INDIA

3. MAHESH PRADHAN (Director)  
ADARSH NAGAR, HIRAPUR, DHANBAD 826001,  
JHARKHAND, INDIA

..... APPELLANTS

**Date of Hearing** : 05/07/2024

**Present** Gopal Kumar Khetan, Practicing Company  
Secretary and Authorised Representative

Appellants

### **ORDER**

1. The present appeal under section 454 of the Companies Act, 2013 read with the provisions of the Companies (Adjudication of Penalties) Rules, 2014 was filed vide Form ADJ bearing SRN no. F93281061 dated 11/03/2024 by the aforesaid appellants against the penalty order dated 11.01.2024 under section 158 of the Adjudicating Authority i.e. Registrar of Companies, West Bengal dated 11/01/2024 communicated to the appellants vide letter no. ROC/ADJ/105/097223/2023/10413 dated 11/01/2024

2. As per the above referred order, the office of the Registrar of Companies, West Bengal had issued Adjudication notice for violation of section 158 of the Act vide no. LEGAL/ADJ/2023/097223/1106-1109 dated 01.05.2023 to the company and its officers. That in this regard, no adequate reply to the adjudication notice as mentioned above in para 3 have been received from the noticee(s) i.e. company and its concerned officers in default as to why penalty shall not be imposed.
3. Considering the above facts and circumstances of the case, the Adjudicating Authority had imposed Penalty for violation of section 158 of the Act as under :-

Name of the Applicant Company/ Director	No. of years	Amount of Default (in Rs. )	Total maximum Penalty imposed (in Rs.)
M/S. MARS MERCANTILES PRIVATE LIMITED (company)	2018-19 2019-20	(50,000*2years)	1,00,000
Mr. DINESH PRADHAN (director)	2018-19 2019-20	(50,000*2years)	1,00,000
Mr. MAHESH PRADHAN (director)	2018-19 2019-20	(50,000*2years)	1,00,000



4. Having considered the facts and circumstances of the case and after taking into account the factors above, ROC, West Bengal imposed a penalty of Rs. 1,00,000/- (Rupee One Lakh Only) on the concerned Company and Rs. 1,00,000/- (Rupees One lakhs Only) to each of the two Directors in default for 2018-19 & 2019-20 under Section 158 of the Act, **in Total Rs. 3,00,000/-** (Rupees three lakh Only) (i.e., Rs. 1,00,000 for Company and Rs. 1,00,000 to each of the two Directors) for failure to make compliance of the Act u/s. 158 of the Act.
5. The appeal was heard on 25/06/2024 Authorised Representative was asked to make submission regarding any infirmity in the order of Registrar of Companies. The Authorised Representative had submitted Financial Statements for 2022-2023 along with the submissions as per the appeal stating therein in para (e) “*Furthermore Section 446B of the Companies Act, 2013 provides that, Notwithstanding anything contained in this Act, if penalty is payable for non-compliance of any of the provisions of this Act by a One Person Company, small company, start-up company or Producer Company, or by any of its officer in default, or any other person in respect of such company, then such company, its officer in default or any other person, as the case may be, shall be liable to a penalty which shall not be more than one-half of the penalty specified in such provisions subject to a maximum of two lakh rupees in case of a company and one lakh rupees in case of an officer who is in default or any other person, as*

*the case may be. In consonance with the above section and the company being a small company as per the provisions of the Companies Act, 2013 we are making the present appeal to take a lenient view in the instant matter and to reduce the burden of penalties imposed on the Company & its Directors.”* The copy of the Financial Statement 2022-23 is placed before the Appellate Authority at the time of submissions during hearing.

6. Based on the submissions made by the Authorised Representative and Balance Sheet and Annual Return filed in the MCA Portal for the F.Y 2022-23, the Appellate Authority is in view that the Company is falls under the definition of a Small Company u/s 2(85) of the Companies Act, 2013 and thus the Company and its director are liable for penalties u/s 446B of the Companies Act, 2013 for violation of section 158 of the Companies Act, 2013 Hence, the order of ROC is modified as cogent ground was made out by Authorised Representative. The undersigned by virtue of the power vested in Regional Director under section 454(7) of the Companies Act, 2013 read with the Companies (Adjudication of Penalties) rules, 2014 modifies the order of the Registrar of Companies, West Bengal dated 11/01/2024 as under:



7.

Name of the Applicant Company/ Director	Period of Default (FY)	Amount of Default (in Rs. )	Total maximum Penalty (in Rs.)	Penalty imposed by the Appellate Authority u/s 446B of the Companies Act, 2013
M/S. MARS MERCANTILES PRIVATE LIMITED (company)	2018-19 2019-20	(50,000*2years)	1,00,000	50,000/-
Mr. DINESH PRADHAN (director)	2018-19 2019-20	(50,000*2years)	1,00,000	50,000/-
Mr. MAHESH PRADHAN (director)	2018-19 2019-20	(50,000*2years)	1,00,000	50,000/-

Considering the facts and circumstances of the case and after taking into account the factors above, the appellate authority imposes a penalty of Rs. 50,000/- (Rupee fifty thousand Only) on the concerned Company and Rs. 50,000/- (Rupees fifty Thousand Only) to each of the two Directors in default for 2018-19 & 2019-20 under Section 158 of the Act, **in Total Rs. 1,50,000/-** (Rupees one lakh fifty thousand Only) (i.e., Rs. 50,000 for the Company and Rs. 50,000 to each of the two Directors) for failure to make compliance of the Act u/s. 158 of the Act.

8. The Company and directors/officers of the company shall pay the amount of penalty from out of their own pockets. The amount of penalty shall be paid within a period of 90 days from the date of

receipt of the copy of the order. Further, if the company and its directors fail to deposit the penalty amount within the prescribed time limit action under section 454(8)(i) and (ii) of the Companies Act, 2013 shall be initiated against the Company and its Directors.

9. Hence the instant Appeal stands disposed of accordingly.



(P.Sridhar)

REGIONAL DIRECTOR (ER)

**Signed this the 09<sup>th</sup> day of July, 2024.**

Copy to:-

1. M/S. MARS MERCANTILES PRIVATE LIMITED  
175, KARNANNI ESTATE, 209, A J C BOSE ROAD,  
KOLKATA WB 700017 INDIA
2. DINESH PRADHAN (Director)  
ADARSH NAGAR, HIRAPUR, DHANBAD 826001,  
JHARKHAND, INDIA
3. MAHESH PRADHAN (Director)  
ADARSH NAGAR, HIRAPUR, DHANBAD 826001,  
JHARKHAND, INDIA
4. The Registrar of Companies,  
West Bengal,..... for information in respect of his letter no.  
ROC/ADJ/ 105/097223/2023/2547 dated 28.06.2024
- ✓ 5. The Officer in Charge, E-Gov. Cell, Ministry of Corporate Affairs, 5<sup>th</sup> Floor, A  
wing Shastri Bhavan, New Delhi-110001,-with a request to upload this Order  
on the website of the Ministry.