

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH**

**COURT – IV**

40.

**CP/145(MB)/2022**

CORAM:

SHRI PRABHAT KUMAR  
MEMBER (Technical)

SHRI KISHORE VEMULAPALLI  
MEMBER (Judicial)

ORDER SHEET OF THE HEARING HELD ON **12.06.2023**

NAME OF THE PARTIES:

Rent Alpha Private Limited

Vs

RoC, Mumbai

SECTION: 441 OF THE COMPANIES ACT, 2013.

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**ORDER**

1. Ms. Bhooma Kannan, Ld. Authorised Representative of the Petitioner present.
2. This is a Company Petition filed on 26.04.2022 under Section 441 of Companies Act, 2013 by Rent Alpha Private Limited (U71210MH2013PTC250247) for compounding the default u/s 135(5) committed by the Company and its Directors.
3. Applicants in Default:
  - i. Rent Alpha Pvt. Ltd. - Company
  - ii. Praveen Chauhan - Director
  - iii. Jinesh Kumar Jain - Director
  - iv. Sharon Farhaad Dastoor - Director
  - v. Bharat Bhise - Director

Section Violated: 129(2) of the Companies Act, 2013.

4. Nature of Violation: The Applicant(s) submits that -

4.1 The Board of Directors of the Company has adopted standalone financial statements for the years ended 31.03.2019, 31.03.2020 and 31.03.2021 in accordance with the provisions of the Companies Act 2013. However, the consolidated financial statements for the years ended 31.03.2019, 31.03.2020 and 31.03.2021 could not be adopted at the Annual General Meeting (AGM) held on 19.09.2019, 31.08.2020 and 30.09.2021 respectively, due to the administrative and operational delay in finalization of the consolidated financial statements and completion of audit. The Board of directors adopted the consolidated financial statements for the said financial years subsequent to the date of the AGM of the respective years, details are given below:

Financial Year	Date of adoption of the consolidated financial statement in the Board meeting	Date of Annual General Meeting held during the year
2018-2019	09.09.2019	19.08.2019
2019-2020	12.11.2020	31.08.2020
2020-2021	18.01.2022	30.09.2021

4.2 As per the Section 129(2) of the Companies Act, at every Annual General Meeting of the company, the Board of Directors of the company shall lay before such meeting financial statements for the financial year and where a company has one or more subsidiaries, it shall, in addition to financial statements, prepare a consolidated financial statement of the company and of all the subsidiaries in the same form and manner as that of its own which shall also be laid before the annual general meeting of the company along with the laying of its financial statement.

4.3 As per the requirements of the Act, with regard to laying/presenting of audited consolidated financial statement of the Company and adoption of

the said accounts for the Financial Years 2018-19, 2019-20 and 2020-21, the company has inadvertently failed to comply with the provisions of Section 129 of the Companies Act, 2013.

- 4.4 The Applicants further states that the aforesaid default committed inadvertently and without any *mala-fide* intentions on the part of the Petitioners, and it is not likely to cause any prejudice to either the Company, or to its members or creditors. Further, the petitioners undertake to take due care in future to ensure that there is no default in compliance with the provisions of the Companies Act, 2013.
- 4.5 Further submits that one of the Petitioners i.e. Mr. Bharat Bhise was appointed as additional director w.e.f. 05.01.2022, therefore, not responsible for the non-compliance of the Act for the financial years ended on 31.03.2019, 31.03.2020 and 31.03.2021.
- 4.6 In the circumstances mentioned hereinabove, the petitioners filed this Petition seeking appropriate directions of this Tribunal allowing the Petition for compounding of offence under Section 441 read with Section 129 of the Companies Act, 2013.
5. The Registrar of Companies, Mumbai, forwarded its report vide Ref. No. ROC/441/CA/2023/7 dated 09.06.2023 on the Petition filed by the Applicant vide CP/145(MB)/2022.
- 5.1 As per the submission made in the Report of Registrar of Companies, Mumbai and from the submissions made in the Petition, it is observed that Company has violated the Section 129(2) of the Companies Act, 2013, with regards to laying/presenting of audited consolidated financial statement of the Company and adoption of the said consolidated accounts for the Financial Years 2018-19, 2019-20 and 2020-21.

- 5.2 On perusal of the report, we have noticed that the offence of the company has been made good by adopting consolidated financial statement for the Financial Years 2018-19, 2019-20 and 2020-21, the details of which are given at para 4.1 above. This Bench finds that the adoption of consolidated financial statement took place on its own by company board and there is a delay of 21 days, 43 days and 110 days in relation to financial year 2018-19, 2019-20 and 2020-21 respectively. The Registrar of Companies has recommended the compounding of the offence.
- 5.3 We have gone through the Petition of the Petitioner and the report submitted by the Registrar of Companies, Mumbai and also the submissions made by the Ld. Authorised Representative for the Petitioner at the time of hearing and noted that petition made by the petitioner for compounding of offence committed under Section 129 of the Companies Act, 2013, merits consideration.
- 5.4 Section 129(7) of the Companies Act, 2013 provides that If a company contravenes the provisions of this section, the managing director, the whole-time director in charge of finance, the Chief Financial Officer or any other person charged by the Board with the duty of complying with the requirements of this section and in the absence of any of the officers mentioned above, all the directors shall be punishable with imprisonment for a term, which may extend to one year or with fine which shall not be less than fifty thousand rupees but which may extend to five lakh rupees, or with both.
- 5.4 Having regard to the facts and circumstances of the case, the offence committed under Section 129 r/w section 441 of the Companies Act, 2013, as stated and explained above in first para is compounded against the

applicant number Jinesh Kumar Jain, on payment of Rs. 50,000/- for financial year 2018-19 and Rs. 100,000/- each for financial years 2019-20 and 2020-21, as detailed below:

1.	Praveen Chauhan	-Director	₹2,50,000/-
2.	Jinesh Kumar Jain	-Director	₹2,50,000/-
3.	Sharon Farhaad Dastoor	-Director	₹2,50,000/-

5.5 The remittance shall be made to the “*Bharatkhoosh*” account in favour of “Pay and Accounts Officer, Ministry of Corporate Affairs, Mumbai”. The directors should pay the penalty from their respective personal accounts. The Registrar of Companies, Mumbai is hereby directed to take further action as provided under Section 621A(3)(c)(d) of the Companies Act, 1956 read with Section 441 (3)(c) (d) of the Companies Act, 2013. The RoC shall give effect of this Order only after perusal of the Compliance report of cost imposed.

5.6 Accordingly, the Company Petition bearing No.: CP-145(MB)/2022 is hereby **allowed** and disposed of.

Sd/-  
**PRABHAT KUMAR**  
**Member (Technical)**

Sd/-  
**KISHORE VEMULAPALLI**  
**Member (Judicial)**

12.06.2023/pvs