

**NATIONAL COMPANY LAW TRIBUNAL**  
**MUMBAI BENCH, COURT-II**

**38. Company Petition/311/2023**

**CORAM:**

**SHRI ANIL RAJ CHELLAN**  
**HON'BLE MEMBER (T)**

**SHRI KULDIP KUMAR KAREER**  
**HON'BLE MEMBER (J)**

**ORDER SHEET OF THE HEARING OF MUMBAI BENCH OF THE  
NATIONAL COMPANY LAW TRIBUNAL ON 01.07.2024**

**NAME OF THE PARTIES:- Euclideus Technologies Private Limited**

**Section: 441 of the Companies Act, 2013**

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**ORDER**

CS, Rishabh Sonkeshariya i/b P S Thakre appeared for the Petitioner through VC.

Heard, Counsel for the Petitioner for a considerable time, detail order will follow vide separate order sheet.

**Sd/-**  
**ANIL RAJ CHELLAN**  
**Member (Technical)**  
*ANKIT*

**Sd/-**  
**KULDIP KUMAR KAREER**  
**Member (Judicial)**

**IN THE NATIONAL COMPANY LAW TRIBUNAL**

**MUMBAI BENCH, COURT - II**

**CP No.: 311/MB/2023**

**Under section 441 of the Companies Act, 2013**

In the matter of

**Euclidean Technologies Private Limited**

CIN: U72900PN2019PTC18286

Having its Registered Office at: - 15A, 4<sup>th</sup>  
Floor, City Vista Suite No. 507, Fountain  
Road, Kharadi, Pune Maharashtra – 411014,  
India

**.... Applicant No.1**

Mr. Ahmed Zain

**.... Applicant No.2**

Ms. Monika Yadav

**...ApplicantNo.3**

**V/s**

**REGISTRAR OF COMPANIES,**

**PUNE, MAHARASHTRA**

PCNTDA, Green Building, Block A, 1<sup>st</sup> and  
2<sup>nd</sup> Floor, Near Akurdi Railway station,

IN THE NATIONAL COMPANY LAW TRIBUNAL,  
MUMBAI BENCH, COURT-II

CP No.: 311/MB/2023

Akurdi, Pune - 411044

.... Respondent

Order delivered on: - 01.07.2024

**Coram:**

**Anil Raj Chellan**

**Kuldip Kumar Kareer**

**Member (Technical)**

**Member (Judicial)**

*Appearances:*

**For the Applicant Company: - CS, Rishabh Sonekeshariya i/b P S Thakre**

**For the Respondent: - Mr. Shivraj Ranjeri**

*Per: - Coram.*

**Section Violated:**

Section 96 of the Companies Act, 2013.

**Penalty Provided Under:**

Section 99 of the Companies Act, 2013.

**ORDER**

1. This Compounding Application is filed by the Applicants under Section 441 of the Companies Act, 2013 for compounding of the offence committed under Section 99 of the Companies Act, 2013. The Applicant Company has not held its Annual General Meeting within the time stipulated under the provisions of Section 96 of the Companies Act, 2013 for the financial years 2019-20 and 2020-21, thereby committing an offence punishable under Section 99 of the Companies Act, 2013.
2. The Applicant Company was incorporated on 15.03.2019 under the provisions of the Companies Act, 2013 vide CIN: U72900PN2019PTC182826 as a private company limited by shares within the jurisdiction of the Registrar of Companies, Maharashtra, Mumbai. The Authorised Share Capital of the Company is Rs. 1,00,000/- (Rupees One Lakh only) divided into 10,000/- (Ten Thousand) equity shares of Rs. 10 (Ten) each and the paid-up share capital of the company is Rs. 1,00,000/- (Rupees One Lakh only) divided into 10,000/- (Ten Thousand) equity shares of Rs. 10 (Ten) each, fully paid up. The Applicant is engaged in the business of providing technology services and products including various web services, Internet products, development marketing of business management software, building software applications and

technological applications for computers mobile phones and other devices and related activities by various modes both in India and overseas.

3. The Applicants submit that the financial year 2019-20 is the first financial year for the Applicant Company and the due date for convening AGM was 31.12.2020. However, due to the non-availability of audited financial statements of the Applicant Company, the AGM held on 12.11.2020 was adjourned sine die. Thereafter, due to the COVID restrictions, the finalisation of the financial statement was delayed. The adjourned AGM was finally convened and concluded on 22.07.2022 and necessary resolutions for adopting financial statements and appointment of statutory auditors were passed. The Copies of the Notices of the Annual General Meetings and E-Forms filed for the Financial Years ending 2019-2020 and 2020-21 have been annexed to the petition.
4. The Applicants/Defaulters herein have filed Form GNL-1 vide SRN No. F58472986 on 07.02.2023 thereby admitting the violations of Section 96 of the Companies Act, 2013. The RoC has not lodged any prosecution against the Applicant.
5. The details regarding the statutory period, extended due date, the actual date of conducting of AGM and Number of days of delay are as under:

**IN THE NATIONAL COMPANY LAW TRIBUNAL,  
MUMBAI BENCH, COURT-II**

**CP No.: 311/MB/2023**

<b>F.Y</b>	<b>Statutory Due Date of AGM</b>	<b>Extended Due Date of AGM</b>	<b>Actual date of Conducting AGM</b>	<b>No. of days of delay</b>
2019-2020	31.12.2020	-	22.07.2022	568
2020-2021	30.09.2021	30.11.2021	23.07.2022	235

6. The Applicants assert that the breach of section 96 of the Companies Act, 2013, was neither intentional nor malicious, as they were unable to complete the audit timely due to the pandemic. The Company is currently incurring losses and is not conducting any business activities. After compounding the offence, the Applicants plan to apply for a strike-off with the Registrar of Companies and therefore, request for imposing a minimal penalty.
7. The Applicants further declare that they have not made any application for compounding of the offences in the last three years. Hence, the Ld. Counsel for the Applicant submits that it is a fit case for grant of relief by compounding the offence.
8. The RoC Mumbai have filed their report/comments. According to the RoC report, the Company and its Directors are found to have violated the provisions of Section 96 of the Companies Act, 2013. The RoC report further states that the Applicant Company committed default in the F.Y

2019-2020 and 2020-2021. The RoC report also states that the offences and defaults in compliance have been made good by the Applicant Company as the AGM for F.Y 2019-2020 and 2020-21 were held on 22.07.2022 and 23.07.2022 respectively. The RoC report states that the offences under Section 96 of the Companies Act, 2013 are compoundable by the Hon'ble NCLT.

9. The RoC, Mumbai in its report dated 18.07.2023 has calculated the penalty leviable for the default that occurred in the financial years 2019-2020 and 2020-2021 –

**For Applicants No. 1, 2 and 3**

<b><u>F. Y</u></b>	<b><u>Fine</u></b>	<b><u>Per day</u></b>	<b><u>No. of days</u></b>	<b><u>Total</u></b>
2019-2020	Rs.1,00,000	5,000	567	Rs. 29,35,000
2020-2021	Rs.,1,00,000	5,000	234	Rs. 12,70,000

10. This Bench has gone through the pleadings on record and the submissions made by the Representative/Counsel for the Applicants/Defaulters herein. The Applicants/Defaulters herein have violated Section 96 of the Companies Act, 2013 and for the said violation, the punishment is provided in Section 99 of the Companies Act, 2013. The extracts of the Sections which are relevant in this case are as follows:

**Section 99 of the Companies Act, 2013 applicable w.e.f. 01.06.2016**

**IN THE NATIONAL COMPANY LAW TRIBUNAL,  
MUMBAI BENCH, COURT-II**

**CP No.: 311/MB/2023**

*“Section 99- If any default is made in holding a meeting of the company in accordance with section 96 or section 97 or section 98, or in complying with any directions of the Tribunal, the company, and every officer of the company who is in default shall be punishable with fine which may extend to one lakh rupees and in the case of a continuing default, with a further fine which may extend to five thousand rupees for every day during which such default continues.”*

11. The Company has filed its Annual Returns and Balance sheet till 31.03.2022 wherein it is shown that the Company has incurred losses to the tune of Rs. 3,400 /- and has nil turnover. In the above circumstances, we are of the considered view that the Compounding Fee as mentioned in the table below would be adequate and leviable:

**For Applicants No. 1, 2 and 3**

<b><u>F. Y</u></b>	<b><u>Fine</u></b>	<b><u>Per day</u></b>	<b><u>No. of days</u></b>	<b><u>Total</u></b>
2019-2020	Rs.10,000	100	567	Rs. 66,700
2020-2021	Rs.10,000	100	234	Rs. 33,400
Total				Rs. 100,100

12. On examination of the facts and circumstances of this case and given the findings, as discussed above, this Tribunal is of the view that a Compounding Fee of **INR 1,00,100 /- (Rupees One Lakh and One Hundred Only)** each by the Applicant Company and the two directors



total amounting to **Rs. 3,00,300/- (Rupees Three Lakh and Three Hundred Only)** shall be sufficient as a deterrent for not repeating the alleged and admitted default in future. The imposed remittance shall be paid by way of the Demand Draft drawn in favour of the **“Pay and Accounts Office, Ministry of Corporate Affairs, Mumbai”** within 30 days from the receipt of this order.

13. This Compounding Application vide Company Petition No. **CP No.: 311/MB/2023** is, therefore, **disposed** of on the terms directed above. Needless to mention, the offence shall stand compounded subject to the remittance of the Compounding Fee imposed. A compliance report, therefore, shall be placed on record.
14. The Registry shall send a copy of this order to the Registrar of Companies, Mumbai, Maharashtra.
15. Ordered accordingly. File be consigned to Records.

**Sd/-**

**ANIL RAJ CHELLAN**  
**MEMBER TECHNICAL**

**Sd/-**

**KULDIP KUMAR KAREER**  
**MEMBER JUDICIAL**