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| <b>Erik Antonius Jacobus De Rijk</b> | <b>- Director</b> |
| <b>Anja Volkmann</b>                 | <b>- Director</b> |
| <b>Veer Singh</b>                    | <b>- Director</b> |
| <b>Alok Goel</b>                     | <b>- Director</b> |
| <b>Sujatha Ratnam</b>                | <b>- Director</b> |
| <b>Raghu Venkat Chivukula</b>        | <b>- Director</b> |

**Section Violated:**

Section 211(2) of the Companies Act, 1956.

**Nature of Violation:**

- 3) As per the submission made in the Report of Registrar of Companies, Mumbai and from the submissions made in the Compounding Application, it is observed that the Company had debited a sum of Rs. 2.46 Lacs as prior period expense towards travelling expense this expense should have debited from the profit and loss account for the year 2011-12. Thus, the Company has contravened the provision of AS-15 r.w. provisions of Section 211(3A) of the Companies Act, 1956.
- 4) It is submitted that the expenses of Rs. 2.46 lakh incurred by the Petitioner Company in the F.Y. ended 31.03.2011 related to reimbursement of travelling expenses of a director of the Petitioner Company. However, the Petitioner Company received an invoice from Vodafone Europe B.V. with regard to travel of such Director of the Petitioner Company dt. 31.05.2011,

i.e. after the completion of the F.Y. ended 31.03.2011. Accordingly, the Petitioner failed to disclose this amount in its Financial Statements for the F.Y. ended 31.03.2011.

- 5) It is further submitted that the Petitioner Company did not have any *mala fide* intention or ulterior motive in accounting for the expense of a prior period. The expense was accounted in the Financial Statements for the Financial Year in which the invoice for such expenditure was received by the Petitioner Company. It has also been submitted that from the F.Y. ending 31.03.2013 onwards, the Petitioner Company has not accounted prior period expenses in its Financial Statements of the Succeeding Year.
- 6) Section 211(7) of the Companies Act, 1956 reads that *“If any such person as is referred to in sub-Section (6) of Section 209 fails to take all reasonable steps to secure compliance by the Company, as respects any accounts laid before the Company in general meeting, with the provisions of this Section and with the other requirements of this Act as to the matters to be stated in the accounts, he shall, in respect of each offence, be punishable with imprisonment for a term which may extend to six months or with fine which may extend to ten thousand rupees, or with both: Provided that in any proceedings against a person in respect of an offence under this Section, it shall be a defense to prove that a competent and reliable person was charged with the duty of seeing that the provisions of this Section and the other requirements aforesaid were complied with and was in a position to*

*discharge that duty: Provided further that no person shall be sentenced to imprisonment for any such offence unless it was committed wilfully”.*

- 7) The Company has thereby violated the provisions of Section 211(2) of the Companies Act, 1956. Hence, this Compounding Petition is being filed.
- 8) The Registrar of Companies, Mumbai forwarded the compounding application vide his letter No. ROC/441/KA/2024/894 dt. **23.01.2024**, and the same is accompanied to the **Company Petition No. 2623/441/NCLT/MB/2018**.
- 9) **We have gone through the Petition and the Report submitted by the Registrar of Companies, Mumbai and noted that Petition for compounding of offence committed under Section 211(2) of the Companies Act, 1956, merits consideration.**
- 10) Having regard to the facts and circumstances of the case, the offence committed under Section 211(2) of the Companies Act, 1956, as stated and explained above is compounded against Petitioners herein, on payment of the fine imposed to the extent of **Rs. 25,000/- to be paid by the Company and to the tune of Rs. 5,000/- to be paid by Directors/Officers of the Company.**
- 11) The remittance shall be made in the **“Bharatkhoosh”** account in favour of **“Pay and Accounts Officer, Ministry of Corporate Affairs, Mumbai”**. **Directors should pay the penalty from their Respective Personal Accounts.**

- 12) **The Jurisdictional Registrar of Companies** 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.
- 13) **The Jurisdictional Registrar of Companies** shall give effect of this Order only after perusal of the Compliance report of compounding fine imposed.
- 14) Accordingly, the **Company Petition bearing CP No. 2623/(MB)/2018** is hereby **Allowed and Disposed of**. In view of the disposal of the main Company Petition, all the pending Applications, if any, arising out of the present Company Petition, including CA No. 302 of 2021, stand closed.

Sd/-

**PRABHAT KUMAR**  
**MEMBER (TECHNICAL)**

Sd/-

**JUSTICE VIRENDRASINGH BISHT**  
**MEMBER (JUDICIAL)**

Vedant Kedare