

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH
COMPANY APPLICATION NO. 65/441/NCLT/MB/2016
PRESENT: B.S.V. PRAKASH KUMAR, MEMBER (JUDICIAL) AND
V. NALLASENAPATHY MEMBER (TECHNICAL)

In the matter of Section 621A of the Companies Act, 1956 read with Section 441 of the Companies Act, 2013.

In the matter of **M/s. Dentsu Impact Pvt Ltd (Formerly known as Dentsu Creative Impact Pvt Ltd)**, having its Registered Office at Lotus Corporate Park, F-1602, 16th Floor, Jay Coach Naka, Western Express Highway, Goregaon (E), Mumbai – 400063.

PRESENT FOR THE APPLICANT: -

Manish L. Ghia- Practising Company Secretary for the Applicants.

Date of Hearing: 15.12.2016

ORDER

Applicants in Default: -

- 1) **M/s. Dentsu Impact Pvt Ltd (Formerly known as Dentsu Creative Impact Pvt Ltd)** (Company),
- 2) Mr. Rohit Ohri (Director),
- 3) Mr. Chhinder Pal Arora (Director) and
- 4) Mr. Junichi Minohara (Director)

Section Violated; -

Section 297 of the Companies Act, 1956.

Nature of Violation; -

1. 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 violated Sec 297 (1) of the Companies Act, 1956 by entering into informal arrangements with the entities for availing and/or providing services related to Creative, Print, TV, Digital Advertising work and Administrative & management services during the period from 1st Januray, 2011 to 30th September , 2014 without obtaining the approval of Central Government. Further on 08/10/2015 in the revised period of default, the period of default, was shown as 01/01/2011 to 31/03/2014. However, the company has submitted members resolution dated 30/09/2014 effective from 01/10/2014 for the period of five years. Hence, violation period is from 01/01/2011 to 30/09/2014 i.e for section 297 from 01/01/2011 to 31/03/2014 and for section 188 from 01/04/2014 to 30/09/2014. The punishment is not provided under the Companies Act,1956 for the violation of Sec 297 hence the penalty for the default u/s 297 is punishable under section 629A of the Act with fine

which may extend to five thousand rupees and where the contravention is a continuing one with a further fine which may extend to five hundred rupees for every day after the first during which the contravention continues. As per Section 188 (5) (ii) of the Companies Act, 2013 in case any company, be punishable with fine which shall not be less than twenty-five thousand rupees but which may extend to five lakh rupees.

Accordingly, the applicants have, violated the provision under Section 297 of the Companies Act, 1956. The Registrar of Companies, Mumbai forwarded the compounding application vide his letter No. ROC/STA/621A/BDS/157300/264 dated 01.12.2016 and the same has been treated as Company Application No. 65/441/NCLT/MB/2016.

2.. We have gone through the application and the report submitted by the Registrar of Companies, Mumbai and also the submissions made by Authorised Representative for applicants at the time of hearing and noted that application for compounding of offence committed under Section 297 of the Companies Act, 1956, merited consideration.

3. Having regard to the facts and circumstances of the case, the offence committed under Section 297 of the Companies Act, 1956, as stated and explained above in first para is compounded against the Company and its three directors on payment of Rs. 50,000/- by M/s. Dentsu Impact Pvt Ltd (Formerly known as Dentsu Creative Impact Pvt Ltd) {Company}, Rs. 50,000/- by Mr. Rohit Ohri (Director), Rs. 50,000/- Mr. Chhinder Pal Arora (Director) and Rs 50,000/- by Mr. Junichi Minohara (Director). The remittance shall be made by way of Demand Draft drawn in favour of "Pay and Accounts Officer, Ministry of Corporate Affairs, Mumbai". Since the Company and its three directors named above have remitted total amount of Rs. 2,00,000/- through Demand Draft Nos. 041175,041176,041177 and 041178 dated 20.12.2016, drawn on Kotak Mahindra Bank , New Delhi to this Bench towards compounding fees, the Registrar of Companies, Mumbai is hereby directed to take further action as provided under Section 621A(4)(c)(d) of the Companies Act, 1956 read with Section 441 (3) (c) (d) of the Companies Act, 2013.

Ordered Accordingly,

Sd/-

B. S.V. PRAKASH KUMAR
Member (Judicial)

Sd/-

V.NALLASENAPATHY
Member (Technical)

Dated this October 20, 2017