



शिघ्र डाक सेवा  
SPEED POST



BEFORE THE REGIONAL DIRECTOR, WESTERN REGION

MINISTRY OF CORPORATE AFFAIRS, MUMBAI

प्रादेशिक निदेशक, पश्चिम क्षेत्र, कारपोरेट कार्य मंत्रालय, मुंबई के समक्ष

प्र. प्रादे. निदे. (प.क्षे.)/454(5)/ Pipeguard Trading (Mangesh Bane)/12/AB2127223/2024-25/

30 APR 2025

**APPEAL UNDER SECTION 454(5) OF COMPANIES ACT, 2013 AGAINST ORDER PASSED FOR OFFENCES COMMITTED UNDER SECTION 12 OF THE COMPANIES ACT, 2013.**

In the matter of PIPEGUARD TRADING PRIVATE LIMITED.

1. MANGESH TUKARAM BANE

- Director

...Appellant

**ORDER**

Appeal under sub-Section (5) of Section 454 of the Companies Act, 2013 (Act) read with the Companies (Adjudication of Penalties) Rules, 2014 (Rules) has been filed by 'Mangesh Tukaram Bane', Director of 'Pipeguard Trading Private Limited' (Company) having CIN U74999MH2014PTC260509, against Order No. ROC(M)/ PIPEGUARD-INQ/ADJ-ORDER/12/2024-25/2918 dated 04/12/2024 (ROC Order) of Registrar of Companies, Mumbai for violating provisions of Section 12 of the Act.

2. The appeal lies within the jurisdiction of the Regional Director, Western Region, Ministry of Corporate Affairs, Government of India.

3. The Registrar of Companies, Mumbai (RoC Mumbai) vide Adjudication Order dated 04/12/2024 held the Company and its Officers/Directors, who have defaulted liable for penalty under Section 12(8) of the Act from 31/03/2022 to 31/10/2023 (date of conduct of spot office inspection till date of issue of show cause notice) for not maintaining the registered office at the then given address of registered office to the Ministry of Corporate Affairs as under:

No. of days default	Penalty imposed on Company / KMP	Default continues penalty (in Rs.)	Total penalty (In Rs.)	Maximum penalty payable (In Rs.)
579 days	Pipeguard Trading Private Limited	579X1000 = 5,79,000/-	5,79,000/-	1,00,000/-
	Yaoping Zhou	579X1000 = 5,79,000/-	5,79,000/-	1,00,000/-
	Mangesh Tukaram Bane	579X1000 = 5,79,000/-	5,79,000/-	1,00,000/-
TOTAL			17,37,000/-	3,00,000/-

**TOTAL PENALTY PAYABLE: Rs.3,00,000/-**

4. Appellant has filed Form-ADJ vide SRN AB2127223 dt. 04/01/2025. As per provisions of sub-Section (6) of Section 454, every appeal under sub-section (5) shall be filed within sixty (60) days from the date on which the copy of the order made by the adjudicating officer is received by the aggrieved person. On examination of the application/appeal, it is seen that the said application/appeal has been filed within 60 days from the date of passing of the adjudication order.

5. Grounds of Appeal & Relief sought:

- a. The Appellant has resigned from the company with effect from 16/05/2022 and has filed DIR-11 vide SRN F02248979.
- b. Appellant was served notice on incorrect address.
- c. As on the date of show cause notice, the Appellant was not a director of the company. Hence, he cannot reply on behalf of the company.
- d. Default under Section 12 of the Act by Appellant is only for period of 12 days instead of 681 days i.e. Date of spot inspection till date of resignation (from 31/03/2022 to 16/05/2022 ).
- e. Appellant is currently facing significant financial hardship and is struggling to make ends meet.
- f. To allow this Appeal and set aside the Order dt.04/12/2024 passed by the ROC, Mumbai.
- g. To waive the penalty imposed on the Appellant, taking into consideration the Appellant's financial position and the undue hardship caused by the imposition of the penalty.
- h. To direct the recovery of penalty from current account and debtor's list of the company which has been frozen by the Tax Authorities.

6. The matter was posted for hearing as per Section 454(5) read with Section 454(7) of the Act on 04/04/2025. Shri Elias Rodrigues, Practicing Company Secretary, appeared on behalf of the Appellant. The authorized representative reiterated the submission made by the Appellant in his application and admitted the contravention of Section 12 of the Act. However, he argued that the Appellant has resigned from the company with effect from 16/05/2022 and has filed DIR-11 vide SRN F02248979. He further stated that as on the date of show cause notice, the Appellant was not a director of the company and requested to waive off the penalty imposed on the Appellant as the Appellant is facing significant financial hardship and is struggling to make ends meet

7. The punishment for contravention of section 12 is prescribed under section 12(8) of the Act which states that -

*"If any default is made in complying with the requirements of this Section, the company and every officer who is in default shall be liable to a penalty of one thousand rupees for every day during which the default continues but not exceeding one lakh rupees."*





8. Asstt. Registrar of Companies, Mumbai vide further letter dt.28/03/2025 has stated that –

- a. The averments made in the appeal are denied in toto unless specifically admitted and any issues which have not been specifically dealt with may not be deemed to be admitted due to lack of traverse.
- b. The company's Master Data and Signatory details as available on MCA21 database revealed that the name of Mr. Mangesh Tukaram Bane is still being reflected as Signatory (Director). Further, no DIR-12 form has been filed by the company regarding cessation of directorship of the Appellant.
- c. The applicant has only submitted his resignation letter and has not produced even an iota of evidence to the effect that the said resignation was received by the company. Thus, in absence of proof of acknowledgement of receipt of resignation letter by the company, the contention of appellant is inadmissible.
- d. Change of address was not communicated by the appellant to the Registrar of Companies either by filing an e-form or otherwise.
- e. It is admitted that the Adjudication Order was sent at the incorrect address. However, the fact that the Appellant has filed this appeal against the said Adjudication Order indicates that the Appellant received a copy of the same.
- f. Adjudication Orders are also published on MCA-21 website which can be accessed by anyone and the same is a constructive notice to all including the Appellant.
- g. Opportunity of being heard was granted to the Appellant via the SCN.
- h. It has been noticed that despite the absence of E-form DIR-12 for cessation of Appellant's directorship in the e-filings of the company, the signatory details in the master data of the company at MCA21-V3 portal are indicating 16/05/2022 as the date of cessation of the Appellant's directorship. Ld. Regional Director may flag the issue with e-governance cell.

9. Facts of the Case:

- a. Office of Registrar of Companies, Mumbai has conducted an inquiry under Section 206(4) of the Act against the irregular functioning of the company.
- b. During the inquiry, the office of ROC, Mumbai conducted spot inspection of the company on 04/12/2021 & 31/03/2022. However, it was found that the company is not situated at the registered office premises. Also, notices sent to the company and its directors on its registered address on 31/10/2023 were returned back undelivered by the Postal authorities. Thus, the company has failed to maintain its registered office and failed to inform any change in the registered office pursuant to Section 12 of the Act, thus liable for penal action under Section 12(8) of the Act.
- c. Change of address was not communicated by the appellant to the Registrar of Companies either by filing an e-form or otherwise.
- d. The company has failed to file e-form DIR-12 till date.

In view thereof, there is no inherent defect in the Adjudication Order dt. 04/12/2024 and the same is in accordance with the provisions of the Act.



2. Mangesh Tukaram Bane,  
C-04, Landbreez Complex Manjali Road, Mohammad Nagar,  
Badlapur East, Thane 421503, Maharashtra, India.
3. Registrar of Companies, Mumbai. Further, as per the error in MCA-21 data as reported by ROC at para (2)(h) in her report dt.28/03/2025 in respect of updation of applicant Director's cessation, the ROC(M) may take up the matter with E-Gov. Cell of the Ministry and take remedial action in this regard.
4. E-Gov Cell, Ministry of Corporate Affairs, New Delhi.
5. Master Copy.
6. Office Copy.

**"Certified True Copy"**

  
(TUSHAR WAGH, ICLS)  
DEPUTY DIRECTOR



10. Taking into consideration the Adjudication Order of the Registrar of Companies, Mumbai; submissions made by the Appellant in his application as well as oral submission during the hearing; further letter of RoC, Mumbai; I am of the considered view that there is no merit in the appeal as filing e-form DIR-11 is not Bonafide in the present situation, and accordingly, the Adjudication Order dated 04/12/2024 passed by ROC, Mumbai is 'CONFIRMED' under Section 454(7) of the Act.

11. In view of the above, the present appeal is disposed of with directions to the appellant to pay the penalty imposed by the Registrar of Companies, Mumbai vide Adjudication Order dt. 04/12/2024 within 90 days, failing which, Registrar of Companies, Mumbai, is directed to file prosecution under Section 454(8) of the Act.

No. of days default	Penalty imposed on Company / KMP	Default continues penalty (in Rs.)	Total penalty (In Rs.)	Maximum penalty payable (In Rs.)
579	Mangesh Tukaram Bane	579X1000 = 5,79,000/-	5,79,000/-	1,00,000/-
TOTAL			5,79,000/-	1,00,000/-

TOTAL PENALTY PAYABLE: Rs.1,00,000/-


Further, the appellant is advised to submit proof of payment of penalty (challan) imposed upon him to the Office of Registrar of Companies, Mumbai, for their record and for further necessary action.

12. Registrar of Companies, Mumbai, is further directed to file prosecution under Section 454(8) of the Act, if the company and other directors/officers of the company have failed to deposit the penalty imposed upon them within 90 days of Adjudication Order of ROC, Mumbai dt. 04/12/2024.

A copy of this order shall be published on the website of the Ministry of Corporate Affairs as per Rules.

Signed and sealed on 30<sup>th</sup> day of April 2025.



  
(SANTOSH KUMAR)  
REGIONAL DIRECTOR  
WESTERN REGION, MUMBAI

To,

1. Pipeguard Trading Private Limited,  
Block No 101 A Wing, Sanskar Dham,Apt,  
Zenith Developers, Sai Walivali Roa d Manjarli,  
Badlapur, Thane,Maharashtra,421503,India..