

**IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI
COURT - IV**

C.P. No. 295/MB/2025

*[Under Section 441 of the Companies
Act, 2013]*

In the matter of

SP Finance Private Limited

(CIN: U65990MH1979PTC021790)

...Applicant No. 1

Mr. Firoze Kavshah Bhatena

...Applicant No. 2

Mr. Pallon Shapoorji Mistry

...Applicant No. 3

Mr. Adil Pallonji Khambata

...Applicant No. 4

Mr. Kausar Ali Shaikhmansoori

...Applicant No. 5

V/s.

Registrar of Companies, Mumbai

...Respondent

Pronounced: 10.06.2026

CORAM:

**ANIL RAJ CHELLAN
HON'BLE MEMBER (TECHNICAL)**

**K.R. SAJI KUMAR
HON'BLE MEMBER (JUDICIAL)**

Appearances: Hybrid

For Applicant

:

Adv. Ahmed Chunawala

ORDER

1. This Compounding Application has been filed by the Directors and the Company Secretary on behalf of SP Finance Private Limited (Applicant No. 1 / Applicant Company), which is a company limited by shares, incorporated on 16.10.1979, having its Registered Office at 70, Nagindas Master Road Fort, Mumbai 400023, Maharashtra, for compounding of offences under Section 441 of the Companies Act, 2013, for non-compliance of Section 96(1) of the Companies Act, 2013. The Authorised, Issued, Subscribed and paid up Share Capital of the Applicant Company as on the date of filing this application is as follows:

AUTHORIZED, ISSUED, SUBSCRIBED AND PAID-UP CAPITAL			
	Number of Securities	Description (type of security)	Aggregate Nominal Value
Authorized Capital	9,93,00,000	Equity Shares of Rs.100/- each	9,93,00,00,000
	7,00,000	5% Redeemable Non-Cumulative Preference Shares of Rs. 100/- each	7,00,00,000
Total	10,00,00,000	Equity and Preference Shares	10,00,00,00,000
Issued Subscribed and Paid up Capital	3,53,37,200	Equity Shares of Rs.100/- each	3,53,37,20,000
	6,69,500	5% Redeemable Non-Cumulative Preference Shares of Rs. 100/-	6,69,50,000
Total	3,60,06,700	Equity and Preference Shares	3,60,06,70,000

2. The Application has been filed on account of delay by the Company in conducting the Annual General Meetings (AGMs) for four consecutive Financial Years viz., 2019-2020, 2020-2021, 2021-2022, and 2022-2023, beyond the statutorily mandated period and in contravention to the

provision of Section 96 of the Companies Act, 2013. Section 96 provides as under:

“96.- Annual general meeting. - (1) Every company other than a one person company shall in each year hold in addition to any other meetings, a general meeting as its annual general meeting and shall specify the meeting as such in the notices calling it, and not more than fifteen months shall elapse between the date of one annual general meeting of a company and that of the next:

xxx

xxx

xxx”

3. The Ld. Counsel for the Applicant Company submits that the AGMs of the Company for the above period were not held on the due dates owing to non-availability of the consolidated financial statements of the Company. Further, it is stated that the Associate Company could not provide their financial statements to the Applicant Company on time, thereafter due to COVID-19 pandemic, the audit and signing of the consolidated accounts got delayed. The Audited consolidated financials were received and signed on 24.09.2021 and 11.04.2022 respectively, and thereafter the meetings were actually held but the Company could not approve its accounts in AGM for the financial year 2020-2021 in compliance with Section 96 of the Companies Act, 2013.
4. The Applicant Company further submit that notwithstanding the same, and as soon as the Applicants gained knowledge that the due date of conducting the AGMs had lapsed, they ensured that the said default was made good within the shortest time as under:

Financial Year	No. of AGM	Due date of AGM	Extension granted by MCA	Actual Date of AGM	No. of days of delay
2019-2020	41 st AGM	30.09.2020	31.12.2020	20.10.2021	293
2020-2021	42 nd AGM	30.09.2021	31.12.2021	12.05.2022	132
2021-2022	43 rd AGM	30.09.2022	31.12.2022	30.04.2024	486
2022-2023	44 th AGM	30.09.2023	31.12.2023	06.11.2024	311

5. The Office of the Registrar of Companies Maharashtra, Mumbai (RoC) in its Report dated 30.01.2026 has stated that the Applicants are in violation of Section 96 of the Companies Act, 2013 and the charging section for the offences is Section 99 of the Companies Act, 2013, which reads as under:

“99. Punishment for default in complying with provisions of sections 96 to 98.- If any default is made in holding a meeting of the company in accordance with section 96 or 97 or 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.”

6. In view of the above provisions, the RoC submits that the Applicants along with the Applicant Company have violated the provisions contained in Section 96 and are liable to punishment under Section 99 of the Companies Act, 2013. Further, the RoC has noted that the Applicants have made the offence good for the F.Ys. 2022-2023; 2021-2022; 2020-2021; and 2019-2020, by filing of AOC-4 and MGT-7 *vide* SRN No. N21290309; F95819140; F04999157; T58427071; and F92241058; F59173633; T92462993, T56609993.
7. The maximum fine leviabale under Section 99 of the Companies Act, 2013 is as under:

Fine U/S 99 for violation of sec 96 of the Companies Act, 2013 for FY 2019-20				
Sr. No	Name of Defaulter	Designation	Fine calculation	Fine
1.	S P FINANCE PRIVATE LIMITED.	COMPANY	Rs.100,000 + Rs.5000*293 days= 15,65,000	Rs.15,65,000
2.	ADIL KHAMBATA	DIRECTOR	Rs.100,000 + Rs.5000*293 days= 15,65,000	Rs.15,65,000
3.	FIROZE KAVSHAH BHATHENA	DIRECTOR	Rs.100,000 + Rs.5000*293 days= 15,65,000	Rs.15,65,000

Fine U/S 99 for violation of sec 96 of the Companies Act, 2013 for FY 2020-21				
Sr. No	Name of Defaulter	Designation	Fine calculation	Fine
1.	S P FINANCE PRIVATE LIMITED.	COMPANY	Rs.200,000 + Rs.10000*132 = Rs.15,20,000	Rs.15,20,000
2.	ADIL KHAMBATA	DIRECTOR	Rs.200,000 + Rs.10000*132 = Rs.15,20,000	Rs.15,20,000
3.	KAUSAR ALI SHAIKHMANSOORI	COMPANY SECRETARY	Rs.200,000 + Rs.10000*132 = Rs.15,20,000	Rs.15,20,000
4.	FIROZE KAVSHAH BHATHENA	DIRECTOR	Rs.200,000 + Rs.10000*132 = Rs.15,20,000	Rs.15,20,000

Fine U/S 99 for violation of sec 96 of the Companies Act, 2013 for FY 2021-22

Sr. No	Name of Defaulter	Designation	Fine calculation	Fine
1	S P FINANCE PRIVATE LIMITED.	COMPANY	Rs.200,000 + Rs.10000*486 = Rs.50,60,000	Rs.50,60,000
2	PALLON MISTRY	DIRECTOR	Rs.200,000 + Rs.10000*468 = Rs.48,80,000	Rs.48,80,000
3	ADIL KHAMBATA	DIRECTOR	Rs.200,000 + Rs.10000*486 = Rs.50,60,000	Rs.50,60,000
4	KAUSAR ALI SHAIKHMANSORI	COMPANY SECRETARY	Rs.200,000 + Rs.10000* 443 Rs.46,30,000	Rs.46,30,000
5	FIROZE KAVSHAH BHATHENA	DIRECTOR	Rs.200,000 + Rs.10000*486 = Rs.50,60,000	Rs.50,60,000

Fine U/S 99 for violation of sec 96 of the Companies Act, 2013 for FY 2022-23

Sr. No	Name of Defaulter	Designation	Fine calculation	Fine
1	S P FINANCE PRIVATE LIMITED.	COMPANY	Rs.200,000 + Rs.10000*311 = Rs. Rs.33,10,000	Rs.33,10,000
2	PALLON MISTRY	DIRECTOR	Rs.200,000 + Rs.10000*311 = Rs. Rs.33,10,000	Rs.33,10,000
3	ADIL KHAMBATA	DIRECTOR	Rs.200,000 + Rs.10000*311 = Rs. Rs.33,10,000	Rs.33,10,000
4	KAUSAR ALI SHAIKHMANSORI	COMPANY SECRETARY	Rs.200,000 + Rs.10000*311 = Rs.9,80,000	Rs.9,80,000
5	FIROZE KAVSHAH	DIRECTOR	Rs.200,000 + Rs.10000*311	Rs.33,10,000

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8. We have heard the Ld. Counsel for the Applicants, duly considered the Application, and the Report submitted by the RoC. The Applicants have violated Section 96 of the Companies Act, 2013, as pleaded; however, the records indicate that the Applicant Company has made good the said offences, as noted by the RoC in the Report dated 30.01.2026. We further note that the Application for purpose of compounding of the said offence was filed before the RoC, and have indicated the fine leviable under 16F of the said Report.
9. Having regard to the facts and circumstances of the case, we hereby direct that the offence committed under Section 96 of the Companies Act, 2013, as stated and explained above shall be compounded against the Applicants, on payment of the following fines by the Applicants, which would suffice as a deterrent for not repeating the defaults in future:

Applicant No.	Fine for F.Y. 2019-20 (₹)	Fine for F.Y. 2020-21 (₹)	Fine for F.Y. 2021-22 (₹)	Fine for F.Y. 2022-23 (₹)	Total Fine Payable (₹)
1	₹10,000 + ₹100*293days = ₹39,300/-	₹10,000+ ₹100*132days = ₹23,200/-	₹10,000+ ₹100*486days = ₹58,600/-	₹10,000+ ₹100*311days = ₹41,100/-	₹1,62,200/-
2	₹5,000 + ₹50*293days = ₹19,650/-	₹5,000+ ₹50*132days = ₹11,600/-	₹5,000+ ₹50*486days = ₹29,300/-	₹5,000+ ₹50*311days = ₹20,550/-	₹81,100/-
3	-	-	₹5,000+ ₹50*468days = ₹28,400/-	₹5,000+ ₹50*311days = ₹20,550/-	₹48,950/-

4	₹5,000 + ₹50*293 days = ₹19,650	₹5,000+ ₹50*132days = ₹11,600/-	₹5,000+ ₹50*486days = ₹29,300/-	₹5,000+ ₹50*311days = ₹20,550/-	₹81,100/-
5	-	₹5,000+ ₹50*132days = ₹11,600/-	₹5,000+ ₹50*443days = ₹27,150/-	₹5,000+ ₹50*311days = ₹20,550/-	₹59,300/-

10. The imposed fine as above shall be paid to the 'Bharatkosh' account by way of Demand Draft drawn in favour of "Pay and Accounts Officer, Ministry of Corporate Affairs, Mumbai" within 30 days from the date of uploading of this Order on the website of the NCLT. The directors shall pay the penalty from their respective personal accounts.
11. Accordingly, **C.P. No. 295 of 2025** is, **disposed of** in the terms of the above. Needless to mention, the offence shall stand compounded subject to the remittance of the fine imposed. A compliance report, therefore, shall be placed on record.
12. Registry shall send a copy of this Order to the Registrar of Companies, Mumbai, Maharashtra.
13. Ordered Accordingly. File to be consigned to records.

Sd/-

ANIL RAJ CHELLAN
MEMBER (TECHNICAL)

AK

Sd/-

K. R. SAJI KUMAR
MEMBER (JUDICIAL)
