

BEFORE THE ADJUDICATING OFFICER
REGISTRAR OF COMPANIES, GOA, DAMAN & DIU
(ADJUDICATION ORDER NO: ROCGDD/AO/Sec-12/2019/2)

UNDER SECTION 454 OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ADJUDICATION OF PENALTIES) RULES, 2014 AS AMENDED BY COMPANIES (ADJUDICATION OF PENALTIES) AMENDMENT RULES, 2019.

In respect of:
BLUE COAST HOTELS LIMITED
L31200GA1992PLC003109

Appointment of Adjudicating Officer:-

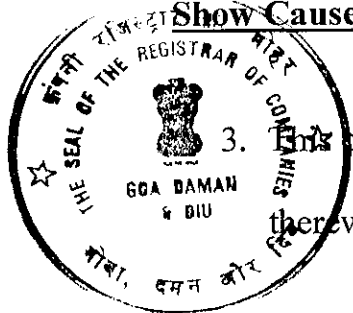
1. Ministry of Corporate Affairs vide its gazette notification no SO 831(E) dated 24.03.2015 appointed undersigned as Adjudicating Officer in exercise of the powers conferred by section 454 of the Companies Act, 2013 [herein after known as Act] read with Companies (Adjudication of Penalties) Rules, 2014 [Notification no GSR 254(E) dated 31-3-2014] for adjudging penalties under the provisions of the Act.

Company:-

2. Blue Coast Hotels Limited [herein after known as Company] CIN L31200GA1992PLC003109 is a registered Company with the office of Registrar of Companies, Goa, Daman and Diu and having its present registered address as Shop No BG/1, Ground Floor, Shanta Kunj Co-operative Housing Society Ltd., Goa, South Goa, 403601 India as per records maintained by this office in online registry.

Show Cause Notice, Reply and Personal Hearing:-

3. This office received a letter from Praveen Electronics Private Limited enclosing therewith an Order dated 26.09.2018 of the Hon'ble National Company Law



Tribunal, New Delhi Bench in Company Petition no. 409(ND) of 2017 titled Northern Projects Limited and Ors -v/s- Blue Coast Hotels and Resorts Limited wherein the Hon'ble Tribunal had stayed to give effect to Resolutions dated 11.08.2017. The matter was taken up with the Company vide this office letter no ROC/NCLT/2933 dated 24.10.2018. The said letter returned undelivered to this office with postal remark "Hotel Closed, return to sender". A Show Cause Notice (SCN) under Section 12(8) of the Companies Act, 2013 was issued vide no ROCGDD/SPS/2018/S-12/3516-3517 dated 12.12.2018 to Company & Managing Director, Shri Sushil Suri [DIN 00012028]. Noticee to SCN were called upon to show the cause as to why action cannot be initiated for non-maintenance of registered office of the Company pursuant to Section 12(1) read with Section 12(4) of the Act. Company vide its letter dated 28.12.2018, responded to the SCN, which inter alia states as under:-

a) That the Company has stated that in compliance with order dated 19.03.2018 passed by the Hon'ble Supreme Court of India, they have handed over the possession of hotel 'Park Hyatt Goa, Resorts & Spa' (which is also registered office of the company) to ITC Limited on 19.09.2018. Further the Company has filed Writ Petition before the Hon'ble High Court at Goa, seeking enforcement of its right of redemption under Section 60 of the Transfer of Property Act, 1882 and the said matter is pending for adjudication before the Hon'ble Court.

b) That it is an unfortunate occurrence that a correspondence has returned undelivered with a remark, "Hotel Closed and Return to Sender". Company has created interim arrangements to receive the correspondence / Dak at the erstwhile address and to collect the Dak /Correspondence from the local post office.



c) Further, that the Company has found the suitable place in Goa for registered office which will be taken up in the Board of Meeting and thereafter ROC office will be informed about the change in registered address of the company.

4. The aforestated reply dated 28.12.2018 of the Company was not found satisfactory by this office. Thereafter, Notice of Inquiry was issued on 11.02.2019 pursuant to Rule (3) of Companies (Adjudication of Penalties) Rules, 2014. Company and Officers/Directors (Noticee) were called upon to appear personally or through authorized representative under Rule 3 (3), the Companies (Adjudication of Penalties) Rules, 2014 on 19.02.2019 [between 10.30 AM to 12.30 PM].

5. Shri Amit Kumar Singh, Chief Financial Officer appeared for the hearing with an authority letter from the Company by way of Board Resolution dated 16.02.2019, wherein Shri Vinayak Dhumatkar, Practising Chartered Accountant and Shri Shivaram Bhat, Practicing Company Secretary were also authorized to represent the Company and its Directors.

6. They have submitted a letter dated 19.02.2019 [in response to Notice of Inquiry dated 11.02.2019] signed by Shri Kapila Kandel, Company Secretary on behalf of the Company. It was stated inter alia that the comments "Hotel Closed-returned to sender" and 'not delivered- unclaimed' do not suggest anything about existence of the premises or office of the Company and both comments are contradictory to each other. The postal delivery person might not have made sufficient efforts to find out or to meet the staff to ensure delivery. Further, they

stated that Company has filed the e-form INC-22 vide H42267989 dated 18.02.2019 and with effect from 10.01.2019, the registered office of the



Company is changed to Shop No BG/1, Ground Floor, Shanta Kunj Co-operative Housing Society Ltd., Goa, South Goa.

Provisions of Companies Act, 2013:-

7. 12(1) A company shall, on and from the thirty days of its incorporation and at all times thereafter, have a registered office capable of receiving and acknowledging all communications and notice as may be addressed to it.

12(4) Notice of every change of the situation of the registered office, verified in the manner prescribed, after the date of incorporation of the company, shall be given to the Registrar within thirty days of the change, who shall record the same.

12(8) 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.

Factors to be taken into account by the Adjudicating Officer:-

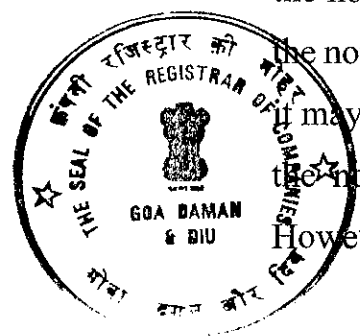
8. While adjudging the quantum of penalty under section 12(8) of the Companies Act, 2013 the Adjudicating Officer has taken into consideration the following factors, namely:

- a. The amount of disproportionate gain or unfair advantage, wherever quantifiable, made as a result of default.
- b. The amount of loss caused to an investor or group of investors as a result of the default.
- c. The repetitive nature of default.

9. With regard to the above factors to be considered while determining the quantum of penalty, it is noted that the disproportionate gain or unfair advantage made by the noticees or loss caused to the investor as a result of the delay on the part of

the noticees to redress the investor grievance are not available on record. Further, it may also be added that it is difficult to quantify the unfair advantage made by the noticees or the loss caused to the investors in a default of this nature. However, the offence is of serious nature since non-maintenance of registered





office by the Company put itself out of reach of stakeholders/ regulatory authorities and other concerned.

ORDER

10. The Company has not maintained its registered office pursuant to sub-section (1) of Section 12 of the Act w.e.f. 24.10.2018 to 09.01.2019, thereby attracting penal provisions under sub-section(8) of Section 12 of the Companies Act, 2013.

11. Having considered the facts and circumstances of the case and submissions made by the Noticees through written submission and oral submission by authorized representatives during personal hearing and after taking into account the factors above, I do hereby impose penalty on Company and Directors as per table below for violation of sub-section(1) of Section 12 of the Companies Act, 2013. I am of the opinion that penalty is commensurate with the aforesaid failure committed by the Noticee.

No of Days of Default *	Penalty imposed on Company /Director	Amount of Penalty (In Rs.)	Total (In Rs.)
78 days	On Company	78 X Rs.1000 = Rs.78,000/-	Rs.78,000/-
	Sushil Suri , Managing Director	78 X Rs.1000 = Rs.78,000/-	Rs.78,000/-

*No. of days have been calculated from 24 October, 2018 (the date, when the office took cognizance of not maintaining registered office of the Company) till the date of change of registered office of the company 10.01.2019, as informed by the Company through INC-22 eform.

12. The Noticee shall pay the amount of Penalty through the Ministry of Corporate Affairs portal only.

13. Appeal against this order may be filed in writing with the Regional Director(WR), Ministry of Corporate Affairs, 100, Marine Drive, Everest Building, Mumbai-400002, within a period of sixty days from the date of receipt of this order, in Form ADJ setting forth the grounds of appeal and shall be accompanied by a certified copy of this order. [Section 454 of the Companies



Act, 2013 read with Companies (Adjudication of Penalties) Rules, 2014 as amended by Companies (Adjudication of Penalties) Amendment Rules, 2019].

14. Your attention is also invited to section 454(8) of the Act regarding consequences of non-payment of penalty.

15. In terms of the provisions sub-rule (9) of Rule 3 of Companies (Adjudication of Penalties) Rules, 2014 as amended by Companies (Adjudication of Penalties) Amendment Rules, 2019, copy of this Order is being sent to Blue Coast Hotels Limited at Shop No BG/1, Ground Floor, Shanta Kunj Co-operative Housing Society Ltd., Goa, South Goa, 403601 India and to Shri Sushil Suri, C-40, Ground Floor, Anand Niketan, Delhi-110021 and also to Office of Regional Director(WR), Ministry of Corporate Affairs, 100, Marine Drive, Everest Building, Mumbai-400002.

Place: - Panaji, Goa.

Date :- 25.02.2019


(K. S. Reddy)

Registrar of Companies Goa, Daman & Diu

&

Adjudicating Officer

