



IN THE NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH-II

Company Petition No. 7/MB/2025

*[Under Section 441 read with Section 96 of the
Companies Act, 2013]*

IN THE MATTER OF:

1. NVENT THERMAL INDIA PRIVATE LIMITED

[Erstwhile Pentair Thermal Management India Private Limited]

[CIN: U27310MH2008PTC3255]

Registered Office: 6th Floor, Jolly Board Tower

D-Wing, I-Think Techno Campus, Kanjurmarg (East)

Mumbai-400042, Maharashtra.

2. MR RAMESH BASAVARAJ ROTTI

[DIN: 07962190]

Address: Sri Basavanugraha, 22nd Main

19th Cross, Behind Nagaraja Garden, JP Nagar, 5th Phase

Bangalore-560078, Karnataka.

...PETITIONERS

V/s

REGISTRAR OF COMPANIES, MUMBAI

Office Address: 100, Everest, Marine Drive

Mumbai-400002, Maharashtra.

...RESPONDENT

Pronounced: 15.07.2025

CORAM:

HON'BLE SHRI ASHISH KALIA, MEMBER (JUDICIAL)

HON'BLE SHRI SANJIV DUTT, MEMBER (TECHNICAL)

Hearing: Hybrid

Appearance(s):

Petitioner: Adv. Chandrakant R. Mhadeshwar

Respondent: A.K. Singh, Assist. RoC, Mumbai

**ORDER*****[Per: SANJIV DUTT, MEMBER (TECHNICAL)]*****1. BACKGROUND**

1.1. This Compounding Application No. 7/MB/2025 was filed by Mr. Ramesh Basavaraj Rotti, (hereinafter referred to as “the Petitioner”), director and authorized representative of Nvent Thermal India Private Limited (hereinafter referred to as “the Petitioner Company”) on 14.10.2024, seeking compounding of the default committed by the Petitioners under Section 96 of the Companies Act, 2013 (hereinafter referred to as “the Act”), wherein it was found that the Directors of the Petitioner Company had failed to hold the Annual General Meeting (AGM) for the financial years 2015-16 and 2016-17 (hereinafter referred to as “FY”) within the prescribed time limit, thereby committing an offence punishable under Section 99 of the Act.

2. CONTENTIONS OF PETITIONERS

- 2.1. The Petitioner Company was incorporated as a private limited company on 16.01.2008 and is engaged in the business of providing services regarding heat management and cathodic protection design engineering. The Company Identification Number (CIN) of the Petitioner Company is U27310MH2008PTC325530 and its registered address is 6th Floor, Jolly Board Tower, D-Wing, I-Think Techno Campus, Kanjurmarg (East), Mumbai-400042, Maharashtra.
- 2.2. The Ld. Counsel for the Petitioner Company submits that the default of delay in holding its AGMs for the FYs 2015-16 & 2016-17 within the prescribed time limit occurred due to delay in finalization of Company’s Financials for the year



ending 31.03.2016 & 31.03.2017. Since the Petitioner Company was undergoing restructuring of its business, it was unable to carry out the requisite financial, legal and operational due diligence activities. Pursuant to the completion of due diligence activities, the Petitioner Company lacked adequate time to convene the AGMs to approve the financials and file the same before the requisite due date i.e., 30.09.2016 and 30.09.2017 for the FYs 2015-16 & 2016-17 respectively.

2.3. It is further submitted that pursuant to the restructuring of its businesses, the Petitioner Company had to re-align its financial and accounting processes including segregation of its assets and liabilities. Further, the Petitioner Company's management had decided to de-merge its electrical business as well as re-brand its products. The Operational and financial performance of the Petitioner Company has been affected due to frequent changes in the Petitioner Company's management arising out of its merger & acquisition activities. This led to delay in implementation of robust financial & accounting systems as well as implementation of SAP system.

2.4. The Petitioner Company had conducted its AGMs for the FYs 2015-16 and 2016-17 on 09.02.2018 and 12.07.2018 respectively. Due to paucity of time, the AGMs were conducted at the shorter notice for which adequate notice of the meeting was served to the members of the Petitioner Company. Since then, the Petitioner Company has complied with every provision of the Act. The Ld. Counsel for the Petitioner Company produced the copy of the AGMs held on 09.02.2018 and 12.07.2018 along with respective Form AOC-4 & Challan.



- 2.5. It is further submitted that apart from Mr. Ramesh Rotti, two other directors of the Petitioner Company, i.e., Mr. Mukund Ravindra Rane (DIN: 07962191), and Mr. Veeraiah Bellam Chowdary (DIN: 08251999) had resigned as directors of the Petitioner Company on 09.01.2023 and 19.01.2024 respectively. In view of the above, the Petitioner Company undertakes to pay the penalty of the aforesaid directors.
- 2.6. It is submitted that being the director of the Petitioner Company, Mr. Ramesh B. Rotti was authorised to file the present Compounding Application under Section 96 and 441 of the Act *vide* Board Resolution of the Petitioner Company dated 19.01.2024. At the time of filing the present Application, the Directors of the Petitioner Company were Mr. Ramesh Rotti (DIN: 07962190) and Mr. Chirag Pravinbhai Chauhan (DIN:10470130).
- 2.7. The Ld. Counsel for the Petitioner Company further submits that the alleged offence neither caused any prejudice to the interest of the members, creditors, etc. of the Petitioner Company nor the Petitioner Company and its directors committed the alleged offence with any malicious motive. The Ld. Counsel for the Petitioner Company prayed for compounding of offence mentioned in the present Application and relied upon the decisions of NCLT Mumbai in *Arrel Herald Furtado Vs. Registrar of Companies Mumbai.*, [CP No. 99/MB/2023] and *Twilight Sport Complex Private Limited Vs. Registrar of Companies Mumbai.*, [CP No. 102/MB/2023].
- 2.8. In view of the above, the Petitioner Company prays for compounding of its offences for the FYs 2015-16 & 2016-17 under Section 441 of the Act and allowing the present Compounding Application.



3. CONTENTIONS OF RESPONDENT/RoC

3.1. The delay on the part of the Petitioner Company in holding its AGM is as follows: -

Financial Year	Due Date of holding AGM	Date of actual AGM	Number of days' delay
2015-16	30.09.2016	09.02.2018	496 days
2016-17	30.09.2017	12.07.2018	284 days

3.2. The Registrar of Companies, Mumbai (RoC)/Respondent, *vide* its report dated 05.05.2025 submits that the aforementioned offences are punishable under Section 99 of the Act and that in accordance with the same, the Petitioner Company and its directors would be liable to be fined as follows:

FY 2015-2016:

Applicant Name	Delay (Days)	Initial Penalty (Rs.)	Continuing Default (Rs.)	Total Penalty (Rs.)
Nvent Thermal India Pvt Ltd (Petitioner Company)	496	1,00,000/-	Rs. 5,000/- per day (495 days) Total=24,75,000/-	25,75,000/-



Mr. Ramesh B. Rotti (Director & Petitioner No. 2)	496	1,00,000/-	Rs. 5,000/- per day (495 days) Total= 24,75,000/-	25,75,000/-
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FY 2016-2017:

Applicant Name	Delay (Days)	Initial Penalty (Rs.)	Continuing Default (Rs.)	Total Penalty (Rs.)
Nvent Thermal India Pvt Ltd (Petitioner Company)	284	2,00,000/-	Rs. 10,000/- per day (283 days) Total= 28,30,000/-	30,30,000/-
Mr. Ramesh B. Rotti (Director & Petitioner No. 2)	284	2,00,000/-	Rs. 10,000/- per day (283 days) Total= 28,30,000/-	30,30,000/-

3.3. The Respondent/the Registrar of Companies, in its report, has stated that the Petitioner Company has defaulted in its compliance due to delay in finalization of the Company's Financials for the FYs 2015-16 & 2016-17 which was caused by the restructuring of the Petitioner Company's businesses. It is further stated that the offences committed by the Petitioner Company were continuing in nature.

3.4. It has been further submitted that the Petitioner Company has shown its bona fide efforts in complying with the provisions of the law. The Petitioner Company has already made good of its default by conducting AGMs for the



FYs 2015-16 and 2016-17. The Petitioner Company has made a profit of Rs.16,66,13,000/- for the Financial Year ended 31.03.2024.

- 3.5. The Respondent in its report has also stated that during the period of alleged offences, the then directors of the Petitioner Company, Mr. Mukund Ravindra Rane, Mr. Visweswaran Viswanathan (DIN: 06541237) & Mr. Manas Panda (DIN: 07283177) were also the officers in default. Since the present Compounding Application was filed only by the Petitioner Company and the Petitioner No. 2 i.e., Mr. Ramesh B. Rotti, the offences committed by the aforesaid directors cannot be compounded in the absence of compounding application on affidavit.

4. ANALYSIS AND FINDINGS

- 4.1. We have heard the Ld. Counsel for the Petitioner and Representative of ROC/Respondent and perused the materials on record.
- 4.2. As per the provisions of Section 96 of the Act, the Company was required to hold its Annual General Meeting (AGM) before 30th September of each year. However, in the present case, the Petitioner Company failed to convene its AGM for the FY 2015-16 & FY 2016-17 which was due on 30.09.2016 & 30.09.2017 respectively and instead convened the meeting on 09.02.2018 and 12.07.2018 respectively. This resulted in a total delay of 496 days and 284 days over convening AGMs for the FYs 2015-16 & 2016-17 respectively. Thus, it is undisputed that the Petitioner Company has violated the provisions of Section 96 of the Act and for the said violation, the punishment is provided under Section 99 of the Act. Section 99 of the Act applicable w.e.f. 01.06.2016 reads as under: -



“If any default is made in holding a meeting of the company in accordance with section 96 or section 97 or section 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.”

- 4.3. It is well-settled law that depending on nature of offence and its gravity, the Adjudicating Authority is required to consider the relevant factors while compounding any offence, such as gravity of the offence, whether the act was intentional or inadvertent, the maximum punishment prescribed for such offence, whether the defaulter has made good the default, whether the compounding Application is filed suo-motu or after the notice from RoC or during proceedings, the financial condition of the Company and other defaulters and whether the offence is continuous or one-time and any history of similar defaults, etc.
- 4.4. Upon perusal of available documents, it is found that the erstwhile name of the Petitioner Company was ‘*Pentair Thermal Management India Private Limited*’ which was subsequently changed to ‘*Nvent Thermal India Private Limited*’ vide Special Resolution passed at the Extra-Ordinary General Meeting (EGM) held on 27.05.2019. Later, the Petitioner Company’s name was changed to ‘*Chemelex India Private Limited*’ as evident from the Master Data of the Petitioner Company on the website of the Ministry of Corporate Affairs (MCA). Meanwhile, the Petitioner No. 2 i.e., Mr. Ramesh B. Rotti had



resigned from the post of director in the Petitioner Company on 04.02.2025 and there are currently three directors appointed on 30.01.2025 in the Petitioner Company i.e., Mr. Babu Nackolackal Philip (DIN: 10910418); Mr. Mohit Agarwal (DIN: 10910419) and Mr. Kunal Jayendra Lakhani (DIN: 10910420). The Petitioner Company in Paragraphs 13 and 14 of its Application gave undertaking to pay the penalty of three of its directors i.e., Mr. Mukund Ravindra Rane (DIN: 07962191), Mr. Veeraiah Bellam Chowdary (DIN: 08251999) and Mr. Ramesh Rotti (DIN: 07962190). However, there is nothing to show that the Petitioner Company gave any undertaking to pay the penalty for Mr. Manas Panda or Mr. Visweswaran Viswanathan. During the hearing of the present Application on 30.06.2025, there is no evidence to find any denial on the Petitioner Company's part to pay the penalty of Mr. Manas Panda & Mr. Visweswaran Viswanathan.

- 4.5. Upon reviewing the Financial Statements of the Petitioner Company for the FYs 2015-16 and 2016-17, we find that the Petitioner Company had suffered a loss before tax of Rs. 2,19,31,852/- for the FY 2015-16 & Rs. 2,22,18,169/- for the FY 2016-17. However, according to the submissions made by the Respondent/RoC, the Petitioner Company recorded a profit of Rs. 16,66,13,000/- for the Financial Year ended 31.03.2024. The Petitioner Company filed the Form AOC-4 for the audited Financial Statements for the FYs 2015-16 & 2016-17, a copy of which has been annexed to the Application along with the copies of the Petitioner Company's Articles of Association and the Memorandum of Association. Further, it has been noticed from the MCA portal that the former and current directors of the Petitioner Company were directors of the Petitioner Company or related companies of Nvent group.



- 4.6. Since under Section 99 of the Act, punishment is only fine and in terms of Section 441 of the Act, if the punishment is only fine, then there is no legal impediment in compounding of this offence. Having regard to the facts and circumstances of the matter, including the Petitioner Company's acknowledgment of its default in complying with the provisions of Section 96 of the Act and the subsequent rectification of the default by duly conducting the AGMs on 09.02.2018 and 12.07.2018, we are of the considered view that the ends of justice would be met, if the Petitioner Company along with Petitioner No. 2 and other directors directed to pay the compounding fee as calculated in the table below:-

a) **Petitioner No. 1: Nvent Thermal India Private Limited**

FY	Applicable Section	Period of Default	Maximum Penalty proposed by RoC (Rs.)	Compounding Fee (Rs.)
2015-2016	<i>Section 99 of the Act read with Section 451 of the Act</i>	496 days (from 30.09.2016 to 09.02.2018)	25,75,000/-	<p>For one-time default: Rs. 50,000/-</p> <p>For continuing default- Rs. 200/- per day for 495 days amounting to Rs. 99,000/- Total- Rs.1,49,000/-</p>



2016-2017		284 days (from 30.09.2017 to 12.07.2018)	30,30,000/-	For second-time default: Rs.1,00,000/- For continuing default- Rs. 200/- per day for 283 days amounting to Rs. 56,600/- Total: Rs.1,56,600/-
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b) Petitioner No. 2: Mr. Ramesh B. Rotti

FY	Applicable Section	Period of Default	Maximum Penalty proposed by RoC (Rs.)	Compounding Fee (Rs.)
2015-2016	<i>Section 99 of the Act read with Section 451 of the Act</i>	496 days (from 30.09.2016 to 09.02.2018)	25,75,000/-	For one-time default: Rs. 50,000/- For continuing default- Rs. 200/- per day for 495 days amounting to Rs. 99,000/- Total: Rs. 1,49,000/-



2016-2017		284 days (from 30.09.2017 to 12.07.2018)	30,30,000/-	For second-time default: Rs. 1,00,000/- For continuing default- Rs. 200/- per day for 283 days amounting to Rs. 56,600/- Total: Rs. 1,56,600/-
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4.7. Further, after taking into consideration the observation made by the Respondent/RoC in its report and relying upon the decisions of NCLT Mumbai in *Arrel Herald Furtado* (supra) and *Twilight Sport Complex Private Limited* (supra), this Bench compounds the offence against **Mr. Mukund Ravindra Rane, Mr. Visweswaran Viswanathan and Mr. Manas Panda**, being Ex-Directors and officers in default, thereby imposing fine to the extent of **Rs. 3,05,600/-** i.e., fine amount of Rs. 1,49,000/- for FY 2015-16 as well as Rs. 1,56,600/- for the FY 2016-17 each to meet the logical end of the present Compounding Application. No cost has been imposed against Mr. Veeraiah Bellam Chowdary, Ex-Director as he was not a director during the period of offence.

4.8. Needless to say, the Petitioner Company shall inform **Mr. Mukund Ravindra Rane, Mr. Visweswaran Viswanathan & Mr. Manas Panda**, being Ex-Directors and officers in default to pay the above-mentioned fine, for their respective period of directorship with the Petitioner Company.



- 4.9. In view of the findings discussed above and in consideration of the law laid down as well as in the interest of justice and fair play, this Bench is of the view that the Compounding Fee, as mentioned above, shall serve as an adequate deterrent against the recurrence of the alleged and admitted default. The compounding fee so imposed shall be remitted to “*Pay and Accounts Officer, Ministry of Corporate Affairs, Mumbai*” through Bharat Kosh within 30 days from the receipt of this order.
- 4.10. This Compounding Application *vide* **CP No. 7/441/MB/2025** is, therefore, **allowed and disposed of** on the terms directed above. Needless to mention, the offence shall stand compounded subject to the remittance of the Compounding Fee imposed. A compliance report, therefore, shall be placed on record.
- 4.11. The Registry shall send a copy of this order to the Registrar of Companies, Mumbai, Maharashtra.
- 4.12. Ordered accordingly. File be consigned to Records.

Sd/-
SANJIV DUTT
MEMBER (TECHNICAL)

//LRA-Tanmay Jain//

Sd/-
ASHISH KALIA
MEMBER (JUDICIAL)