



भारत सरकार  
GOVERNMENT OF INDIA

कारपोरेट कार्य मंत्रालय

MINISTRY OF CORPORATE AFFAIRS

कम्पनी पंजीयक का कार्यालय, तमिल नाडु, अंदमान & निकोबार द्वीपपुंज, चेन्नई

OFFICE OF REGISTRAR OF COMPANIES, TAMIL NADU, ANDAMAN & NICOBAR ISLANDS, CHENNAI

दूसरा मंजिल, 'सी' विंग, शास्त्री भवन, 26, हाडोस रोड, नुंकमपाक्कम, चेन्नई - 6

II FLOOR, C- WING, SHASTRI BHAVAN, 26, HADDOWS ROAD, NUNGAMBAKKAM, CHENNAI- 6

F.NO.ROC/CHN/HERMES I/ADJ/S.134 /P.27, 29 to 34/2024

DATE: 12 APR 2024

ADJUDICATION ORDER UNDER SECTION 134 OF THE COMPANIES ACT, 2013  
IN THE MATTER OF M/S HERMES I TICKETS PRIVATE LIMITED

1. Appointment of Adjudicating Officer:-

The Ministry of Corporate Affairs vide its Gazette Notification No. A-42011/112/2014-Ad.II, dated 24.03.2015 has appointed Registrar of Companies, Chennai as Adjudicating Officer in exercise of the powers conferred by section 454(1) of the Companies Act, 2013 (hereinafter referred as Act or Companies Act, 2013) r/w Companies (Adjudication of Penalties) Rules, 2014 for adjudging penalties under the provisions of this Act.

2. Company: -

Whereas the company viz M/s. Hermes I Tickets Private Limited with CIN: U63040TN2006PTC082562 (herein after referred as 'company' or 'subject company') is a registered company with this office under the Companies Act, 2013 having its registered office as per MCA21 Registry at Sai Krupa Plot No. 30A (south phase) First floor SIDCO THIRU-VI-KA Industrial Estate Guindy, Chennai, Tamil Nadu 600032.

The financial & other details of the subject company as available on MCA-21 portal is stated as under:

S.No.	Particulars	Details as per FY 2021-22
1.	Paid up Capital	Rs. 7,84,200/-
2.	a. Revenue from Operation	Rs.34,67,80,951/-
	b. Other Income	NIL
	c. Profit for the Period	-----
3.	Whether it is a Holding Company	No
4.	Whether it is a Subsidiary Company	Yes
5.	Whether company registered under Section 8 of the Act?	No
6.	Whether company registered under any other special Act?	No

**3. Directors during the period of violation:**

S.No.	Name of Director Default	Designation	Date of Appointment	Date of Cessation
1.	Manojkumar Sahu	Director	30.09.2016	.....
2.	Ramu Annamalai Ramsamy	Managing Director	25.11.2014	13.09.2016
		Director	13.09.2016	11.03.2019
3.	Palaniyapan Ramsamy	Director	13.09.2016	11.03.2019
		Wholetime Director	25.11.2014	13.09.2016

**4. Section and Penal Provision as per Companies Act, 2013**

Section 134 of the Companies Act, 2013- Financial Statement, Board's Report, etc.

*(5) The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) shall state that—*

*(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;*

*(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;*

*(8) If a company is in default in complying with the provisions of this section, the company shall be liable to a penalty of three lakh rupees and every officer of the company who is in default shall be liable to a penalty of fifty thousand rupees.*

**5. Issue of Adjudication Notice:**

An inquiry was conducted in the matter of M/s. Hermes I Tickets Private Limited under Section 206(4) of the Companies Act, 2013 by an Officer authorized by the Central Government wherein the observations of the Inquiry Officer are as follows:

5.1 - It is observed in the Balance Sheet as at March 31, 2015 under Note 9, the amount shown under Trade Payables for Supplies is Rs. 21,52,92,134 in the year ended at March 31, 2015, but in the Balance Sheet as at March 31, 2016, the amount of Trade Payables for Supplies is Rs. 28,43,18,222 for the previous reporting year, i.e., March 31, 2015. Also, the amount reflected under the head Other current Liabilities, in Note 10, in the year ended March 31, 2015, is Rs. 16,20,62,741 in the Balance Sheet as at March 31, 2015 but the amount reflected under the head Other current Liabilities, for the previous reporting year, i.e., March 31, 2015, is Rs. 16,42,21,008 in the Balance Sheet as at March 31, 2016. It is noted that the Statutory Dues Payable under Other Current Liabilities under Note 10 has reflected different figures in both of these Balance Sheets.

The Inquiry Officer has reported that, the subject company has done the Regrouping of accounts without giving proper disclosure in the notes to accounts. The figures shown in one Financial Year should exactly match when used as part of previous accounting period 2014-15 in the next Financial Year 2015-16. However, the subject company has changed figures deliberately and has explained it as part of re-grouping, which is not acceptable Regrouping of Trade Payables in one year to Other Current Liabilities in another year is totally unacceptable.

- 5.2- It is observed that, in Note 14 of the Balance Sheet for the year ending 31st March 2016, the Long term Loans and Advances were reduced from Rs.4,15,64,659 in the year ended at March 31, 2015 to Rs. 1,47,44,680 in the year ended at March 31, 2016, which means Loans and Advances were paid back to the Company.

The Inquiry Officer has reported that Long Term Loans and Advances if repaid by the borrower company and received by the subject company, should be shown under Cash Flow from Investing Activities as per AS-3. But the company has shown the repayment of long term loans and advances under Cash Flow from operating activities instead of Cash Flow from Investing Activities.

*As per AS-3 (e) the separate disclosure of cash flows arising from investing activities is important because the cash flows represent the extent to which expenditures have been made for resources intended to generate future income and cash flows. Examples of cash flows arising from investing activities are: (e) cash advances and loans made to third parties*

- 5.3- In Note 9 of Balance Sheet as at March 31, 2016, the Trade payables, Due to Related parties is Rs. 15,15,866/- PY 1,19,160/-. However, the amounts are not disclosed in the Related Party disclosure as per AS 18, for the years 2014-15 and 2015-16.

As per AS-18, para 21, "Name of the related party and nature of the related party relationship where control exists should be disclosed irrespective of whether or not there have been transactions between the Related Parties." The company/auditor's reply that Trade payables due to Related Parties has been disclosed as Lease Rent in AS-18 is not acceptable and this wrongful disclosure frustrates the true spirit of the Accounting Standard.

- 5.4- In Note 15 of the Balance Sheet as at March 31, 2015 under Trade Receivables, Rs. 16,57,58,997 is shown as Due from Related Parties. However, in Note 15 of the Balance Sheet as at March 31, 2016, under the head Trade Receivables, no amount is shown as Due to related parties, even for the previous years. Trade Receivables are not shown in AS 18 as part of Related Party Disclosure.

As per Accounting Standard 18 Paragraph 23 *"If there have been transactions between related parties, during the existence of a related party relationship, the reporting enterprise should disclose the following: (i) the name of the transacting related party; (ii) a description of the relationship between the parties; (iii) a description of the nature of transactions; (iv) volume of the transactions either as an amount or as an appropriate proportion; (v) any other elements of the related party transactions necessary for an understanding of the Financial Statements; (vi) the amounts or appropriate proportions of outstanding items pertaining to related parties at the balance sheet date and provisions for doubtful debts due from such parties at that date; and (vii) amounts written off or written back in the period in respect of debts due from or to related parties"*.

Even if the Trade Receivables pertaining to the previous Financial Year are received in the subsequent year, the company should change the values in the subsequent year during which Trade Receivables were received.

- 5.5- In Note 17 of the Balance Sheet as at March 31, 2016, under the head Short Term Loan and Advances, Rs. 31,32,32,076 is shown as Loans and Advances to Related Parties. But in AS 18, the Related Party disclosure amount shown are different.

The company has not made proper disclosure as per AS-18 during the year ended March 31, 2016 for the amount of Rs. 31,32,32,076 shown as Loans and Advances to Related Parties in balance sheet.

- 5.6- It is observed that under AS 18, point 25.15, in the Financial Year 2015-16, An amount of Rs.10,44,840 is shown as Rent deposit and an amount of Rs. 78.30 Lakhs is shown as Lease rent with Arm International. Based on the Lease Agreement submitted by the subject Company, it pertains to Advance rent amount for the property at Thiru VK Industrial Estate, Guindy. The Company has also furnished another lease Agreement with Arm International for the property in Mahalingapuram with Rs. 50,000 per month rent and Rs.5,00,000 as Advance, which is not disclosed in Point 25.15 as per AS 18 under related party disclosure.

The Inquiry Officer has reported that, the amount of Rs.5,00,000 shown as Rent Deposit under R.M. Kothai pertains to Lease Agreement with Arm International. The company has wrongly disclosed it as transaction with R.M.Kothai under AS-18 disclosure. The auditor's reply that Ms. R. M Kothai is the POA for this agreement is not

acceptable as the transacted party is ARM International and not the Power of Attorney Holder.

- 5.7- In continuation to Para No.18 of the Inquiry Report - In Note 20 of the Profit and Loss for the year ended March 31, 2016, the Interest from banks was reduced from Rs.57,15,713 in the year ended 2015 to Rs.44,32,185 in the year ended at March 31, 2016. However, according to the Note 16, shown in the Balance Sheet as at March 31, 2016, under Cash and Bank Balances, Fixed deposit with Bank has increased from Rs.4,03,92,883 in the year ended at March 31, 2015 to Rs.6,92,33,818 in the year ended at March 31, 2016. The Company was asked to clarify, why or how the Company shows a decreased interest income, when there is increase in Fixed Deposit.

The Inquiry Officer has reported that it has shown "Interest Received – Income Tax" under "Interest from Banks" during the FY 2014-15 which is not acceptable. The company has not clarified what Interest received from Income Tax means. The company has wrongly disclosed figures in Interest from Banks in Statement of Profit and Loss for the FY 2014-15.

- According to section 134(5)(b) the director's responsibility statement shall state that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year and of the Profit & Loss of the company for that period. As the Financial Statements do not give a true and fair view of the affairs of the company with respect to observations mentioned in Para 5.1 to 5.7 above the company has contravened the provision of Section 134(5)(b) of the Companies Act, 2013 and hence the company and officers in default are liable for punishment under Section 134 (8) of the Companies Act, 2013

Accordingly, on submission of the Inquiry Report by the officer, Regional Director, Ministry of Corporate Affairs, Chennai has directed this office to initiate necessary action against the defaulters of the provisions of the Companies Act, 2013.

After this office has issued Show Cause Notices for Adjudication under Section 134 of the Companies Act, 2013 vide Notices No. ROC/CHN/082562/S.134/INQUIRY FOLLOW UP/2022 dated 15.09.2023.

6. Reply of Company and Directors for Adjudication Notice issued:

No reply has been received from the company and its directors.

7. Adjudication Hearing:

Since no reply has been received from the company and its directors for the Adjudication notice, this office had issued Adjudication Hearing Notice to the subject company and Officers in default by fixing the hearing date as 24.01.2024 at 11:30 AM. Pursuant to the hearing notice Shri. Naresh G, PCS has appeared on behalf of the directors namely Shri.Ramu Annamalai Ramasamy, Shri.Palaniyapan Ramsamy and made submission that the violation may be adjudicated. Another director, namely Mr. Manoj Kumar Sahu was absent on the said date, and no one appeared on behalf of the company. Further, the Adjudicating Authority has issued another notice of hearing to Mr. Manoj Kumar Sahu on 05.02.2024 by fixing the hearing on 13.02.2024 at 11:30AM. Since Mr. Manoj Kumar Sahu was absent in the last two hearings, the Adjudicating Authority has issued final notice to him by fixing the hearing on 29.02.2024 at 12:45PM. Shri.M Rathnakumar, PCS has appeared before the Adjudicating Authority on 29.02.2024 on behalf of Mr. Manoj Kumar Sahu and made submission that the violation may be adjudicated.

8. Decision

Having considered the facts and circumstances of the case and after taking into account the factors above, it is concluded that the company and directors mentioned in Para 3 who have violated Section 134(5)(b) of the Companies Act, 2013 and are liable for penalty as prescribed under Section 134(8) of the Act as they are in the directorship at the time of filing of financial statement for the FY 2014-15 & 2015-16.

Accordingly, I am inclined to impose a penalty as prescribed under Sub-section 8 of Section 134 of the Companies Act, 2013. The details of the penalty imposed on the company and Officers in default are given in the table given below:

I. FY 2014-15

Name of Company/ person on whom penalty imposed	Penalty for default (Rs)	Maximum Limit for penalty (Rs)	Penalty Imposed (Rs)
M/s. Hermes I Tickets Private Limited	Rs.3,00,000/-	Rs.3,00,000/-	Rs.3,00,000/-
Ramu Annamalai Ramsam,MD	Rs.50,000/-	Rs.50,000/-	Rs.50,000/-
Palaniyapan Ramsamy, Wholetime Director	Rs.50,000/-	Rs.50,000/-	Rs.50,000/-

Therefore, in view of the above said violation, in exercise of the powers vested to the undersigned under Section 454(1) & (3) of the Companies Act, 2013 a penalty of Rs.3,00,000/- (Rupees Three lakhs) is imposed on the Company and Rs.50,000/- (Rupees Fifty thousand) is imposed on each Officers in default. Totally Rs. 4,00,000/- (Rupees Four lakhs ) as penalty amount for violation of Section 134 of the Companies Act, 2013 for the FY 2014-15.

II.FY 2015-16

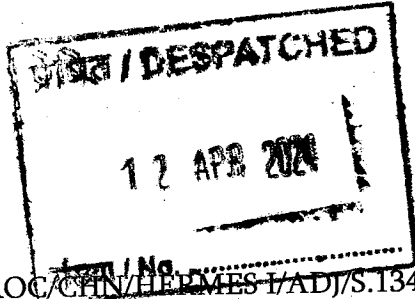
Name of Company/ person on whom penalty imposed	Penalty for default (Rs)	Maximum Limit for penalty (Rs)	Penalty Imposed (Rs)
M/s. Hermes I Tickets Private Limited	Rs.3,00,000/-	Rs.3,00,000/-	Rs.3,00,000/-
Manojkumar Sahu	Rs.50,000/-	Rs.50,000/-	Rs.50,000/-
Ramu Annamalai Ramsamy	Rs.50,000/-	Rs.50,000/-	Rs.50,000/-
Palaniyapan Ramsamy	Rs.50,000/-	Rs.50,000/-	Rs.50,000/-



Therefore, in view of the above said violation, in exercise of the powers vested to the undersigned under Section 454(1) & (3) of the Companies Act, 2013 a penalty of Rs.3,00,000/- (Rupees Three lakhs) is imposed on the Company and Rs.50,000/- (Rupees Fifty thousand) is imposed on each Officers in default. Totally Rs. 4,50,000/- (Rupees Four lakhs fifty thousand) as penalty amount for violation of Section 134 of the Companies Act, 2013 for the FY 2015-16.

9. The said amount of penalty shall be paid through online by using the website [www.mca.gov.in](http://www.mca.gov.in)(Misc. head) within 90 days of receipt of this order, and intimate this office with proof of penalty paid.
10. Whereas Appeal against this order may be filed with the Regional Director (SR), Ministry of Corporate Affairs, 5th Floor, Shastri Bhavan, 26 Haddows Road, Chennai-600006, Tamil Nadu within a period of sixty days from the date of receipt of this order, in Form ADJ [available on Ministry website [www.mca.gov.in](http://www.mca.gov.in)] setting forth the grounds of appeal and shall be accompanied by a certified copy of this order. [Section 454(5) & 454(6) of the Act read with Companies (Adjudicating of Penalties) Rules, 2014].
11. Your attention is also invited to section 454(8) of the Act in the event of non-compliance of this order, *"(8)(i) Where company fails to comply with the order made under sub-section (3) or sub-section (7), as the case may be within a period of ninety days from the date of the receipt of the copy of the order, the company shall be punishable with fine which shall not be less than twenty five thousand rupees but which may extend to five lakh rupees.*

(ii) Where an officer of a company or any other person who is in default fails to comply with the order made under sub-section (3) or sub-section (7), as the case may be within a period of ninety days from the date of the receipt of the copy of the order, such officer shall be punishable with imprisonment which may extend to six months or with fine which shall not be less than twenty-five thousand rupees but which may extend to one lakh rupees, or with both."



*B. Sri Kumar*  
(B. SRIKUMAR, ICLS)  
REGISTRAR OF COMPANIES  
TAMILNADU, CHENNAI.  
ADJUDICATING OFFICER

TO,

1. F.NO.ROC/CHN/HERMES I/ADJ/S.134 /P.27, 29 to 34/2024  
HERMES I TICKETS PRIVATE LIMITED  
Sai Krupa Plot No. 30A (south phase)  
First floor, Sidco Thiru-Vi-Ka Industrial Estate Guindy,  
Chennai-600032, Tamil Nadu,
2. F.NO.ROC/CHN/HERMES I/ADJ/S.134 /P.27, 29 to 34/2024  
Mr. Manojkumar Sahu,  
Sai Krupa Plot No. 30A (south phase)  
First floor, Sidco Thiru-Vi-Ka Industrial Estate Guindy,  
Chennai-600032, Tamil Nadu,
3. F.NO.ROC/CHN/HERMES I/ADJ/S.134 /P.27, 29 to 34/2024  
Mr. Ramu Annamalai Ramasamy  
No.25, 70 Feet Road, Kaveri Nagar,  
Saidapet, Chennai-600015, Tamil Nadu,
4. F.NO.ROC/CHN/HERMES I/ADJ/S.134 /P.27, 29 to 34/2024  
Mr. Palaniyapan Ramasamy  
No.25, 70 Feet Road, Kaveri Nagar,  
Saidapet, Chennai-600015, Tamil Nadu,

Copy To

1. The Regional Director (SR),  
Chennai ..... for information