



**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

ROC Chennai

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Order ID: PO/ADJ/05-2025/CN/00329

Dated: 16/06/2025

**ORDER FOR ADJUDICATION OF PENALTY UNDER SECTION 454 OF THE COMPANIES ACT, 2013 ('THE ACT') FOR VIOLATION OF SECTION 42(10) OF THE COMPANIES ACT, 2013.**

**A. Appointment of Adjudicating Officer:**

Ministry of Corporate Affairs vide its Gazette notification number S.O. 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 for adjudging penalties under the provisions of this Act..

**B. Company details:** In the matter relating to DASHBOARD ACCOUNT AGGREGATION SERVICES PRIVATE LIMITED [herein after known as Company] bearing CIN U74999TN2021PTC144889, is a company registered with this office under the Provisions of the Companies Act, 2013/1956 having its registered office situated at Workafella, 4th Floor, Suite 422, New No- 431 Workafella, 4th Floor, Suite 422, New No- 431 Teynampet Chennai Chennai Tamil Nadu India

**Individual details:**

In the matter relating to VENKATESH KRISHNAMOORTI [herein after known as individual] having DIN 09246848 and having its address at New no 13, Old no 16/3c Ranjith Road New no 13, Old no 16/3c Ranjith Road Chennai Chennai Tamilnadu India

In the matter relating to VIJAYAN RAJASEKAR [herein after known as individual] having DIN 09246849 and having its address at No 12, Maha bharath, @nd street shree Shakthi nagar No 12, Maha bharath, @nd street shree Shakthi nagar Chennai Tamilnadu India

**C. Provisions of the Act: Subject to sub-section (11), if a company makes an offer or accepts monies in contravention of this section, the company, its promoters and directors shall be liable for a penalty which may extend to the amount raised through the private placement or two crore rupees, whichever is lower, and the company shall also refund all monies with interest as specified in sub-section (6) to subscribers within a period of thirty days of the order imposing the penalty.**

**D. Facts about the case:**

1. Default committed by the officers in default/noticee - The company Dashboard Account Aggregation Services Private Limited and its directors Mr. Vemkatesh Krishnamoorti and Mr. Vijayan Rajasekar have filed Adjudication application by suo-moto in e-form GNL-1 vide SRN : N17760109 dt 20.11.2024 for violation of Section 42 of the Companies Act, 2013 read with Rule 14 of Companies (prospectus and Allotment of Securities) Rules, 2014 and also submitted physical application on 22.11.2024. The applicants submitted that Dashboard Account Aggregation Services Private Limited is RBI licensed NBFC, the company in its Extraordinary General Meeting held on 20th August 2021 approved the issuance of equity shares on private placement basis in accordance with Section 42 of the Companies Act, 2013. Owing to the delay in opening of share application account by bank and urgency of collecting money from the new investors to facilitate speedy submission of RBI application for the NBFC-AA License, the Share application money amounting to Rs.2,15,10,000 out of total issue size of Rs.3,00,00,000 for the above Private Placement was not received in a designated bank account as required under Section 42(6) of the Companies Act, 2013. However, on receipt of confirmation by the Bank regarding activation of share application account, the entire monies in the Primary account were moved to the newly opened designated Share Application Account.

The applicants submitted that except the above instance, the company has duly complied with all other requirements associated with issue, offer and allotments of shares. The company has duly allotted the Equity shares within 60 days from the date of receipt of money in the Board meeting held on 26th August 2021 and e-form PAS-3 (Return of Allotment) was duly filed within 15 days from the date of allotment i.e, on 29th August 2021 and the money was utilized by the company only upon filing of Return of Allotment with the Registrar of Companies as required under the Section 42 of the Companies Act, 2013.

The applicants finally submitted that the Company suo-moto agrees and accepts that it was inadvertent and was completely unintentional beyond the control of the management of the company, the company was a small company as on date of non-compliance, and therefore the Adjudicating Authority may consider a reduced penalty under 446B of the companies Act, 2013.

Section 42(6) provides- Offer or Invitation for Subscription of Securities on Private Placement.

(6) A company making an offer or invitation under this section shall allot its securities within sixty days from the date of receipt of the application money for such securities and if the company is not able to allot the securities within that period, it shall repay the application money to the subscribers within fifteen days from the expiry of sixty days and if the company fails to repay the application money within the aforesaid period, it shall be liable to repay that money with interest at the rate of twelve per cent. per annum from the expiry of the sixtieth day:

Provided that monies received on application under this section shall be kept in a separate bank account in a scheduled bank and shall not be utilized for any purpose other than-

(a) for adjustment against allotment of securities; or

(b) for the repayment of monies where the company is unable to allot securities.

In the present case, the company received funds from investors in undesignated Bank account and later moved to separate bank account in a scheduled bank. Hence, the Company has violated Section 42(6) of the the company, its promoters and Directors shall be liable under Section 42(10) of the Companies Act, 2013.

2. The Adjudicating Authority had issued notice for e-adjudication on 12.02.2025. In response to the notice, the directors of the company submitted that the company in its Extraordinary General Meeting on 20th August 2021, approved the issuance of equity share on a private placement basis as per Section 42 of the Companies Act, 2013 for a value of Rs.3,00,00,000/-. Further, submitted that due to an unforeseen delay in opening the share application account during the Covid Pandemic period and the need of securing investor funds for filing the RBI application, Rs.2,15,10,000/- of the total Rs.3,00,00,000/- was initially received in a primary account instead of the designated share application account as required under Section 42(6) of the Companies Act, 2013. However, immediately upon opening of the designated account, the entire amount was duly transferred to Designated Bank Account and the funds were utilized by the company only after filing of Return of allotment (e-form PAS 3) on 29.08.2021.

Further, Adjudicating Authority had issued notice on 03.03.2025 for e-hearing on 05.03.2025. Mr. Jayanth Viswanathan, Company Secretary in Practice, attended the e-hearing on 05.03.2025 made submission that the violation is unintentional and without any mala fide intent and all other requirements pertaining to the issue, offer, and allotment of shares were duly complied with in accordance with the provisions of the Companies Act, 2013, therefore the violation may be adjudicated and consider a reduced penalty under Section 446B of the Companies Act, 2013.

**E.Order:**

1. Reason for imposition of penalty, to be entered manually

2. The details of penalty imposed on the company, officers in default and others are shown in the table below:



(A)	Name of person on whom penalty imposed (B)	Rectification of Default required (C)	Penalty Amount (D)	Additional Penalty (E) (*Per day of continuing default i.e. date of rectification of default less order issue date)	Maximum limit for Penalty (F)
1	DASHBOARD ACCOUNT AGGREGATION SERVICES PRIVATE LIMITED having CIN as U74999TN2021P TC144889	No	20000000	0	20000000
2	VENKATESH KRISHNAMOORT I having DIN as 09246848	No	0	0	20000000
3	VIJAYAN RAJASEKAR having DIN as 09246849	No	0	0	20000000

3. The notified officers in default/noticee shall rectify the default mentioned above and pay the penalty, so applicable within 90 days of receipt of the order.

4. The notified officers in default/noticee shall pay the penalty amount via 'e-Adjudication' facility which can be accessed through the respective login IDs on the website of Ministry of Corporate Affairs and upload the copy of paid challan / SRN of e-filing (if applicable) on the 'e-Adjudication' portal itself. It is also directed that the penalty so imposed upon the officers in default shall be paid from their personal sources/income.

5. Appeal against this order may be filed in writing with the Regional Director, RD Chennai within a period of sixty days from the date of receipt of this order, in Form ADJ setting for 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 (Adjudication of Penalties) Rules, 2014].

6. For penal consequences of non-payment of penalty within the prescribed time limit, please refer Section 454(8) of the Companies Act, 2013.

**B SRIKUMAR,**  
**Registrar of Companies**  
**ROC Chennai**

To,

1. DASHBOARD ACCOUNT AGGREGATION SERVICES PRIVATE LIMITED, Workafella, 4th Floor, Suite 422, New No-431 Workafella, 4th Floor, Suite 422, New No- 431 Chennai Chennai Tamil Nadu India , kv@saafe.in
2. VENKATESH KRISHNAMOORTI, New no 13, Old no 16/3c Ranjith Road New no 13, Old no 16/3c Ranjith Road Chennai Chennai Tamilnadu India , kv@saafe.in
3. VIJAYAN RAJASEKAR, No 12, Maha bharath, @nd street shree Shakthi nagar No 12, Maha bharath, @nd street shree Shakthi nagar Chennai Tamilnadu India , vijayan@networth360.in