

**In the National Company Law Tribunal**  
**New Delhi Bench**

**CP. No- 278/441/ND/2018**

In the Matter of  
MGF Developments Limited

Vs

RoC

**Order Delivered on – 31.08.2018**

**CORAM:**

**SMT. INA MALHOTRA, HON'BLE MEMBER (J)**

**SMT. DEEPA KRISHAN, HON'BLE MEMBER (T)**

**PRESENT-** Mr. Alok Jain, CS for Petitioner  
Ms. Kusum Yadav, CP for the ROC.

**ORDER**

**Per Ms. Ina Malhotra (Member Judicial)**

This petition has been filed u/s 441 of the Companies Act, 2013 praying for compounding of the offence u/s 148(6) of the Companies Act. As per Statutory requirements, the company was required to file the copy of the Cost Audit Report prepared in pursuance of directions under sub section 2 of the said section. The said period of default is for the Financial year 2015-2016 is from 01.10.2016 to 21.02.2018.

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**As per the provision of Section 148 (6) of the Companies Act, 2013:**

*“A company shall within thirty days from the date of receipt of a copy of cost audit report prepared in pursuance of a direction under sub-section (2) furnish the Central Government with such report along with full information and explanation on every reservation or qualification contained therein.”*

2. Further as per requirements of sub section (8) of section 148 of Companies Act, 2013, *“If any default is made in complying with the provisions of this section—*

*(a) the company and every officer of the company who is in default shall be punishable in the manner as provided in sub-section (1) of section 147.*

*(b) the cost auditor of the company who is in default shall be punishable in the manner as provided in sub-section (2) to (4) of section 147”.*

3. The applicants submitted that the default has since been made good as the company has filed its cost audit report by CRA-4 form via SRN No. G77297851.

5. The aforesaid offence is punishable u/s 147 of the Companies Act, whereby the Company is punishable with a fine which may extend to Rs. 5,00,000/- and every officer who is in default shall be punishable with imprisonment for a term which may extend to 1 year or with fine which may extend to Rs. 1,00,000/- or with both.

Accordingly, RoC has recommended the fine of Rs.5,00,000/- on the company and of Rs. 1,00,000/- on the other six applicants.

6. Since the default has been made good, the petitioners/applicants' prayer can be granted. For imposing fines while compounding offences, various parameters are to be borne in mind. As it is submitted that the default was inadvertent and has not caused any prejudice to the interest of the company, it would be just and fair to impose a fine as under:



<b>For</b>	<b>Amount (Rs.)</b>
M/s MGF Developments Limited	Rs.1,00,000/-
Mr. Shravan Gupta	Rs.25,000/-
Mrs. Shilpi Gupta	Rs. 25,000/-
Mr. Arun Mitter	Rs. 25,000/-
Mr. Rakshit Jain	Rs. 25,000/-
Mr. Vijay Kumar Sharma	Rs. 25,000/-
Ms. Nupur Jain	Rs. 25,000/-

7. Subject to the remittance of the aforesaid fine, the offence shall stand compounded. For compliance within four weeks.
8. Fine levied on the directors shall be paid out of their personal accounts.
9. Petition stands disposed off in terms of the above.

*Sd-*

**Deepa Krishan**  
**Member (T)**

*Sd-*

**Ina Malhotra**  
**Member (J)**