

In the National Company Law Tribunal

New Delhi Bench

C.P No- 16/94/2017

In the Matter of

M/s Sanchar Tele Systems Limited

Order Delivered on - 18.08.2017

CORAM: SMT. INA MALHOTRA

HON'BLE MEMBER(J)

Present- Ms. Geeta Wadhwa

ORDER

The petitioners have filed this application u/s 441 of the Companies Act, 2013 praying for compounding of the offence u/s 137 of the Companies Act, 2013 having defaulted in not filing the Financial Statements and Annual returns of the company for the Financial years ended F.Y 2013 and 2014-20152014. The default has been made good as the company has since filed the Annual Return and Financial Statements on 11.04.2017 and 31.03.2017 for the aforesaid two years, a fact confirmed by the RoC.

2. As per provisions of Section 137 of the Companies Act, 2013, the Financial Statements duly adopted at the AGM are required to be filed with the Registrar within 30 days of holding the AGM. The contravention of the aforesaid provisions is punishable u/s 137(3) of the Companies Act, 2013 corresponding to Section 162 of the Companies Act, 1956. Under Section 137(3), the fine attracted may extend upto Rs. 10 Lakhs on the company, while each of its Directors can be punished for a term of

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imprisonment upto 6 months and/or with fine which may extend upto 5 Lakhs. Accordingly in terms thereof, the office of the RoC has recommended the fine as under:-

Name of the Applicant	Year	No. of Days	Fine	Total
Sanchar Telesystems Limited	2013-2014	895 days @ Rs. 500/- per day	Rs. 4,47,500/- Rs. 5,20,000/-	Rs. 9,67,500/-
	2014-2015	520 days @Rs. 1000/- per day		
Mr. Chandra Kant Bhardwaj	2013-2014	895 days @ Rs. 500/- per day	Rs. 4,47,500/- Rs. 5,00,000/-	Rs. 9,47,500/-
	2014-2015	Rs. 5 Lakhs		
Mr. Sanjay Gupta	2013-2014	895 days @ Rs. 500/- per day	Rs. 4,47,500/- Rs. 5,00,000/-	Rs. 9,47,500/-
	2014-2015	Rs. 5 Lakhs		
Mr. Suresh Chandra Gupta	2013-2014	895 days @ Rs. 500/- per day	Rs. 4,47,500/- Rs. 5,00,000/-	Rs. 9,47,500/-
	2014-2015	Rs. 5 Lakhs		
Ms. Priyanka Gupta	2013-2014	895 days @ Rs. 500/- per day	Rs. 4,47,500/- Rs. 5,00,000/-	Rs. 9,47,500/-
	2014-2015	Rs. 5 Lakhs		

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3. As per averments made it is stated that though the accounts were adopted by the Board of Directors and duly approved at the AGM within the statutory period, the same could not be filed within the RoC. No cogent explanation has been given for their inaction except that they admit their fault and pray that the offence be compounded. It is submitted that it is their first default without any malafide intention.

4. As the default has been made good, the petitioners/applicants' prayer can be granted. In terms of the decision of the Hon'ble NCLAT in the matter of **M/s Viavi Solutions India Private Limited V. Registrar of Companies (2017) 139 CLA 242** for rationalizing fines while compounding offences, it has been observed that compounding offences at 1/5th the maximum fine would be just and equitable in such cases. Accordingly, the fine imposed on the applicant is as under:-

S. No	Name Defaulter	Fine Under Section 162	Fine Under Section 137(3)	Amount (in Rs.)
1.	Sanchar Telesystems Limited	Rs. 89,500/-	Rs.104,000/-	Rs. 193,500/-
2.	Mr. Chandra Kant Bhardwaj	Rs. 89,500/-	Rs. 1,00,000/-	Rs. 189,500/-
3.	Mr. Sanjay Gupta	Rs. 89,500/-	Rs. 1,00,000/-	Rs. 189,500/-
4.	Mr. Suresh Chandra Gupta	Rs. 89,500/-	Rs. 1,00,000/-	Rs. 189,500/-
5.	Ms. Priyanka Gupta	Rs. 89,500/-	Rs. 1,00,000/-	Rs. 189,500/-

5. Fine imposed on the Directors/officers shall be paid out of their personal accounts.

6. Subject to the remittance of the aforesaid fine within 15 days, the offence shall stand compounded. Copy of the order be sent to the office of the RoC. Compliance Report be placed on record.

7. Petition stands disposed off in terms of the above and be consigned to Record Room.

Sd

(**ina Malhotra**)

Member Judicial