

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,

**NEW DELHI BENCH
NEW DELHI**

Company Petition No.16/183/ (ND)/2017

Present: SHRI R.VARADHARAJAN, MEMBER (JUDICIAL)

In the matter of:

**SECTION 441 OF THE COMPANIES ACT, 2013 FOR VIOLATION OF SECTION 166
OF THE COMPANIES ACT, 1956 AND SECTION 96 OF THE COMPANIES ACT, 2013.**

BETWEEN

**M/S LLYOD ROCKFIBRES LIMITED
Plot No.2, Punjsons Premises
Kalkaji Industrial Area
New Delhi-110019.**

(Applicant No.1)

**Mr. Gaurav Punj, Managing Director
S/o Mr. Ravinder Prakash Punj
R/o: 10, Prithvi Raj Road
New Delhi-110019**

(Applicant No.2)

AND

**Registrar of Companies
NCT of Delhi & Haryana
4th floor, IFCI Tower,**



Nehru Place
New Delhi-110019.

.....RESPONDENT

ADVOCATE FOR THE PETITIONERS: Mr. Rishi Sood, Advocate

ORDER

Order Delivered on:

07.11.2017 .

1. In relation to the offence arising out of non-convening of the Annual General Meetings (AGM) for the year 2014-2015 the applicants above named have filed the above Petition for compounding the offence under Section 96 of the Companies Act, 2013.
2. The Applicants claims that delay in holding of Annual General Meeting for the financial year ended 31st March, 2015 has occurred due to lithography errors in the Annual Report (Including Annual statement of Accounts) and whereby the accurate documents could not reach to the shareholders of the company prior to the date fixed for the Annual General meeting. It is further pleaded in the Petition that the violation committed for not convening the AGM is not willful and that in the circumstances as they have voluntarily reported the non-compliance on their own, the same may be duly considered while taking into



consideration the imposition of fine, as prescribed under the relevant provisions of the Companies Act 2013. It is also averred that they have put an end to the offence by convening the AGM for the relevant years as tabulated in the Petition and which is extracted below:

Financial Year	Last date on which AGM required to be held	Actual AGM Date
01.04.2014 to 31.03.2015	30.09.2015	19.03.2016

3. The Registrar of Companies has filed a detailed report dated 29.06.2017 and a perusal of which shows that no prosecution in relation to the offence has been filed or launched and that similar offence has also not been compounded during the last 3 years. It is further reported that the default has been made good as per details furnished by RoC which is in accordance with the compilation, as extracted in paragraph 2 above.
4. The plea made by the Applicants in the above Company Petition and the documents annexed therewith and the report of the RoC have been taken into consideration. Further, in passing this order, this Tribunal is also guided by the Judgement of the Hon'ble NCLAT passed in in **M/s Viavi Solutions Private**



Limited & Ors vs Registrar of Companies, NCT Delhi and Haryana in relation to imposing of fine and compounding of an offence.

5. Applying the above yardstick it is seen that the Applicant Company is a Public Company whose shares are listed on Bombay Stock Exchange. Further it is also seen that defaulter has made good the default on its own. Further both under the provisions of Companies Act, 1956 as well as under the 2013 Act, the punishment for default in complying with the relevant provisions requiring to convene AGM is attendant only with fine as reproduced below:

“99. Punishment for default in complying with provisions of sections 96 to 98.—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.”

6. However, the non-compliance with the non-holding of AGM is for a period of one year and that too in a relation to a company listed in the stock exchange having 1063 shareholders, all of whom irrespective of their shareholding would be vitally interested in the financial affairs of the company and the reason given in the application also seems to be feeble.



7. Hence, in the circumstances of the case, this Tribunal is of the view that it will be fit and proper to impose the following fine on the defaulters for each of the cases, thus aggregating in all to Rs.5,40,000/- the breakup of which is given as follows:

For	No of days delay	Fixed fine	Amount (Rs)
			2014-15
LLYOD ROCKFIBRES LIMITED	170x1000	100000	2,70,000
GAURAV PUNJ (M.D)	170x1000	100000	2,70,000
Grand Total			5,40,000

7. Subject to the remittance of the aforesaid fine, the offence shall stand compounded. For compliance within four weeks. Fine levied on the Directors shall be paid out of their personal accounts.

8. Petition stands disposed off in terms of the above.


(R.VARADHARAJAN)
MEMBER (JUDICIAL)

U.D.MEHTA