

NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
NEW DELHI

C. P. NO.
CA. NO. 16/157/2016

PRESENT: SMT. INA MALHOTRA
Hon'ble Member (J)

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF NEW DELHI BENCH OF
THE NATIONAL COMPANY LAW TRIBUNAL ON 25.05.2017**

NAME OF THE COMPANY: M/s. Metro Buildtech Pvt.Ltd.

SECTION OF THE COMPANIES ACT: 621A

S.NO. NAME DESIGNATION REPRESENTATION SIGNATURE

Present: Mr. Kamal Kant Jha, Senior Panel Counsel for RoC
 Mr. Manish Raj, Company Prosecutor, RoC Delhi
 Ms. Rekha Mittal, Company Secretary.

ORDER

This petition has been filed u/s 621A of the Companies Act, 1956 praying for compounding of the default u/s 224(8) of the Companies Act .As per averments, during the inspection carried out by the Directorate it was observed that the Statutory Auditor viz. M/s Aggarwal and Ram Pal Co. Chartered Accountants had been appointed/ reappointed in the AGM held on 29.09.2009, 29.09.2010, 29.09.2011, 29.09.2012 and 30.09.2013. However, it was observed that though

✓

the remuneration of the Auditors of the Company should have been fixed in the General Meeting as per requirements of section 224(8) of the Act, the re-appointment of the Auditors was done at a remuneration fixed by the Chairman in consultation with the Audit Committee. There was no Resolution passed in this respect.

2. The petitioner's offence relates to 5 years pertaining to the financial years ending 2009-2013. The fine and penalty envisaged under the Act has been provided in Section 629A of the applicable Act, whereby the Company and every officer who is in default is punishable with a fine which may extend to Rs.5000/- and where the contravention is a continuing one, with a further fine which may extend to Rs.500 for every day after the first during which the contravention continues.

3. As per the report of the RoC, the default has not been made good. The maximum fine which is recommended by the office of the RoC is Rs. 40,06,9000/- on each of the applicants, for the 5 years of default.

4. Ld. PCS appearing on behalf of applicants submits that in fact the remuneration of the Auditors was fixed by the Board of Directors on the authorization of the Shareholders at the AGM convened on 29th September, 2009, 29th September 2010 and 29th September, 2011, 29th September, 2012 and 30th September, 2013 respectively, but the same was inadvertently not recorded in the minutes of the Board of Directors meeting

5. The petitioners however do not wish to contest the issue and have suo moto prayed for compounding of the issue.



6. Having accepted their default, this application is allowed, and the petitioners/applicants' prayer for compounding is being considered. Accordingly, this Bench deems it sufficient to impose an aggregate fine of Rs 10,000/- on each of the defaulting parties for every years default. Accordingly fine is imposed as under:-

For	Amount
Metro Buildtech Pvt. Ltd	Rs. 50,000/-
Mr. Rajinder Kumar Goyal	Rs. 50,000/-
Mr. Aakash Deep Goyal	Rs. 50,000/-
Mrs. Salochna Goyal	Rs. 50,000/-

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

8. Subject to the remittance of the aforesaid fine within 30 days, the offence shall stand compounded. Copy of the order be sent to the office of the RoC. Compliance Report be placed on record.

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

2d/-

(Ina Malhotra)
Member Judicial