

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH
T.P.NO. 288/16**

***PRESENT: SHRI RATAKONDA MURALI, MEMBER JUDICIAL
SHRI. ASHOK KUMAR MISHRA, MEMBER TECHNICAL***

**IN THE MATTER OF COMPANIES ACT, 2013 (18 OF 2013)
SECTION 621A READ WITH SECTION 168 OF THE COMPANIES ACT, 1956
AND SECTION 96 OF THE COMPANIES ACT, 2013.**

AND

IN THE MATTER OF M/S CONTROL4 INDIA PRIVATE LIMITED

T.P.NO. 288/2016

1. **M/S CONTROL4 INDIA PRIVATE LIMITED**
World Trade Centre,
No. 204, 2nd Floor, Brigade Gateway Road,
26/1, Dr. Rajkumar Road,
Malleswaram (W) Bangalore-560055.
2. **Mr. Suman Kumar Lokanath,**
372,/36, 13th Cross, Vyalikaval,
Bangalore-560003.
3. **Mr. Troy Errol Hotby,**
2518 W, Statehood Dr. Bluffdale,
UT,84065, USA.
4. **Mr. Dan Emrys Strong,**
1589, Laird Avenue, Salt Lake City,
UT84105, USA.

- APPLICANTS

PARTIES PRESENTED:

Mr. Thirupal Gorige, Practicing Company Secretary
and Authorised representative for the Applicants.

ORDER

The Petition was originally filed before Company Law Board, Southern Region, Chennai and further consequent upon the establishment of National Company Law Tribunal Bench at Bengaluru, the said case was transferred to this Tribunal on abolition of Company Law Board, Southern Region, Chennai Bench. The Petition was numbered as T.P. No. 288/2016. This petition is filed under section 621A of Companies Act, 1956 for compounding of offence for violation

of section 96 of Companies Act, 2013 punishable under section 168 of the Companies Act, 1956 which is corresponding to section 99 of the Companies Act, 2013.

Averments in the petition in brief is that, 1st Applicant is a company incorporated with name and style of "CONTROL4 INDIA PRIVATE LIMITED" on 20/11/2012 under the provision of the Companies Act, 1956 as private company limited and its registered office is situated at World Trade Centre, No. 204, 2nd Floor, Brigade Gateway Road, 26/1, Dr. Rajkumar Road, Malleswaram (W) Bangalore-56055.

The main objects of the company is to carry on the activities in India or elsewhere, of providing field engineering support, technical support, marketing support etc., The present activity of the company is engaged in personalized automation and control solutions etc.,

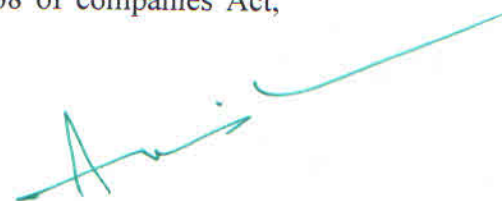

The authorized share capital of the company is Rs 5,00,000/- (Rupees Five Lakhs only) divided into 50,000 equity shares of Rs 10/- each. The issued, subscribed and paid-up share capital of the Company is Rs 1,00,000/- (Rupees one lakh only) consisting of 10,000 equity shares of Rs 10/- each.

The 1st Applicant is a private limited company and the Applicants 2nd, 3rd and 4th are directors.

It is stated that, there was delay in holding the Annual General Meeting of the company due to server crash at registered office in India, which is linked to main server in US. Therefore, the company was unable to hold Annual General Meeting on or before 30/9/2014.

After finalization of accounts, the financial statements were audited. The Board of Directors convened the Annual General Meeting for the financial year 2013-14 on 27/11/2014 and there was delay of 57 days. At the Annual General Meeting the financial statements were approved and adopted by the share holders of the company. The balance sheet and annual return were filed in the Registrar of Companies, Bengaluru on 14/01/2015. Thus the violation is neither deliberate nor malicious and had occurred inadvertently in course of business. Therefore this application is filed suo moto for compounding.

We have heard the Practicing Company Secretary who urged before us that due to some unavoidable circumstances, the accounts were not finalized and hence Annual General Meeting could not be held on time. The Practicing Company Secretary further contended that Annual General Meeting was held subsequently on 27/11/2014 and accounts were approved by the share holders of the company. The Practicing Company Secretary further stated that applicants voluntarily filed this suo-moto application accepting violation of provision of section 96 of Companies Act, 2013. The Practicing Company Secretary has further stated that violation is punishable under section 168 of companies Act,



1956. The Practicing Company Secretary further contended a lenient view may be taken as company has subsequently held Annual General Meeting with delay of 57 days. We have looked into the documents filed in support of the Petition. The petitioners relied on the extract of the Board Resolution dated 15/03/2016. The Resolution reads that the Board of Directors agreed to file suo-moto applications for compounding. Petitioners also filed photo-stat copy of statement of Profit & Loss A/c for the year ending 31/03/2014 and also financial statement for the year ending 31/3/2014.

We have received report from the Registrar of Companies, Bengaluru who stated that violation can be compounded by levying compounding fee on the Applicants. Considering the submissions made by the Practicing Company Secretary for petitioners and after going through the contents of the application and documents filed, we direct the Applicant Nos.1 to 4 to pay the compounding fee as detailed hereunder:

Sl. No.	Particulars	Violation of Sec.168 of Companies Act, 1956	Delay of 57 days	Total Rs.	Grand Total Rs.
1	1 st Applicant Company	Rs. 20,000/-	57 x 500/-	28,500.00	48,500.00
2	2 nd Applicant	Rs. 20,000/-	57 x 500/-	28,500.00	48,500.00
3	3 rd Applicant	Rs. 20,000/-	57 x 500/-	28,500.00	48,500.00
4	4 th Applicant	Rs. 20,000/-	57 x 500/-	28,500.00	48,500.00
			TOTAL		1,94,000.00

In pursuant to our Order dated 18/08/2016 mentioned herein above, the Applicants have paid the compounding fee by depositing 4 (four) Demand Drafts of HDFC Bank, Malleswaram Branch, Bengaluru, drawn on 02/09/2016 in favour of "Pay and Accounts Officer, Ministry of Corporate Affairs, payable at Chennai" as detailed below:-



Sl. No.	Particulars of Applicant	Fee Amount/D.D Rs.	DD No. & Date
1	M/s Control4 India Private Limited	48,500/-	015730/ 01/09/2016
2	Mr. Suman Kumar Lokanath	48,500/-	015731/ 01/09/2016
3	Mr. Troy Errol Holtby	48,500/-	015732/ 01/09/2016
4	Mr. Dan Emrys Strong	48,500/-	015733/ 01/09/2016
	Total - Rs.	1,94,000/-	

(Rupees One Lakh Ninety Four Thousand only)

As the compounding fee has been remitted by the Applicants, the offence stated in the petition is compounded. A copy of this Order be sent to Registrar of Companies, Karnataka, Bengaluru for appropriate action.

6/9/16
(RATAKONDA MURALI)
MEMBER, JUDICIAL

Ashok
(ASHOK KUMAR MISHRA)
MEMBER, TECHNICAL

DATED THIS THE *6th* DAY OF SEPTEMBER 2016