

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH
T.P.NO. 235/2016
CA NO. 304/621A/CB/2015**

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

**IN THE MATTER OF THE COMPANIES ACT, 2013
SECTION 621A OF THE COMPANIES ACT, 1956 UNDER SECTION 166
OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF M/s GLOBAL ENTRAPOLIS (VIZAG)
PRIVATE LIMITED**

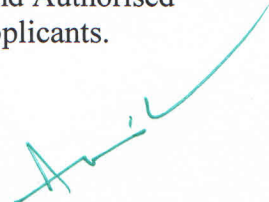
CA NO. 304/621A/CB/2015

1. M/S Global Entrapolis (Vizag) Private Limited
40/43, 8th Main, 4th Cross,
RMV Extension,
Sadashivanagar,
Bangalore-560080.
2. Mr. Asokan Sarangulam Seshadri,
No. B-204, Shivaranjini Apts,
1st East 'C' Main Road,
ITI Layout, Near Vidya Pitta Circle,
Bangalore-560085
3. Mr. Murali Malayappa
No.E1-405/406, 4th Floor,
15th Cross, 2nd Block,
R.T Nagar,
Bangalore-560032.
4. Mr. Ravichandran Venkataraman
No.224, Esteem Deluxe-II,
Right House Apartments,
Mullai Nagar,
Maruthamalai Road, PN Pudur Post,
Coimbatore-641024
5. Mr. Ramaswamy
No.524, Varadaraja Road,
Bhuvaneswarinagar,
R.T.Nagar Post,
Bangalore-560032.

- APPLICANTS

PARTIES PRESENTED:

Sri Omprakash, Counsel and Authorised
representative for the Applicants.

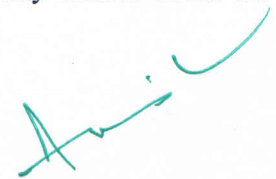
ORDER

The Petition is filed on behalf of the Petitioners under Sec. 621A of Companies Act 1956 before the Company Law Board, Southern Region, Chennai. It was numbered as C.A.304/621A/CB/2015. 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. It has renumbered as T.P No. 235/2016 on the file of this Tribunal. This petition is filed by the Applicants with a prayer to record compounding for violation of provisions of section 166 of the Companies Act, 1956.

The averments in the Company Petition are briefly stated hereunder:

The 1st applicant is a company which was incorporated under the Companies Act, 1956 on 19/03/2008 under the name and style "GLOBAL ENTRAPOLIS (VIZAG) PRIVATE LIMITED" vide Corporate Identity No. U45202KA2008PTC045671. The Registered Office of the company is situated at # 40/43, 8th Main, 4th Cross, RMV Extension, Sadashivanagar, Bangalore-560080.

The Authorised Share Capital of the Applicant company at the time of incorporation was Rs 1,00,00,000/- (Rupees one crore only) divided into 10,00,000 (Ten lakhs only) Equity Shares of Rs 10/- (Rupees Ten only) each and the Subscribed Capital was Rs 1,00,000/- (Rupees one lakh only) divided into 10,000 (Ten Thousand only) Equity Shares of Rs 10/- (Rupees ten only) each. The Present Authorized Share Capital of the Applicant Company is Rs. 22,12,00,000/- (Rupees Twenty two crores twelve lakhs only) consisting of 1,30,25,000 (One Crore thirty lakhs twenty five thousand) Class A Equity Shares of Rs 10/-each, 65,95,000 (Sixty Five lakhs Ninety Five thousand) Class B Equity Shares of Rs 10/-

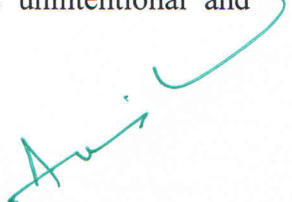


(Rupees Ten only) each and 25,00,000 (Twenty Five lakhs) Class C Equity Shares of Rs 10/- (Rupees Ten only) each and the Paid up Share Capital is Rs 22,10,70,000/- (Rupees Twenty Two Crores Ten Lakhs Seventy Thousand only) divided into 1,30,24,000 (one crore Thirty Lakhs Twenty Four Thousand) Class A Equity Shares of Rs 10/- each 65,93,000 (Sixty Five Lakhs Ninety three thousand) Class B Equity Shares of Rs 10/- each and 24,90,000 (Twenty four lakhs Ninety Thousand) Class C Equity Shares of Rs 10/- each.

The Applicant Company was incorporated for carrying on the business as set out in Clause III of the Memorandum of Association as shown in Annexure-II.

The main object of the company is to carry out the business of developers, maintainers, up-keepers, designers. To carry on all or any of the business of proprietors of lands, flats, massionettes. To acquire by purchase, lease, exchange rent or otherwise and deal in lands, etc., Details of the main object of the Company are stated in the Memorandum of Association.

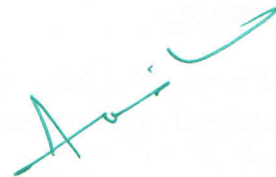
The 1st Applicant Company is managed by Board comprising 3 directors and a company secretary. The 1st Applicant Company is a fully owned subsidiary of M/s Shriram Properties Private Limited. During the financial year ending 31/03/2014 the company could not finalise the accounts and audit in a timely manner and conducting the Annual General Meeting by 30/09/2014. There was delay of 52 days in finalizing the Annual accounts and conducting the Annual General Meeting. Thus Applicants violate the provisions of section 166 of the Companies Act, 1956 for the financial year 2013-14. A copy of the notice of Annual General Meeting along with copy of the minutes thereof for the financial year 2013-14 is filed in Annexure-III. The default in complying the provisions of section 166 of the Companies Act is unintentional and occurred inadvertently.



We have heard the Counsel for Petitioner. It is contended that for the financial year ending 31/3/2014, the 1st Applicant Company could not finalise the accounts and audit and therefore company could not hold Annual General Meeting within due date i.e., by 30/09/2014. It is contended that the delay is neither intentional nor deliberate. It is contended that Annual General Meeting was subsequently held with delay.

We have gone through the documents filed along with Petition, viz., the certified copy of the Board Resolution, shown in Annexure-II. As per the Resolution the Company was directed to file compound application before the Tribunal. We have seen Memorandum of Association marked as Annexure-II. We have seen the notice issued for Annual General Meeting and its minutes shown as Annexure-III.

We have received report from the Registrar of Companies, Bengaluru who stated that offence can be compounded by levying compounding fee on the Applicants. Considering the submissions made by the Counsel for petitioners and after going through the contents of the application and documents filed, we hereby levy the compounding fee under section 168 for violation of sub-section (1) of section 166 of Companies Act, 1956, on Applicant Nos.1 to 5 as set out in the table given hereunder:

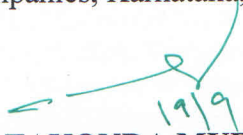


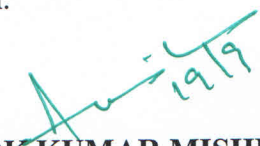
Sl. No.	Particulars	Violation of Sec.166 of Companies Act, 1956	Delay of 52 days	Total Rs.
1	1 st Applicant Company	Rs. 10,000/-	52 x 300/- = 15,600/-	25,600.00
2	2 nd Applicant	Rs. 10,000/-	52 x 300/- = 15,600/-	25,600.00
3	3 rd Applicant	Rs. 10,000/-	52 x 300/- = 15,600/-	25,600.00
4	4 th Applicant	Rs. 10,000/-	52 x 300/- = 15,600/-	25,600.00
5	5 TH Applicant	Rs. 10,000/-	52 x 300/- = 15,600/-	25,600.00
			Total	1,28,000.00

In pursuant to our Order dated 30/08/2016 mentioned herein above, the Applicants have paid the compounding fee by depositing Demand Draft for Rs. 1,28,000/- (Rupees One lakh twenty eight thousand only) of Syndicate Bank, Sadashivanagar Branch, Bangalore drawn on 14/09/2016 in favour of "Pay and Accounts Officer, Ministry of Corporate Affairs, payable at Chennai" as detailed hereunder:-

Sl. No.	D.D No.	Date	Amount Rs.
1	629003	14/09/2016	18,000/-
2	629002	14/09/2016	49,000/-
3	629004	14/09/2016	49,000/-
4	629016	16/09/2016	12,000/-
	Total		1,28,000/-

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.


(RATAKONDA MURALI)
MEMBER, JUDICIAL


(ASHOK KUMAR MISHRA)
MEMBER, TECHNICAL

DATED THIS THE 19th DAY OF SEPTEMBER 2016