

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH
COMPANY APPLICATION NO. 293/621A/CLB/MB/2015

PRESENT: B.S.V. PRAKASH KUMAR, MEMBER (JUDICIAL)

In the matter of Section 621-A of the Companies Act, 1956

And

In the matter of M/s Multi Commodity Exchange India Ltd., having its Registered Office at Exchange Square, Chakala, Suren Road, Andheri (E), Mumbai - 400093

PRESENT FOR THE APPLICANT: -

R Muralimohan – Practicing Company Secretary

Date of Hearing: 19.05.2016

ORDER

Applicants in Default: -

- 1) Mr. Jignesh Shah – Director
- 2) Mr. Joseph Massey – Director
- 3) Mr. Shreekant Javalgekar – Director
- 4) Mr. Padmanabhan Ramanathan – Ex-Company Secretary

Section Violated; -

Section 301 of the Companies Act, 1956.

1. Nature of Violation: -

As per the submission made in the report of the RoC, Mumbai and as per the submissions made in the Compounding Application, it is observed that, the books of accounts were inspected by officers of the Central Government under section 209-A of the Act and during the course of inspection, it was noticed that as per the provision of sub section (1) (e) of section section 301 of the Act, the names of the director or names of the directors voting for and against the contract or names of those remaining neutral has to be recorded in the registrar maintained u/s. 301 of the Act. Further, as sub section (2) of section 301, the register shall be signed by all directors who attended the meeting where the related party transactions or arrangement are discussed. However, on perusal of records, it was noticed that the company has severely violated both sub section (1) (e) and (2) of the said section, as no details about for or against and neutral were given and all the directors who had attended the meeting have not signed the register.

If default is made in complying with the provisions of sub section (1) (2) or (3) the company and every officer of the company who is in default, shall in respect of each default, be punishable with fine which may extend to five thousand rupees.

The Registrar of Companies, Mumbai has forwarded the compounding application vide his letter No. ROC/STA/621A/74 dated 04th September 2015 which was reached to CLB,

Mumbai Bench on 8th September 2015 and the same has been treated as Company Application No.293/621A/CLB/MB/2015.

2. The undersigned, then the Presiding Officer of the erstwhile Company Law Board had gone through the application and the report submitted by the Registrar of Companies, Mumbai and also the submissions made by the authorised representative of the Company at the time of hearing and noted that application for compounding of offence committed under S. 301 of the Companies Act, 1956, merited consideration.
3. Accordingly, the offence committed under the said section and explained above has been ordered on 19.05.2016 to be compounded against the each defaulter on payment of ₹ 5,000/-.
4. Subsequently, vide Notification No. A-45011/14/2016-Ad. IV dated 01.06.2016, issued by the Ministry of Corporate Affairs, New Delhi, the Central Government has constituted the National Company Law Tribunal and dissolved the erstwhile Company Law Board w.e.f. 01.06.2016.
5. The applicants above named, have remitted the total compounding fees of ₹ 2,75,000/- by 4 (Four) Demand Drafts. The has drawn on 1) HDFC Bank bearing no. 683274 dated 04.06.2016 2) ICICI Bank bearing no. 009336 dated 07.06.2016 3.) Axis Bank bearing nos. 042407 dated 02.06.2016 and 4) Axis Bank bearing nos. 042388 dated 01.06.2016 respectively, with the newly constituted office of the National Company Law Tribunal, Mumbai Bench i.e. after dissolution of the Company Law Board.
6. Having regard to the facts and circumstances of the case, the offence committed under S. 301 of the Companies Act, 1956 by the Company, is hereby compounded.
7. Therefore, Registrar of Companies, Mumbai is hereby directed to take further action as provided under S. 621 A (3) (c) (d) of the Companies Act, 1956.

Ordered Accordingly,

Sd/-

B. S. V. PRAKASH KUMAR
Member (Judicial)

Dated this June , 6 2017