

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH
COMPANY APPLICATION NO. 275/621A/CLB/MB/2015**

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

In the matter of Section 621A of the Companies Act, 1956 read with Section 441 of the Companies Act, 2013.

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 Murlimohan – Practicing Company Secretary

Date of Hearing: 19.05.2016

ORDER

Applicants in Default: -

- 1) M/s. Multi Commodity Exchange Ltd.

Section Violated; -

Section 209 (3) (b) of the Companies Act, 1956.

1. Nature of Violation: -

- 1) 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 Company had not accounted employee share based payments using Fair Value Method as per the provision of AS-15 for the year 2010-11 and 2011-12 resulted in over statement of net profit to the tune of Rr.2.52 Crores and Rs 24.60 Lacs respectively. Consequently, the EPS calculated by the company and disclosed in the balance sheet taking into account higher profit also on the higher side in both the financial years. The company has not maintained the books of accounts on accrual basis. If any of the referred to in sub section (6) fails to take all reasonable steps to secure compliance by the company with the requirements of this section or has by his on wilful act been the cause of any default by the company thereunder, he shall in respect of each offence, be punishable with imprisonment for a term which may extend to six months or with fine which may extend to ten thousand rupees or with both. Hence the company has violated the provisions of section 209(3)(b) of the Companies Act, 1956 The Registrar of Companies, Mumbai forwarded the compounding application vide his letter No. ROC/STA/621A/64 dated 21st August 2015 and the same has been treated as Company Application No. 275/621A/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. 209(3) (b) 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 Company on payment of ₹ 20,000/-. Payable by each defaulter.
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 applicant above named have remitted the total compounding fees of ₹ 80,000/- by 4 (four) Demand Drafts of ₹ 20,000/- each drawn on i) HDFC Bank Ltd. bearing no. 683265 dated 04.06.2016, ii) ICICI Bank bearing no. 009274 dated 07.06.2016, and iii) Axis Bank bearing Nos. 042397 dated 02.06.2016, and bearing no. 042377 dated 01.06.2016, 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. 209 (3) (b) 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,

Dated this May, 6 2017

Sd/-

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