

**NATIONAL COMPANY LAW TRIBUNAL  
CHENNAI BENCH  
CHENNAI**

**ATTENDANCE CUM ORDER SHEET OF THE HEARING OF CHENNAI BENCH, CHENNAI  
NATIONAL COMPANY LAW TRIBUNAL, HELD ON 05/01/2017 AT 10.30 AM**

**PRESENT: SHRI K. ANANTHA PADMANABHA SWAMY, MEMBER-JUDICIAL  
SHRI Ch. MOHD SHARIEF TARIQ, MEMBER-JUDICIAL**




**COMPANY APPLICATION NO. :**

**PETITION NUMBER : TCP/203/2016**

**NAME OF THE PETITIONER(S) : G. Palanisamy & another**

**NAME OF THE RESPONDENT(S) : M/s P.M.P. Lungi Private Limited & 8 others**

**UNDER SECTION : 397/398**

S.No.	Name (in Capital)	Represented by	Signature
1.	CIBI VUHAN CHANDRA PRAKASH	FOR PETITIONERS	
2.	S. AMBALVANNAN	Counsel for R-9.	
	P. S. RAMAN	Sr Advocate for R-2, R-4, A. Chandrasekaran S. R. Suresh Counsel for R-2, R-4	
	K. Murali	Counsel for R-7	

**ORDER**

1. Counsel for petitioner present. Counsel for Respondent also present. At the outset, the issue raised by the counsel for petitioner is with regard to freezing the operation of account of the firm, viz. Chennai Lungi Company with Central Bank of India, Vellore. It has been agreed by both the parties that the same may be defroze and that the petitioner agrees to file weekly statement before this Bench by providing copy to the other side. Accordingly, the bank shall defreeze the account to make it functional on receipt of a copy of this order.


2. Counsel for petitioner has filed a memo with regard to the appointment of Chartered Accountant and scope of auditing the accounts of R1 company. Counsel for respondent

did agree with the names of M/s Sundaram and Srinivasan for appointment of Chartered Accountant for the purpose of auditing the accounts of R1 company and its associate firms, the scope of which is defined under para 4-i of the Memo. Para 4-ii is the scope that is outside the purview of Chartered Accountant. However, both of the parties did agree that it may be left to the discretion of the Chartered Accountant to consider the same, if necessary. In other words, the CA may take into consideration the scope outlined under the said sub-para. Para 5 of the Memo provides the points with regard to which both of the parties have to coordinate with the CA for auditing the accounts of R1 company and its associate firms mentioned under para 5-ii.

3. During the course of hearing, both of the counsels did agree that the CA may be assigned with the job of assessing the fair and true valuation of shares of R1 company and its associate firms which may be helpful at the time of disposal of the main petition. Therefore, the C.A. shall also make a fair and true valuation of shares of R1 company and its associate firms. The Memo dated 31.12.2016 shall form part of this order. If there may be any need to enlarge the scope of auditing the accounts of R1 company and its associate firms, then he may do so by recording the reasons.

4. The Chartered Accountant is also directed to fix his remuneration according to the practice in vogue and inform the parties. Both of the parties shall bear the expense of remuneration in the ratio of 50:50. The Auditor is directed to complete the exercise in terms of this order within three months from the date of receiving a copy thereof. Both of the parties have drawn our attention towards the application for impleadment of the firms as respondents which appear in the Memo at para 5-ii. Therefore, the firms are impleaded as respondents in the C.P. Accordingly, the application numbered as C.A.43 of 2016 for impleadment of parties is disposed of. Counsel for petitioner is directed to change the cause title of the company petition.

5. **The Registry is directed to issue notice to both the parties after receiving the report of the Chartered Accountant and place the file along with the report to this Bench for further proceedings.**

  
Ch. Md. Sharief Tariq  
Member (Judicial)

  
K. Anantha Padmanabha Swamy  
Member (Judicial)