

IN THE NATIONAL COMPANY LAW TRIBUNAL  
DIVISION BENCH, CHENNAI

CA/53/2017

Under Section 166 r/w Section 621 A of the Companies Act, 1956

In the matter of

M/s.Volex Interconnect (India) Private Limited

For Applicant : Represented by its Director Mr. Sridharan Srinivasan

Order delivered on 7<sup>th</sup> August 2017

CORAM

CH. MOHD SHARIEF TARIQ, MEMBER (J)  
S.VIJAYARAGHAVAN, MEMBER (T)

ORDER

**Per:** CH. MOHD SHARIEF TARIQ, MEMBER (J)

1. Under adjudication is an Application that came to be filed by the Directors of the Company viz., M/s. Volex Interconnect (India) Private Limited (the Company) having its Registered Office at No.22/1-A, 1<sup>st</sup> Street, Kazura Garden, Neelankarai, Chennai 600 041 for considering compounding of the violations of Section 166 of the Companies Act, 1956.

2. The Company was required to hold its AGM for AY 31-03-2012 on or before 30-09-2012, the Board of Directors had applied for extension of time for conducting AGM by a period of three months. The approval was granted but the AGM could not be convened within the time extended till 30-12-2012 and the meeting was finally convened on 31-03-2014 with a delay of nearly 15 months.



3. The Company was required to hold its AGM for FY 31-03-2013 on or before 30-09-2013 but the AGM was held on 27-11-2014 with a delay of nearly 14 months.

4. The Company was required to hold its AGM for FY 31-03-2014 on or before 30-09-2014. The Board of Directors applied for extension of time for conducting AGM by a period of three months but the same was rejected on the ground that the returns for previous years were not filed. The AGM was convened on 01-12-2014 with a delay of nearly 2 months.

5. The reason stated for the above mentioned default is the continuous losses, change in the terms and conditions of the employment applicable to all the employees' under the scheme of VRS and the employees of concerning section having resigned. The other grounds taken are the change in the reporting procedure and finalizing of the accounts. Based on this the prayer has been made to take a lenient view while ordering the compounding of the violations of the above noted provision. It has also been made clear that the same lapse/default did not affect public interest and it was not deliberate.

6. The Application has been filed by two Directors viz., Mr. Sridharan Srinivasan and Mr. Mahesh Radhakrishnan suo moto for compounding of the violations committed under section 166 of the Companies Act, 1956. The Regional Director has also filed the report stating that it is the first offence and the Company is faced with continuous losses. The reserves and surpluses is shown in negative as on 31-03-2015, as revealed from the Balance Sheet filed on 28-01-2016. The period of the Directors during whose tenure the default has occurred is also noted under para 3 of the report of the ROC. In the circumstances, we allow the Application by taking lenient <sup>view</sup> and order for compounding the offence committed under section 166 of the Companies Act 1956, for the period

mentioned in the Application. The Company has therefore subsequently complied with the provisions of Section 166 of the Companies Act, 1956 and Section 96 of the Companies Act, 2013 and the offence has been made good.

7. In the light of the above, M/s.Volex Interconnect (India) Private Limited and two Directors, viz. Mr. Sridharan Srinivasan and Mr. Mahesh Radhakrishnan are held liable to pay the compounding fee, <sup>mentioned below</sup> within three weeks from the date the order is received. The Directors shall pay the amount of the penalty from their own resources. Accordingly, the Application is disposed of. Any other Director or KMP may file separate application through duly authorised persons, if they desire to compound the offences.

Sl.No.	Defaulter	Fine Amount (Amount in Rs.)
1.	M/s.Volex Interconnect (India) Private Limited	40,000/-
2.	Mr. Sridharan Srinivasan	30,000/-
3.	Mr. Mahesh Radhakrishnan	30,000/-
<b>Total Amount</b>		<b>1,00,000/-</b>

S. Vijayaraghavan.  
**S. VIJAYARAGHAVAN**  
**MEMBER (T)**

  
**CH. MOHD SHARIEF TARIQ**  
**MEMBER (J)**