

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
NEW DELHI

Company Appeal (AT) No. 234 of 2018

IN THE MATTER OF:

**Capital Engineering Works Pvt. Ltd.
& Ors.**

...Appellants

Versus

Registrar of Companies, Delhi.

...Respondent

Present:

**For Appellants : Mr. Yoginder Handoo and Mr. Nishant Kumar,
 Advocates**

ORDER

23.07.2018 The appellants filed an application under Section 441 for compounding of the offence under Section 159, 210(3) and 220 of the Companies Act, 1956 on account of non-compliance of the statutory requirements. As per the allegations of the Registrar of Companies (RoC), the company failed to lay its balance-sheet and profit and loss statement at its Annual General Meeting. Learned counsel appearing on behalf of the appellant submits that as the company was not performing well and the business almost failed, it is not in a position to pay the reduced amount of fine of Rs. 5,00,000/-.

From the record, we find there was violation of Section 159 of the Companies Act, 1956 for the financial years 2011-2012, 2012-2013 and 2013-2014 which were subsequently made good. There were also violation of Section 220 of the Companies Act, 1956 for the financial years 2011-2012, 2012-2013 and 2013-2014, which were subsequently made good.

As per law, the Registrar of Companies pointed out that in respect of each of the persons i.e. the company and two Directors they are liable to pay Rs.10,37,000/- each for the offence under Section 159 and Rs. 5,56,000/- each for the offence under Section 220 of the Companies Act, 1956 i.e. total such of Rs. 15,93,000/- each.

The Tribunal having noticed that the default has been made good and there is no legal impediment in granting the prayer for composition of the offence, reduce the fine to Rs. 5,00,000/- on each of the applicants including the company. In absence of any error in the judgment, we are not inclined to reduce further on the ground as pleaded. The appeal is dismissed. No cost. However, on the request of the learned counsel for the appellants, we allow the appellants four weeks' time to deposit the amount.

[Justice S.J. Mukhopadhaya]
Chairperson

[Justice Bansi Lal Bhat]
Member (Judicial)

/ns/sk/