

NATIONAL COMPANY LAW APPELLATE TRIBUNAL, NEW DELHI

Company Appeal (AT) No.303 of 2017

IN THE MATTER OF:

Mayur Rastogi **...Appellant**

Vs

Registrar of Companies **...Respondents**

And

Company Appeal (AT) No.304 of 2017

IN THE MATTER OF:

Manav Rastogi **...Appellant**

Vs

Registrar of Companies **...Respondents**

Present: Mr. Parveen Rastogi, Advocate for the appellant.

ORDER

23.10.2017- Heard learned counsel for the appellants in these two appeals. Both the appeals have similar facts and impugned order. The appellants filed separate applications under Section 621A of the Companies Act, 1956 for the offence committed under Section 266C of the Companies Act, 1956 which corresponds to Section 155 of the New Act. These are the matters where two “Director’s Identification Number” (DIN). were taken by these appellants. Learned NCLT after hearing the respective appellants observed that although the offence is serious but there is no legal impediment in compounding the offence. Learned NCLT imposed a fine of Rs.1,00,000/- for the default which continued for about 9 years in each of these matters and has disposed off the matters.

Learned counsel for the appellants is submitting that the appellants did not intentionally take two DIN. It is stated that the DIN were applied for in 2006 and at that time the computerisation was fresh and because of confusion in computerisation, there were instances where application for DIN was required to be filed again, like, in case DIN was forgotten and one was required to apply afresh to Ministry of Corporate Affairs. He stated that there is instance where the Ministry cancelled about 8000 DIN which were lying unused. He says that the appellants are trying to follow the law but the fine is too high and the same may be reduced.

Going through the material available and looking into the provisions, taking two DINs is apparently a serious matter where economy of country is concerned. It appears that for many years two DINs were held by the appellants and thus merely blaming the computerisation would not help. Apart from this when the compounding order was passed by the Learned NCLT, how the appeal would be maintainable is also not explained by the learned counsel for the appellants. In the circumstances, we do not find any substance in these appeals to entertain them. Both the appeals are rejected.

(Justice A.I.S. Cheema)
Member (Judicial)

(Justice Bansi Lal Bhat)
Member (Judicial)

(Mr. Balvinder Singh)
Member (Technical)

Bm/sh/nn