

NATIONAL COMPANY LAW APPELLATE TRIBUNAL, NEW DELHI

Company Appeal (AT) No. 367 of 2017

IN THE MATTER OF:

Organosyn Life Sciences Pvt. Ltd. & Ors.

...Appellants

Vs.

**Registrar of Companies,
NCT of Delhi & Haryana**

...Respondent

Present: For Appellants: - Shri Arun Saxena and Ms. Nalini,
Advocates

ORDER

02.11.2017 – For violating the provisions of Section 96(1) of the Companies Act, 2013, the Company and Directors are liable to punish under Section 99 of the Companies Act. As per the said provision, the company and every officer, who is in default, is punishable with fine which may extend to Rupees one lakh and in the case of continued default with a further fine which may extend to five thousand rupees for every day during which such default continues.

2. The appellant company and its officers filed an application under Section 441 of the Companies Act, 2013 for compounding of the offence, the Registrar of Companies proposed compounding the offence on payment of fine of Rs. 14,65,000 each on the company and other appellants which is the maximum fine prescribed under the Act. The National Company Law Tribunal (hereinafter referred to as the 'Tribunal'), Delhi Bench on hearing the counsel for the appellant – M/s. Organosyn Life Science Private Limited & Ors., and relying on the

decision of this Appellate Tribunal for compounded the offence as payment of fine of Rs. 3 Lakhs on each of the appellants.

3. Learned counsel for the appellants submits that the company was doing business with the other companies in Ukraine and because of devaluation therein, it had to give discount. Therefore, fine is excessive. However, no reason has been given as to why Annual General Meeting, which was mandatory to be held within fifteen months in terms of Section 96(1) of the Companies Act, 2013 had not been held between 1st October, 2015 to 1st July, 2016. This apart the Tribunal having imposed reduced fine from Rs. 14,65,000 to Rs. 3 Lakhs on each of the appellant, we find no ground to interfere with the impugned order. There is no merit in the appeal, it is accordingly dismissed. However, in the facts and circumstances of the case, there shall be no order as to costs.

(Justice S.J. Mukhopadhaya)
Chairperson

(Justice Bansi Lal Bhat)
Member(Judicial)

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