

HON'BLE SRI JUSTICE S.V. BHATT

COMPANY APPLICATION No.1142 OF 2016
IN
COMPANY PETITION No.28 OF 2010

ORDER:

Heard Mr.Anil Kumar for Official Liquidator. The Official Liquidator through the instant application seeks appropriate direction under Section 457 (1) (e) of the Companies Act to permit the Official Liquidator to pay audit fee of a sum of Rs.1,24,000/- to M/s.Murthy and Kanth, Chartered Accountants for the professional work the firm alleged to have undertaken and completed in the matter of See Pujitha Chit Fund Private Limited.

I have perused the report dated 31.03.2017. A few of the objections now pointed out by the office of Official Liquidator go to the root of the auditing taken up and completed by M/s.Murthy and Kanth, Chartered Accountants. The Official Liquidator on the one hand reports that the office of Official Liquidator is not fully satisfied with the professional services rendered by the firm, however, the present application is filed seeking for direction to pay a sum of Rs.1,24,000/- to Chartered Accountants. I have perused the record. This Court is of the view that the Official Liquidator has entrusted the audit responsibility to M/s. Murthy and Kanth, Chartered Accountants. The responsibility lies on both the parties namely, the Official Liquidator has to keep all records for inspection and audit by the auditors and finally it is the responsibility of auditors to make detailed audit and thereafter submit the report. By

granting liberty to Official Liquidator to write to the Chartered Accountants on the deficiency noted in this behalf and requests the Chartered Accountants to attend to the omissions pointed out by the office of Official Liquidator, and file auditors' report. The professional fee now claimed appears to be on the higher side. The Official Liquidator negotiates with the auditors and the response of auditors along with the updated audited report will be filed. The present application is rejected with above observations. As and when a fresh application is filed, the Official Liquidator encloses the copy of this order so that the issue is appreciated in continuity of directions issued by this Court.

Date: 23.02.2018
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S.V. BHATT, J