

**THE HON'BLE SRI JUSTICE CHALLA KODANDA RAM**

**COMPANY APPLICATION No.421 OF 2018**

**IN**

**R.C.C.No.2 OF 1995**

**ORDER :**

This Company Application has been filed seeking permission of this Court to appoint Auditor to audit the Estate and Establishment Fund Account and Company Paid Staff Terminal Benefit Fund account for the financial year 2017-18.

Pursuant to the directions given by this court, the expression of interest was called for from the auditors and in response to the same five firms have responded. One M/s. Padmanabha Rao & Co., Chartered Accountants, have quoted Rs.5,900/- including G.S.T. Though the amount quoted by the said Chartered Accountant firm appears to be the least, taking into consideration of the nature of the work involved and also taking into consideration of the conveyance charges, which are required to be incurred by the auditors to travel to the Official Liquidator's Office, the amount quoted by the said Chartered Accountant firm is impracticably low, which throws doubt on the competency of the said firm to undertake the work by deputing competent and qualified persons from Begumpet to Nagole, where the office of the Official Liquidator is situated. M/s. Murthy & Kanth, Chartered Accountants, has quoted a sum of Rs.25,000/- with taxes applicable. In addition, they quoted additional amount of actual cost of pocket expenses, which is uncertain and unascertained excessive amount. M/s. Dutt and Associates has quoted Rs.35,000/- plus applicable rate of G.S.T. M/s. KBS & Associates quoted Rs.40,000/- plus GST at the rate of 18%. M/s. T.

Badrinath & Associates quoted Rs.45,000/- plus applicable rate of G.S.T.

Learned counsel for the Official Liquidator submits that M/s. T. Badrinath & Associates have already carried out audit for the earlier financial years 2014-15 and 2015-16 for a fee of Rs.35,000/- plus taxes as applicable and is familiar in all respects with the work to be carried out. The firm's execution of the task entrusted is satisfactory in all respects. He would also further submit that the said Chartered Accountant has agreed orally to carry out the audit for the financial year 2017-18 at Rs.40,000/- with applicable taxes. Learned counsel would further submit that in view of the familiarity with the work, the Official Liquidator recommends to accept the offer from M/s. T.Badrinath & Associates for the financial year 2017-18.

In the light of the submission made by the learned counsel for the Official Liquidator and considering the facts of the case on hand, the Official Liquidator is permitted to engage the services of M/s. T.Badrinath & Associates for auditing the accounts of the Estate and Establishment Fund and Company Paid Staff Terminal Benefit Account for the financial year 2017-18 with the fee of Rs.40,000 and G.S.T. as applicable.

Accordingly, the Company Application is ordered.

**CHALLA KODANDA RAM, J**

16<sup>th</sup> August, 2018

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