

F.No:9/06/ADJ/SEC.203 OF 2013/TELANGANA/RD(SER)/2023 /4154

BEFORE THE REGIONAL DIRECTOR, SOUTH EAST REGION

MINISTRY OF CORPORATE AFFAIRS, HYDERABAD

IN THE MATTER OF COMPANIES ACT, 2013

IN THE MATTER OF PARASAKTI CEMENT INDUSTRIES LIMITED

1. M/s. Parasakti Cement Industries Limited
2. Mr. B Vijay Kumar, Director
3. Mr. G Dharma Reddy, Director

Appellants

Date of hearing: 18.07.2023

Present : Mr. M Vijaya Kumar, PCS

ORDER

This is an appeal filed under section 454(5) of the Companies Act, 2013 by the above appellants in e-form ADJ vide SRN F60433588 dated 12.04.2023 against the adjudication order F.No. ROCH/U45209TG2008PTC057739/TELANGANA/203 of 2013/2023 dated 28.02.2023 under section 454 passed by the Registrar of Companies, Telangana for default in compliance with the requirements of Section 203 read with Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

2. Registrar of Companies in his order of adjudication has stated that the company pursuant to the application for the Scheme of Amalgamation between Transferor Company (Turbotech Constructions Private Limited) and Transferee Company (Parasakti Cements Industries Limited), the query was raised by the Regional Director, SER for non-appointment of Company Secretary in the Transferor Company. In response, the Transferor Company has submitted the adjudication application before Registrar of Companies, Hyderabad for violation of provisions of Section 203(1) of the Companies Act, 2013 pursuant to section 203(10) of the Act r/w Rule 8A of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 was required to appoint Whole Time Company Secretary within six months i.e. on or before 30.9.21.

Contd..2.



However company has not appointed Whole Time Company Secretary within a period of six months i.e., from 31.03.2021 to 30.09.2021. The company has appointed the Whole Time Company Secretary on 19.01.2022 with a delay of 140 days. This delay of appointment of Whole Time Company Secretary resulted in violation of Section 203(1) of the Companies Act, 2013. Hearing was held before Registrar of Companies on 28.02.2023 and after hearing the authorized representative had levied a penalty of Rs.5.70 Lakhs on the Company and Rs.1.20 Lakhs each for 2 officers i.e., Mr. B Vijay Kumar and Mr. G Dharma Reddy (total aggregating to Rs.8.10 Lakhs).

3. An opportunity of being heard was given to the Appellants on 18.07.2023. The authorized representative Mr. M Vijaya Kumar, Practicing Company Secretary appeared on behalf of the appellants and reiterated the submissions made in the appeal and also submitted that the company pursuant to the application for the Scheme of Amalgamation between Transferor Company (Turbotech Constructions Private Limited) and Transferee Company (Parasakti Cements Industries Limited), the query was raised by the Regional Director, SER for non-appointment of Whole-Time Company Secretary in the Transferor Company. In response, the Transferor Company has submitted the adjudication application before Registrar of Companies, Hyderabad for violation of provisions of Section 203(1) of the Companies Act, 2013 pursuant to section 203(1) of the Act r/w Rule 8A of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 was required to appoint Whole Time Company Secretary within six months i.e., on or before 30.09.2021, However company has not appointed Whole Time Company Secretary within a period of six months i.e., from 31.03.2021 to 30.09.2021. Despite all these conditions the Company has appointed Whole-time Company Secretary with effect from 19.01.2022 and complied with the provisions of Section 203 of the Companies Act, 2013 and requested to reduce the quantum of penalty as levied by Registrar of Companies with regard to company and officers.

4. Though there is a default committed, there is a ground in interfering with the impugned adjudication order of Registrar of Companies to the extent of reducing the quantum of penalty as stated above.

Contd..3.



Taking into consideration the facts of the appeal and submissions made by the authorized representative. I deem it would meet the end of justice if the penalty imposed by Registrar of Companies is reduced for the Company to Rs.1,00,000/- and for 2 officers i.e., Mr. B Vijay Kumar and Mr. Dharma Reddy to Rs.50,000/- each (total aggregating to Rs.2,00,000/-). The appellants are directed to comply with this order and also provisions of Section 454(8) of the Companies Act, 2013 read with Companies (Adjudication of Penalties) Rules, 2014.

5. Accordingly, penalty was paid by the Company amounting to Rs.1,00,000/- and by 2 officers i.e., Mr. B Vijay Kumar and Mr. Dharma Reddy to Rs.50,000/- each (total aggregating to Rs.2,00,000/-) vide SRN's X48611446, X48612048 and X48612634 dated 01.08.2023 respectively. Accordingly, this order is issued to the Appellants with a copy to Registrar of Companies, Telangana and Joint Secretary, E-Governance Cell, Ministry of Corporate Affairs, New Delhi for information and necessary action.

Issued under my hand and seal on this the 27th day of September 2023.



(DR. RAJ SINGH)
REGIONAL DIRECTOR (SER)
HYDERABAD

Copy for information and necessary action to

1. M/s. Parasakti Cement Industries Limited
Plot No. 8-3-214/21, Srinivasa Nagar Colony (West),
Hyderabad, Telangana- 500038.
2. Mr. B Vijay Kumar, Director
No.8-3-318/21, Flat No.102, Sirisha Apartments,
Engineers Colony, Yellareddyguda, Hyderabad
Telangana- 500073.
3. Mr. G Dharma Reddy, Director
No.1-10-63/12, Flat No.302, SV Coronet, Chikoti
Gardens, Begumpet, Hyderabad, Telangana- 500073
4. Registrar of Companies, Ministry of Corporate Affairs,
Telangana, Hyderabad.
5. The Joint Secretary, E-Governance Cell, Ministry of Corporate Affairs, New Delhi.