

F.No:9/14/ADJ/SEC.203 of 2013/KARNATAKA/RD(SER)/2024

BEFORE THE REGIONAL DIRECTOR, SOUTH EAST REGION

MINISTRY OF CORPORATE AFFAIRS, HYDERABAD

IN THE MATTER OF COMPANIES ACT, 2013 / 6921

IN THE MATTER OF AEROSTRUCTURES ASSEMBLIES INDIA PRIVATE LIMITED

1. M/s. Aerostructures Assemblies India Private Limited
2. Mr. Rajeev Kaul, Former Director
3. Mr. Lars Jorgen Jensen, Former Nominee Director
4. Mr. Arthur Walter Sirmans, Former Nominee Director
5. Mr. Ulf Patrik Mikael Dahl, Former Nominee Director
6. Mr. Kjell Henning Johnsson, Former Nominee Director
7. Mr. Olof Stefan Ronnmark, Former Director

Appellants

Date of hearing: 02.02.2024

Present: Ms. Prathibha Priya, 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 F90889221 dated 23.01.2024 against the adjudication order F No. ROC(B)/Adj.Ord.454-203/Aerostructures /Co.No.67804/2023/ dated 30.11.2023 under section 454 passed by the Registrar of Companies, Karnataka 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 has filed a suo-motu application on 16.06.2023 regarding non-appointment of Whole-time Company Secretary i.e., violation of section 203 of the Act. The company has submitted that its paid-up capital crossed the required threshold of Rs.5 crores on 12.02.2014 and it was required to appoint a company secretary thereafter, but it has failed to appoint a company secretary till 15.05.2018 and again from 01.12.2020 to 16.06.2021 after the resignation of the incumbent company secretary. Hearing was

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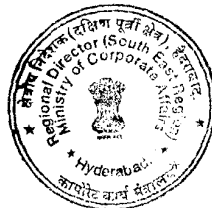
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held before Registrar of Companies on 10.08.2023 and after hearing the authorized representative, had levied a penalty of Rs.5,00,000/- each on the Company and 5 directors i.e., Mr. Rajeev Kaul, Mr. Lars Jorgen Jensen, Mr. Arthur Walter Sirmans, Mr. Ulf Patrik Mikael Dahl, Mr. Olof Stefan Ronnmark and Rs.1,62,000/- on Mr. Kjell Henning Johnsson (total aggregating to Rs.31,62,000/-).

3. An opportunity of being heard was given to the Appellants on 02.02.2024. The authorized representative Ms. Prathibha Priya, Practicing Company Secretary appeared on behalf of the appellants and reiterated the submissions made in the appeal and from the appeal it has been stated that the appellant has made their best efforts to appoint a whole-time company secretary during the default period. However, the Company has not found suitable candidates for the available positions considering the geographical location of the workplace which is the manufacturing plant as well as registered office of the Company situated in village Hattargi, district Belagavi in Karnataka, talent constraints in the local region for a qualified Company Secretary willing to work in a place other than metro and moderate cities, and reluctance of the personal in general to join the Company in the said capacity and to work from such remote place, the Management always finds it challenging to recruit a suitable candidate. Despite these conditions, the Company had initially appointed Mr. Bharatkumar Kalagonda Pomai as a Whole-time Company Secretary of the Company effective from May 15, 2018.

During the period from December 2020 to June 2021, the second wave of Covid-19 pandemic in India spread with alarming speed, affecting lacs of people and the economic activity was to a near-standstill in the Country. Lockdowns were imposed by the Government in the Country. The spread of Covid-19 had severely impacted business and hence, there was delay in getting a new candidate to fill the vacancy caused in the office of company secretary. In spite of challenges, with great efforts, the Company and its directors took necessary steps for appointment of Ms. Chandana Patil as a Whole-time Company Secretary of the Company effective from June 17, 2021, in place of Mr. Bharatkumar Kalagonda Pomai, who had resigned w.e.f 30/05/2020. There was no deliberate intention on the part of the Appellants and there was no mens rea regarding the offence.

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The delay in the appointment of Whole-time Company Secretary was inadvertent and therefore the Appellants deserve to be excused. We hereby inform that no detriment has been cause to the public at large as a result of this contravention.

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 due to the following reasons:

(a) appellant has made their best efforts to appoint a whole-time company secretary during the default period. However, the Company has not found suitable candidates for the available positions considering the geographical location of the workplace which is the manufacturing plant as well as registered office of the Company situated in village Hattargi, district Belagavi in Karnataka.

(b) talent constraints in the local region for a qualified Company Secretary willing to work in a place other than metro and moderate cities and reluctance of the personal in general to join the Company in the said capacity and to work from such remote place.

(c) Despite these conditions, the Company had initially appointed Mr. Bharatkumar Kalagonda Pomai as a Whole-time Company Secretary of the Company effective from May 15, 2018.

(d) During the period from December 2020 to June 2021, the second wave of Covid-19 pandemic in India spread with alarming speed, affecting lacs of people and the economic activity was to a near-standstill in the Country.

(e) The spread of Covid-19 had severely impacted business and hence, there was delay in getting a new candidate to fill the vacancy caused in the office of company secretary.

(f) In spite of Challenges, with great efforts, the Company and its directors took necessary steps for appointment of Ms. Chandana Patil as a Whole-time Company Secretary of the Company effective from June 17, 2021



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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 to 15% i.e., 75,000/- each for the Company and 5 directors i.e., Mr. Rajeev Kaul, Mr. Lars Jorgen Jensen, Mr. Arthur Walter Sirmans, Mr. Ulf Patrik Mikael Dahl, Mr. Olof Stefan Ronnmark and Rs.24,300/- on Mr. Kjell Henning Johnsson (total aggregating to Rs.4,47,300/-). 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 and 5 directors i.e., Mr. Rajeev Kaul, Mr. Lars Jorgen Jensen, Mr. Arthur Walter Sirmans, Mr. Ulf Patrik Mikael Dahl and Mr. Olof Stefan Ronnmark amounting to Rs.75,000/- each and by Mr. Kjell Henning Johnsson amounting to Rs.24,300/- (total aggregating to Rs.4,47,300/-) vide SRN's X66532557, X66582073, X66580697, X66581117, X66580705, X66585449 and X66582479 dated 07.02.2024 respectively. Accordingly, this order is issued to the Appellants with a copy to Registrar of Companies, Karnataka 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 19<sup>th</sup> day of February 2024.



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

Copy for information and necessary action to :


1. Aerostructures Assemblies India Private Limited  
Aequs SEZ, No. 437/A, Hattargi Village, Hukkeri  
Taluk, Belgaum, Karnataka- 591243.
2. Mr. Rajeev Kaul, Former Director  
No.9, Parjat Lane, Mango Meadows Udyambag,  
Khanapur Road, Belagavi, Karnataka- 590008.
3. Mr. Lars Jorgen Jensen, Former Nominee Director  
C/o. Aerostructures Assemblies India Private Limited  
Aequs SEZ, No. 437/A, Hattargi Village, Hukkeri  
Taluk, Belgaum, Karnataka- 591243.

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4. Mr. Arthur Walter Sirmans, Former Nominee Director  
C/o. Aerostructures Assemblies India Private Limited  
Aequis SEZ, No. 437/A, Hattargi Village, Hukkeri  
Taluk, Belgaum, Karnataka- 591243.
5. Mr. Ulf Patrik Mikael Dahl, Former Nominee Director  
C/o. Aerostructures Assemblies India Private Limited  
Aequis SEZ, No. 437/A, Hattargi Village, Hukkeri  
Taluk, Belgaum, Karnataka- 591243.
6. Mr. Kjell Henning Johnsson, Former Nominee Director  
C/o. Aerostructures Assemblies India Private Limited  
Aequis SEZ, No. 437/A, Hattargi Village, Hukkeri  
Taluk, Belgaum, Karnataka- 591243.
7. Mr. Olof Stefan Ronnmark, Former Director  
C/o. Aerostructures Assemblies India Private Limited  
Aequis SEZ, No. 437/A, Hattargi Village, Hukkeri  
Taluk, Belgaum, Karnataka- 591243.
8. Registrar of Companies, Ministry of Corporate Affairs,  
Karnataka, Bangalore.
9. The Joint Secretary, E-Governance Cell, Ministry of Corporate Affairs, New Delhi.



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