

ADJ/15 /RD (SR)/2023-24

BEFORE THE REGIONAL DIRECTOR
(SOUTHERN REGION)
MINISTRY OF CORPORATE AFFAIRS, CHENNAI
IN THE MATTER OF THE COMPANIES ACT 2016
SECTION 454(7) OF COMPANIES ACT 2013

IN THE MATTER OF M/s. SUVARNABHOOMI ENTERPRISES PRIVATE
LIMITED

1. M/s. Suvarnabhoomi Enterprises Private Limited
Survey No. 58/3 to 58/7, Door No. 1/362/5,
Kadhapalli Road, Pappinaichenpatti Village
Namakkal.
 2. Shri Thirumangalam Sengodagounder Kumarasamy, Director
 3. Shri Vincent Joseph, Director
 4. Shri Muthugounder Subramaniam, Director
 5. Shri Palaniappan Krishnaraja, Director
- Appellant

Date of hearing 15.11.2023

Present Shri. K. Manivel
Wholetime Company Secretary

ORDER

M/s. Suvarnabhoomi Enterprises Private Limited (hereinafter referred to as the Company) was incorporated on 31.03.2009. As per sub section (1) of Section 203 of the Act provides that every company blonging to such class or classes of companies as may be prescribed shall have the following Whole-time Key Managerial personnel :

- (i) Managing Director or Chief Executive officer or manager and in their absence, whole-time director
 - (ii) Company secretary and
 - (iii) Chief Financial Officer
2. As per Rule 8 (Appointment of Key Managerial Personnel) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company and every other public company having paid up share capital of ten crore rupees or more shall have Whole-Time Key Managerial Personnel. As per Rule 8A (Appointment of Company Secretaries in Companies not covered under Rule 8) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (w.e.f. 09.06.2014) a company other than a company covered under Rule 8 which has a

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paid up share capital of five crore rupees or more shall have whole-time Company Secretary. As per Rule 8A (Appointment of Company Secretaries in Companies not covered under Rule 8) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 w.e.f. 01.04.2020), every private company which has a paid up share capital of ten crore rupees or more shall have whole-time Company Secretary. It is observed that the company had increased the paid up capital from 10 to 17 Crores during the FY 2015-16. However, the company has not appointed Company Secretary in the company for the period from 01.10.2015 to 01.11.2018. Due to non compliance of section 203 of the Act, the company filed compounding application and the same was compounded on 22.04.2022 for the period from 01.10.2015 to 01.11.2018. The company appointed Whole time Company Secretary on 2.11.2020. For the period from 2.11.2018 to 01.11.2020, the company continued to function without a Company Secretary in default of section 203 of the Act.

3. The Registrar of Companies, Coimbatore on perusal of the said default, passed the Adjudication Order No. ROCCBE/ADJ/203/15122/2023 dated 24.04.2023 (impugned Order) for 731 days delay under Section 454 (3) & (4) of the Act, 2013 and imposed a penalty of Rs. 5,00,000/- upon the company and Rs.5,00,000/- each on the Directors in default viz. Shri Thirumangalam Sengodagounder Kumarasamy, Shri Vincent Joseph, Shri Muthugounder Subramaniam and Shri Palaniappan Krishnaraja totaling Rs.25,00,000/-.

4. Aggrieved by the said Order dated 24.04.2023 of ROC, Coimbatore, the appeal was filed by the Appellants in terms of Section 454 (5) of the Act in Form ADJ on 16.06.2023 vide SRN: F61942488. The appeal was filed within the limitation period.

5. The appellants have sought to take a lenient view keeping in view that there was no intentional or deliberate action on the part of the appellant to violate the provisions of law and taking into consideration of the fact that no prejudice is caused to the public interest, prayed for revising the penalty by levying minimal penalties on the company and its Directors by setting aside the impugned order dated 24.04.2023.

6. That the hearing of the appeal was held on 03.10.2023. The authorized representative has reiterated the submissions made in the appeal.



7. There is a ground in interfering with the impugned adjudication order of the Registrar of Companies to the extent of reducing the quantum of penalty. Accordingly, in the hearing held on 15.11.2023, the penalties imposed by ROC, Coimbatore are reduced from Rs. 25,00,000/- to 50 % of the penalty imposed i.e Rs.12,50,000/- (Rs.2,50,000/- each on the company and officers in default viz. Shri Thirumangalam Sengodagounder Kumarasamy, Shri Vincent Joseph, Shri Muthugounder Subramaniam and Shri Palaniappan Krishnaraja. The Appellants were directed to pay the penalty within 15 days from the date of hearing.

6. Pursuant to directions of the undersigned, the appellant has remitted the penalty amount and has produced receipt evidencing payment of fee as detailed below :

Sl. No	Name of the company/Officers-in-default	SRN and Date	Total Amount (Rs.)
1.	M/s. Suvarnabhoomi Enterprises Private Limited	X58604018/16.11.2023	2,50,000.00
2.	Shri Thirumangalam Sengodagounder Kumarasamy, Director	X58603515/16.11.2023	2,50,000.00
3.	Shri Vincent Joseph, Director		2,50,000.00
4.	Shri Muthugounder Subramaniam, Director	X58604430/16.11.2023	2,50,000.00
5.	Palaniappan Krishnaraja, Director	X58603853/16.11.2023	2,50,000.00
		Total	12,50,000.00

7. That the Appellants are directed to file this order in Form No. INC-28 within a period of 30 days on MCA-21 Portal.

Dated at Chennai this the 12th day of January, 2024.



(Dr. RAJ SINGH)
REGIONAL DIRECTOR (SR)

1. M/s. Suvarnabhoomi Enterprises Private Limited
Survey No. 58/3 to 58/7, Door No. 1/362/5,
Kadhapalli Road, Pappinaichenpatti Village
Namakkal

2. The Registrar of Companies, Coimbatore

3. The Officer in Charge, e-Gov. Cell, Ministry of Corporate Affairs, A-Wing, Shastri Bhavan, Dr. Rajendra Prasad Road, New Delhi -110 001- with a request to upload this Order on the website of the Ministry. Mail sent to Shri Vivek Meena, Dy. Director (vivek.meena@gov.in)