

F.No:9/96/ADJ/SEC.203/2013/ANDHRA PRADESH /RD(SER)/2022 /5790

BEFORE THE REGIONAL DIRECTOR, SOUTH EAST REGION

MINISTRY OF CORPORATE AFFAIRS, HYDERABAD

IN THE MATTER OF COMPANIES ACT, 2013

IN THE MATTER OF KAMADHENU FEEDS PRIVATE LIMITED

1. M/s. Kamadhenu Feeds Private Limited
2. Mr. Rahul Chowdary Bobba, Managing Director
3. Mr. Praneeth Sai Ranga Bobba, Director
4. Mr. Komala Bobba, Director

Appellants

Date of hearing : 20.03.2023

Present : Mr. PMV Subba Rao, 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 F37463965 dated 31.10.2022 against the adjudication order No.ROC(V) /ADJ(454) /SEC203(5) /KFPL /2022-23 /1994 dated 07.09.2022 under section 454 passed by the Registrar of Companies, Andhra Pradesh 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 failed to appoint Company Secretary since the applicable provisions of the Act came into force to till date despite paid up capital has exceeded the prescribed limit as stated in the provisions of Section 203(1) of the Companies Act, 2013. Hearing was held before Registrar of Companies on 07.09.2022 and after hearing the authorized representative had levied a penalty of Rs.5.00 Lakhs on the Company and 3 officers i.e., Rahul Chowdary Bobba, Praneeth Sai Ranga Bobba and Komala Bobba (total aggregating to Rs.20.00 Lakhs).

Contd..2.



3. An opportunity of being heard was given to the Appellants on 20.03.2023. The authorized representative Mr. PMV Subba Rao, Practicing Company Secretary appeared on behalf of the appellants and reiterated the submissions made in the appeal, the details are as following:

1. company have tried their best to appoint a Whole Time Company Secretary through known professional circles i.e., auditors/other corporate professionals. However, our enquiries/efforts could not elicit any interest from Qualified Company Secretariat reason being:

(a) Company being a closely held private company

(b) Company being situated in remote area like Chebrolu Mandal, Guntur District, Andhra Pradesh.

(c) Company Secretaries prefer to join companies which are either listed companies or companies having foreign shareholdings/collaborations.

2. and none of the Company Secretary has shown any interest to join the company for all these years.

3. The company is a Private Limited Company being run by members who are family members and closely held by them.

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) Company is in a very remote area of Andhra Pradesh and no professional showed interest in the employment offered there.

(b) Company is a Private Limited company having family and relatives are the shareholders.

(c) No public is involved in the company's affairs.

(d) none of the Company Secretary has shown any interest to join the company for all these years

(e) Company has appointed Mr. Pavan Kumar Korepalli, Company Secretary on 06.03.2023.


Contd..3.

Taking into consideration the facts of the appeal and submissions made by the authorized representative, penalty imposed by Registrar of Companies is reduced by the then Regional Director for the Company to Rs.2,50,000/- and Mr. Rahul Chowdary Bobba, Managing Director to Rs.1,43,000/- (total aggregating to Rs.3,93,000/-) and setting aside the penalty imposed for 2 other directors i.e., Praneeth Sai Ranga Bobba and Komala Bobba as the Company is having a Managing Director who looks after the job of day-to-day activities. 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.2,50,000/- and Mr. Rahul Chowdary Bobba, Managing Director to Rs.1,43,000/- (total aggregating to Rs.3,93,000/-) vide SRN's X39621826 and X39621917 dated 04.04.2023 respectively. Accordingly, this order is issued to the Appellants with a copy to Registrar of Companies, Andhra Pradesh and Joint Secretary, E-Governance Cell, Ministry of Corporate Affairs, New Delhi for information and necessary action.

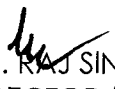
Issued under my hand and seal on this the 13<sup>th</sup> day of December 2023.



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

Copy for information and necessary action

1. M/s. Kamadhenu Feeds Private Limited  
507/3 Narakoduru, Chebrolu Mandal,  
Guntur, Andhra Pradesh- 522222.
2. Mr. Rahul Chowdary Bobba, Managing Director  
40-25-18/1, Netaji Street, Vijayawada,  
Andhra Pradesh- 520010.
3. Registrar of Companies, Ministry of Corporate Affairs,  
Andhra Pradesh, Vijayawada.
4. The Joint Secretary, E-Governance Cell, Ministry of Corporate Affairs, New Delhi.

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