

F.No:9/102/ADJ/SEC.203/2013/ANDHRA PRADESH/RD(SER)/2022 /3305

BEFORE THE REGIONAL DIRECTOR, SOUTH EAST REGION

MINISTRY OF CORPORATE AFFAIRS, HYDERABAD

IN THE MATTER OF COMPANIES ACT, 2013

IN THE MATTER OF SIGNITIVE TOWERS PRIVATE LIMITED

1. M/s. Signitive Towers Private Limited
2. Thota Panduranga Jagadish, Director
3. Rajan Raju Kalidindi, Director
4. Santhi Mantena, Director

Appellants

Date of hearing: 07.02.2023

Present : Ms. P Lakshmi Lavanya, 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 F40477234 dated 05.11.2022 against the adjudication order No. ADJ 116/203 of 2022-23/2107 dated 08.09.2022 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 08.09.2022 and after hearing the authorized representative had levied a penalty of Rs.5.00 Lakhs on the Company and Rs.50,000/- each for 3 directors i.e., Thota Panduranga Jagadish, Rajan Raju Kalidindi and Santhi Mantena (total aggregating to Rs.6.50 Lakhs).

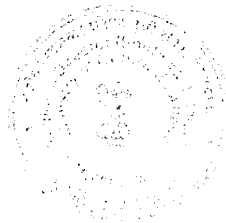
3. An opportunity of being heard was given to the Appellants on 07.02.2023. The authorized representative Ms. Lakshmi Lavanya, Practicing Company Secretary appeared on behalf of the appellants and reiterated the submissions made in the

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appeal before the then Regional Director and also submitted that the company has fallen within the purview of the provisions of Section 203 read with Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with effect from 07.02.2022 and the company was on a look out for a suitable candidate for appointment of Whole Time Company Secretary and there has been a slight delay in identifying a candidate willing to join the company to perform the functions of Company Secretary and the company immediately appointed a Whole Time Company Secretary on 29.06.2022 and complied with the provisions of the Act. Company paid up capital was increased from 1.00 Crore to Rs.16.00 Crores on 07.02.2022, though the company has initiated steps for filling the position of Whole Time Company Secretary, the Company could not be able to find a suitable candidate till June, 2022.

4. Registrar of Companies has stated that the company is a Private Limited Company, the Company and its officers in default violated section 203 of the Act for the first time and appointed whole time company secretary with effect from 29.06.2022 and vide his adjudication order dated 08.09.2022 has levied a penalty on the Company for Rs.5,00,000/- and for three Directors i.e. Thota Panduranga Jagadish, Rajan Raju Kalidindi and Santhi Mantena for Rs.50,000/- each (total aggregating to Rs.6,50,000/-

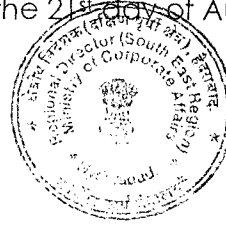
5. Taking into consideration the facts of the appeal and submissions made by the authorized representative, the then Regional Director has stated that the company has appointed a whole-time company secretary well within time i.e., within 4 months 22 days from the date of increase in PUC. Registrar of Companies passed the order without examining all these issues. In view of the same, the order of adjudication passed by Registrar of Companies is set-aside with the advice to examine all the issues properly before passing such order.



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5. 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 21<sup>st</sup> day of August 2023.



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

1. M/s. Signitive Towers Private Limited  
Plot No. B, Survey No 408/1, IT-Park, Hill no 2,  
IT-NON-SEZ, Rushikonda, Madhurawada,  
Vishakhapatnam Andhra Pradesh- 530045
2. Thota Panduranga Jagadish, Director  
26-9-65, Balusumudi, Near Old Ramalayam  
Temple, Bhimavaram, Andhra Pradesh- 534202.
3. Rajan Raju Kalidindi, Director  
7-5-137, Flat No.201, Bay Breeze Residency,  
Pandurangapuram, Maiterya Nagar Layout, Andhra University,  
Visakhapatam, Andhra Pradesh- 530003.
4. Santhi Mantena, Director  
7-5-24, Flat No. 101, Bay Breeze Residency,  
Pandurangapuram, Maiterya Nagar Layout, Andhra University,  
Visakhapatam, Andhra Pradesh- 530003
5. Registrar of Companies, Ministry of Corporate Affairs,  
Andhra Pradesh, Vijayawada.
6. The Joint Secretary, E-Governance Cell, Ministry of Corporate Affairs, New Delhi.