

F.No:9/89/ADJ/SEC.203/2013/ANDHRA PRADESH /RD(SER)/2022 /534

BEFORE THE REGIONAL DIRECTOR, SOUTH EAST REGION

MINISTRY OF CORPORATE AFFAIRS, HYDERABAD

IN THE MATTER OF COMPANIES ACT, 2013

IN THE MATTER OF VIJAYNAGAR INVESTMENTS & INFRA DEVELOPERS PRIVATE LIMITED

1. M/s. Vijaynagar Investments & Infra Developers Private Limited
2. Ranga Raju Datla, Director
3. Datla Tirupathi Raju, Director
4. Vivekananda Raju Datla, Director
5. Sridevi Mantena Director

Appellants

Date of hearing : 18.11.2022
Present : 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 F30436679 dated 15.10.2022 against the adjudication order No. ROC(V)/ADJ(454).Sec.203(5)/VIIDPL/2022/1312 dated 18.08.2022 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 Whole Time Company Secretary after the cessation of previous Company Secretary on 01.02.2020. Hearing was held before Registrar of Companies on 18.08.2022 and after hearing the authorized representative had levied a penalty of Rs.5.00 Lakhs on the Company and Rs.50,000/- each for 4 directors i.e., Ranga Raju Datla, Datla Tirupathi Raju, Vivekananda Raju Datla, and Sridevi Mantena (total aggregating to Rs.7.00 Lakhs).



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3. An opportunity of being heard was given to the Appellants on 18.11.2022. The authorized representative P Lakshmi Lavanya, Practicing Company Secretary appeared on behalf of the appellants and reiterated the submissions made in the appeal and also submitted that Company was having a Company Secretary upto 01.02.2020 and she resigned due to Covid-19 pandemic, During the last two years due to covid-19 pandemic situation inspite of best efforts the company could not be able to appoint a Whole Time Company Secretary and it could be done only on 19.08.2022. Further the company was incurring losses earlier and could made some profit in the recent books of accounts.

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) due to Covid-19 pandemic, Company was unable to appoint Whole Time Company Secretary as none shown interest despite company's effort during that period.

(b) company is having negative reserves and surplus during the year 2021-2022. It has incurred losses during the year 2021.

(c) company is private limited and there is no injury to the public interest

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.58,000/- and for four directors i.e., Ranga Raju Datla, Datla Tirupathi Raju, Vivekananda Raju Datla, and Sridevi Mantena to Rs.28,000/- each (total aggregating to Rs.1,70,000/-). The appellants are directed to comply with this order also provisions of Section 454(8) of the Companies Act, 2013 read with Companies (Adjudication of Penalties) Rules, 2014.




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5. Accordingly, penalty was paid by the Company amounting to 58,000/- and for four directors i.e., Ranga Raju Datla, Datla Tirupathi Raju, Vivekananda Raju Datla, and Sridevi Mantena to Rs. 28,000/- each (total aggregating to Rs.1,70,000/-) vide SRN's X37382520, X37382496, X37379765, X37382264 and X37381902 dated 07.03.2023 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 25th day of April 2023.


(B. MOHANTY)
REGIONAL DIRECTOR(SER)
HYDERABAD

Copy for information and necessary action to :

1. M/s. Vijaynagar Investments & Infra Developers Private Limited
D.No.9-29-15/7, 3rd Floor, Padmavathi Towers, VIP Road,
Balaji Nagar, Siripuram Visakhapatnam, Andhra Pradesh
- 530003.
2. Registrar of Companies, Ministry of Corporate Affairs,
Andhra Pradesh, Vijayawada.
3. The Joint Secretary, E-Governance Cell, Ministry of Corporate Affairs,
New Delhi.

