

F.No:9/30/ADJ/SEC.203/2013/ANDHRA PRADESH /RD(SER)/2022 / 5453
BEFORE THE REGIONAL DIRECTOR, SOUTH EAST REGION
MINISTRY OF CORPORATE AFFAIRS, HYDERABAD
IN THE MATTER OF COMPANIES ACT, 2013

IN THE MATTER OF SSNR POWER PRIVATE LIMITED

1. M/s. SSNR Power Private Limited
2. Mr. Suryanarayana Raju Samanthapudi, Managing Director

Appellants

Date of hearing : 27.10.2022

Present : Ms. Shaik Razia, Practicing Company Secretary

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 F25164559 dated 16.09.2022 against the adjudication order No.ADJ/7/203 of 2022-23/598 dated 27.07.2022 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 as specified in Section 203(1) of the Companies Act, 2013 after cessation of the previous Company Secretary on 31.12.2019. Hearing was held before Registrar of Companies on 26.07.2022 and after hearing the authorized representative had levied a penalty of Rs.5.00 Lakhs on the Company and Rs.50,000/- each for Mr. Suryanarayana Raju Samanthapudi, Managing Director and Ms. Bhavani Kumari Samantapudi, Director (total aggregating to Rs.6.00 Lakhs).

3. Appellants in the present appeal has stated that the company has appointed a Whole Time Company Secretary w.e.f. 11.06.2019, however she had tendered her resignation on 31.12.2019, since then the company has tried its best to find a suitable candidate for the position and owing to the scarcity of qualified Company Secretaries in and around Bhimavaram, the company could not appoint one till date. Further, due to pandemic caused by Covid-19, company has been facing various challenges and being a remote area for appointment as Company Secretary in the Company demanded a higher pay scale which is not feasible for company.

4. An opportunity of being heard was given to the Appellants on 27.10.2022. The authorized representative Ms. Shaik Razia, Practicing Company Secretary appears on behalf of the appellants and reiterated the submissions made in the application and requested to reduce the quantum of penalty as levied by Registrar of Companies.

5. 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. I deem it would meet the end of justice, if the penalty imposed is reduced for Company to Rs.1,50,000/- and for Mr. Suryanarayana Raju Samanthapudi, Managing Director to Rs.50,000/- (total aggregating to Rs.2,00,000/- and no penalty was imposed on Mrs. Rayapati Mamatha, Director 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 also provisions of Section 454(8) of the Companies Act, 2013 read with Companies (Adjudication of Penalties) Rules, 2014. Further Company as well as other appellants are also to comply with the provisions of Section 203 of the Companies Act, 2013 in appointing a Whole Time Company Secretary immediately and inform the same to Registrar of Companies, Andhra Pradesh.

5. Accordingly, penalty was paid by the Company amounting to Rs.1,50,000/- and Mr. Suryanarayana Raju Samanthapudi, Managing Director for Rs.50,000/- (total aggregating to Rs.2,00,000/-) vide SRN X26918078 and X26917906 dated 31.10.2022. 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 28th day of December 2022.



B. Mohanty
(B. MOHANTY)
REGIONAL DIRECTOR(SER)

Contd..2.

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Copy for information and necessary action to :

1. M/s. SSNR Power Private Limited, HIG-78, First Floor, A.P.H.B. Colony, Bhimavaram, Andhra Pradesh-534203
2. Mr. Suryanarayana Raju Samanthapudi, Managing Director, HIG-78, First Floor, A.P.H.B. Colony, Bhimavaram, Andhra Pradesh-534203
3. Registrar of Companies, Ministry of Corporate Affairs, Andhra Pradesh, Vijayawada.
4. The Joint Secretary, E-Governance Cell, Ministry of Corporate Affairs, New Delhi.

