

F.No:9/63/ADJ/SEC.203/2013/ANDHRA PRADESH /RD(SER)/2022 / 5546
BEFORE THE REGIONAL DIRECTOR, SOUTH EAST REGION
MINISTRY OF CORPORATE AFFAIRS, HYDERABAD
IN THE MATTER OF COMPANIES ACT, 2013

IN THE MATTER OF SL AP PRIVATE LIMITED

1. M/s. SL AP Private Limited
2. Mr. Ramanjulu Murali, Director
3. Hong Sung Duk, Managing Director

Appellants

Date of hearing : 11.11.2022

Present : Mr. Kiran Kumar Bodla, 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 F28172195 dated 08.10.2022 against the adjudication order No. ADJ 32/203 of 2022-23 dated 11.08.2022 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 since the applicable provisions of the Act came into force on 02.11.2018 to 13.03.2022 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 the Registrar of Companies on 11.08.2022 and after hearing to the authorised representative, Registrar of Companies had levied a penalty of Rs.5,00,000/- each on Company, Hong Sung Duk, Managing Director and Ramanjulu Murali, Director (total aggregating to Rs.15,00,000/-).

3. Appellants in the present appeal has stated that the company was incorporated on 15.11.2017 and a closely held company having two shareholders. Company started its operations during the year 2019-20 and incurred a loss of Rs.27.96 Crores and company still having accumulated loss of Rs.2.70 Crores in its reserves and surplus account and leads to negative net worth as per the last audited financial statements for the year 2020-21. However, Company has appointed a Whole Time Company Secretary w.e.f. 23.07.2022.

4. An opportunity of being heard was given to the Appellants/authorized representative on 11.11.2022. The authorized representative Mr. Kiran Kumar Bodla, Practicing Company Secretary appeared on behalf of the appellants and reiterated the submissions made in the appeal 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.1,24,000/-, Hong Sung Duk, Managing Director and Ramanjulu Murali, Director to Rs.74,000/- each (total aggregating to Rs.2,72,000/-). Further the appellants are directed to comply with this order and also the provisions of section 454(8) of the Companies Act, 2013 read with Companies (Adjudication of Penalties) Rules, 2014.

6. The penalty was paid by the Company amounting to Rs.1,24,000/-, Hong Sung Duk, Managing Director and Ramanjulu Murali, Director for Rs.74,000/- each (total aggregating to Rs.2,72,000/-) vide SRN X28079341 dated 18.11.2022, X28310209 and X28310530 dated 21.11.2022. 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 29th day of December 2022.



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

Contd..2.

Copy for information and necessary action to:-

1. M/s. SL AP Private Limited

6-B, Industrial Park, Gudipalli, Somandepalle Mandal,
Bangalore- Hyd Highway, Anantapur Dist,
Andhra Pradesh- 515122.

2. Ramanjulu Murali, Director

Plot No.5, Door No.23, 11th Cross Street, Mangala Nagar,
Porur, Chennai, Tamil Nadu- 600116.

3. Hong Sung Duk, Managing Director

C/o 6-B, Industrial Park, Gudipalli, Somandepalle Mandal,
Bangalore- Hyd Highway, Anantapur Dist,
Andhra Pradesh- 515122.

4. Registrar of Companies, Ministry of Corporate Affairs, Andhra Pradesh, Vijayawada.

5. The Joint Secretary, E-Governance Cell, Ministry of Corporate Affairs, New Delhi.

