



Application No. RD/ER/03(1)/Appeal/23/

**BEFORE THE REGIONAL DIRECTOR, EASTERN REGION
MINISTRY OF CORPORATE AFFAIRS, KOLKATA.**

IN THE MATTER OF

THE COMPANIES ACT, 2013

-AND-

IN THE MATTER OF

M/s. Utkal Galvanizers Limited
At: Kapursingh, Po Oranda,
Via : Athagarh, Cuttack : 754029

-AND-

IN THE MATTER OF

Appeal under section 454 of The Companies Act, 2013 against the penalty order dated 04/11/2022 of Registrar of Companies-cum-OL, Odhisa passed for violation of the provisions of section 203(1)(ii) of the Companies Act, 2013.

-AND-

IN THE MATTER OF

1. M/s. Utkal Galvanizers Limited
At: Kapursingh, Po Oranda,
Via : Athagarh, Cuttack : 754029

2, Sri Rajesh Kumar Agarawal, Managing Director,
22/2A, Ray Street, L R Sarani,
Circus Avenue,
Kolkata-700020

In the matter of M/s. Utkal Galvanizers Limited

3. Sri Nandan Mohanty, Whole Time Director,
Plot No. 899, Jharpada,
Bhubaneswar-751006

4. Sri Arun Kumar Das, CFO
Plot No. 2036/9060, Kissan Nagar,
Infront of Saptarshi Shiva Mandir,
Pandra, Bhubaneswar :751010

..... APPELLANTS

Date of Hearing : 15/02/2024

Present : Mr. Dhruba Charan Sahoo, Practicing
Company Secretary and Authorised
Representative of the Appellants

ORDER

1. The present appeal under section 454 of the Companies Act,2013 read with the provisions of the Companies (Adjudication of Penalties) Rules, 2014 was filed vide Form ADJ bearing SRN no. F58347782 dated 03/02/2023 by the aforesaid appellants against the penalty order under section 203(5) of the Adjudicating Authority i.e. Registrar of Companies-cum-OL, Odhisa dated 10/11/2022 communicated to the appellants vide letter no. ROC/Sec 454/Sec 203(1)(ii)/00811/2022/1502(4) dated 01/12/2022.



2. As per the aforesaid order, the office of the Registrar of Companies-cum-OL, Odhisa had issued Adjudication notice for violation of section 203(1)(ii) of the Act vide no. ROC/Sec 454/Sec 203(1)(ii)/00811/2022/863(4) dated 18/08/2022 to the company and its officers. In this regard, a reply dated 29/08/2022 was received by the Registrar of Companies-cum-OL, Odhisa from the Company and its officers which was not found satisfactory by the Adjudicating Authority.
3. Considering the above facts and circumstances of the case, the Adjudicating Authority had imposed Penalty as under for violation of section 203(1)(ii) of the Act :-

Violation of the Companies Act, 2013	Period of Default	Penalty imposed on Company/Directors	Penalty imposed (in Rs.)	Total (in Rs.)
Section 203(1)(ii) of the Companies Act, 2013	01.04.2014 to 10.03.2019 = 1896 days	Company i.e Utkal Galvanizers Ltd	Rs 5,00,000/-	5,00,000/-
	29.09.2016 to 10.06.2019=985 days	Shri Rajesh Kumar Agarwal, Managing Director	Rs 50,000/- + Rs 1000/- * 985 days = Rs 9,85,000/- (Maximum upto Rs 5,00,000/-)	5,50,000/-
	29.09.2016 to 10.06.2019=985 days	Shri Nandan Mohanty, Whole Time Director	Rs 50,000/- + Rs 1000/- * 985 days = Rs 9,85,000/- (Maximum upto Rs 5,00,000/-)	5,50,000/-
	11.03.2019 to 10.06.2019= 92 days	Shri Rajesh Kumar Sri Arun Kumar Das, CFO Managing Director	Rs 50,000/- + Rs 1000/- * 92 days = Rs 92,000/-	1,42,000/-

4. Having considered the facts and circumstances of the case, Registrar of Companies-cum-OL, Odhisa imposed a penalty of Rs. 5,00,000/- (Rupees Five Lakhs Only) on the concerned Company and Rs. 5,50,000/- (Rupees Five Lakhs fifty Only) on each of the 2 Directors and Rs. 1,42,000/- (Rupees One lac forty two thousands Only) on 1 CFO i.e. the KMP under Section 203(5) of the Act, **in Total Rs. 17,42,000** (Rupees Seventeen lakhs forty two thousands Only) (i.e., Rs. 5,00,000 for Company and Rs. 5,50,000 on each of the 2 Directors and Rs 1,42,000/- on KMP)) for failure to make compliance of the Act u/s. 203(1)(ii) of the Act.
5. The appeal was heard on 21/12/2023. Authorised Representative was asked to make submission regarding any infirmity in the order of Registrar of Companies. The Authorised Representative had no valid submission in this regard requiring interference with the order of ROC. Hence, the order of ROC is confirmed as no cogent ground was made out by the appellant. The undersigned by virtue of the power vested in Regional Director under section 454(7) of the Companies Act, 2013 read with the Companies (Adjudication of Penalties) rules, 2014 confirms the order of the Registrar of Companies-cum-OL, Odhisa dated 04/11/2022. The Company and directors/officers of the company shall pay the amount of penalty from out of their own pockets. The amount of penalty shall be paid within a period of 90 days from the date of receipt of the copy of the order. Further, if the company and its directors fail to deposit the penalty amount within the prescribed time



limit action under section 454(8)(i) and (ii) of the Companies Act, 2013 shall be initiated against the Company and its Directors.

6. Hence the instant Appeal stands disposed of accordingly.


(P.Sridhar)
REGIONAL DIRECTOR (ER)

Signed this the 10th day of July, 2024.

Copy to:-

✓ 1, M/s. Utkal Galvanizers Limited
At: Kapursingh, Po Oranda,
Via : Athagarh, Cuttack : 754029

2, Sri Rajesh Kumar Agarawal, Managing Director,
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Infront of Saptarshi Shiva Mandir,
Pandra, Bhubaneswar :751010

5. The Registrar of Companies, cum OL
Odisha,..... for information in respect of his letter no. ROC/Sec
454/Sec 203(1)(ii)/00811/2022/1043 dated 18/12/2022

6. The Officer in Charge, E-Gov. Cell, Ministry of Corporate Affairs, 5th Floor, A
wing Shastri Bhavan, New Delhi-110001,-with a request to upload this Order on
the website of the Ministry.