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**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
OFFICE OF THE REGISTRAR OF COMPANIES, KARNATAKA
II FLOOR, "E" WING, KENDRIYA SADAN, KORAMANGALA, BANGALORE - 560034**

No. ROCB/ Adj. Order /Sec.454 /Co. No.109207

Date: ~~03-10-2019~~

23.10.2019.

**ORDER OF ADJUDICATION OF PENALTY UNDER SECTION 454 OF COMPANIES ACT 2013
READ WITH RULE 3 OF THE COMPANIES (ADJUDICATION OF PENALITES) RULES 2014
FOR VIOLATION OF PROVISIONS OF SECTION 203 OF THE COMPANIES ACT 2013 BY
BETUL WIND FARMS LIMITED (THE COMPANY):**

1. In the matter of M/s BETUL WIND FARMS LIMITED incorporated on 15.05.2009 under the jurisdiction of Registrar of Companies, Bangalore with the registered office situated at No. 11, 1st Floor, Commissariat Road, Bangalore 560025.
2. Whereas section 203(1) of the Companies Act 2013, read with Rule 8A of Companies (Appointment and Remuneration of Managerial Personnel) Rule 2014, Every company belonging to such class or classes of companies as may be prescribed shall have the following whole-time key managerial personnel:-
 - i) Managing director, or Chief Executive Officer or Manager and in their absence, a Whole-time director,
 - ii) Company Secretary
 - iii) Chief Financial Officer:
Provided that an individual shall not be appointed or reappointed as the chairperson of the company, in pursuance of the articles of the company, as well as the managing director or chief financial officer of the company at the same time after the date of commencement of the Act unless,-
 - (a) The article of such a company provide otherwise, or
 - (b) The company does not carry multiple businesses:
Provided further that nothing contained in the first proviso shall apply to such class of companies engaged in multiple businesses and which has appointed one or more Chief Executive Officers for each such business as may be notified by the Central Government.
3. However the paid up capital of the company was increased above the statutory limit i.e Five Crore rupees on 24.03.2015 whereby the company has appointed Ms. Megha Bohra as company secretary on 01.11.2016. Thus defaulting a period of 586 days (from 24.03.2015 to 31.10.2016). The company vide its application dated: 11.03.2019

admitted that the company and its officers had violated the provisions of the section 203 of the Companies Act 2013, read with Rule 8A of the Companies (Appointment and Remuneration) Rule 2014.

4. Whereas, this office had issued a notice on 16.09.2019 to the addressees i.e M/s BETUL WIND FARMS PRIVATE LIMITED (THE COMPANY) and every officer in default viz. Mr. Padmavathi Potluri, Mr. Chinnaswamy Sunder Raju, Mr. Kupparaju Nagaraju, Mr. Bharath Krishna Rao and Mr. Mittin Chandanmal Jain (director) who were called upon under Section 454(4) of the Companies Act, 2013, read with Rule 3(3) of the Companies (Adjudication of penalties) Rules 2014 to appear personally or through their authorized representative before the undersigned on **26.09.2019 at 2:50 p.m.** in the chamber of Registrar of companies, II Floor, E Wing, Kendriya Sadan, Koramangala, Bangalore-560034 for hearing.

5. In response to the notice, the authorized representative of the company, Shri Gouri Shanker Mishra and Shri. Bimlendu Kumar (Practicing Company Secretary) attended the hearing on 26.09.2019 at 2:50 p.m. for adjudicating the matter.

6. a) Prior to Companies (Amendment) Second Ordinance, 2019 (before 02.11.2018) section 203(5) of the Companies Act 2013, read as "if a Company contravenes the provision of this section, the company shall be punishable with fine which shall not be less than Rs.1,00,000/- but which may extend to Rs 5,00,000/- and every director and key managerial personnel of the company who is in default shall be punishable with fine which may extend to Rs 50,000/- and where the contravention is continuing one, with further fine which may extend to Rs 1,000/- for every day after the first during which the contravention continues".

b) With effect from 02.11.2018, as per the Companies (Amendment) Second Ordinance, 2019 read as "If any company makes any default in complying with the provisions of this section, such company shall be liable to a penalty of Rs. 5,00,000/- and every director and key managerial personnel of the company who is in default shall be liable to a penalty of Rs 50,000/- and where the default is a continuing one, with a further penalty of Rs 1,000/- for each day after the first during which such default continues but not exceeding Rs 5,00,000/-".

7. On **26.09.2019** the matter was heard. It was noticed that the Company is liable for a penalty of ~~Rs 6,86,000/-~~ ~~(Rs. 5,00,000 + Rs 5,86,000)~~ and its 5 officers are liable for a penalty of ~~Rs 50,000/- each~~ ~~and 2,50,000/- for every officer~~ (2,50,000/- 5 directors)

Rs ~~6,36,000/-~~ (Rs. ~~50,000~~ + Rs. ~~5,86,000~~) ~~each~~ as per Sec ⁶³⁴ 203(5) of the Companies Act 2013. Accordingly, the undersigned in exercise of the powers vested to him vide Section 454(1) & (3) of Companies Act 2013 considering the delay of ⁴⁰² ~~586~~ days, hereby impose a penalty of Rs ^{5,00,000/-} ~~6,86,000/-~~ on the Company and its Rs. ^{50,500} ~~6,36,000/-~~ on each Directors in default (totaling to Rs ^{5,00,000 + 2,50,000} ~~38,66,000/-~~) and hereby direct that they shall pay the penalty immediately in the MCA 21 portal and proof of payment be produced for verification within 30 days from the date of receipt of order.

8. Whereas sub-section (5) of section 454 of the Companies Act, 2013 provides that any person aggrieved by an order made by the adjudicating officer under sub-section (3) may prefer an appeal to the Regional Director having jurisdiction in the matter and further sub-section (6) provides that every appeal under sub-section (5) shall be filed within sixty days from the date on which the copy of the order made by the adjudicating officer is received by the aggrieved person and shall be in such form, manner and be accompanied by such fees as may be prescribed.
9. Please note that as per Section 454(8) (i) of the Companies Act 2013, Where company does not pay the penalty imposed by the adjudicating officer or the Regional Director within a period of ninety days from the date of the receipt of the copy of the order, the company shall be punishable with fine which shall not be less than twenty-five thousand rupees but which may extend to five lakh rupees.

(ii) Where an officer of a company who is in default does not pay the penalty within a period of ninety days from the date of the receipt of the copy of the order, such officer shall be punishable with imprisonment which may extend to six months or with fine which shall not be less than twenty-five thousand rupees but which may extend to one lakh rupees, or with both.

In case of default in payment of penalty, prosecution will be filed under section 454(8)(i) and (ii) of the Companies Act 2013 at your own costs without any further notice.

(C V SAJEEVAN)
REGISTRAR OF COMPANIES,
KARNATAKA.

To,

No. ROCB/ BETUAL WIND FARMS /Sec.454/109207

1. M/s BETUAL WIND FARMS LIMITED
No. 11, 1st Floor, Commissariat Road,
Bangalore 560025

Contd....4

No. ROCB/ BETUAL WIND FARMS /Sec.454/109207

2. Mr. PADMAVATHI POTLURI, Director
No.319, Inner Circle White Field
Bangalore 560066

No. ROCB/ BETUAL WIND FARMS /Sec.454/109207

3. Mr. CHINNASWAMY SUNDER RAJU, Director
294, Upper Palace Orchards
Bangalore 560080

No. ROCB/ BETUAL WIND FARMS /Sec.454/109207

4. Mr. KUPPARAJU NAGARAJU, Director
160, R V Layout, Kumarapark
West Bangalore 560020

No. ROCB/ BETUAL WIND FARMS /Sec.454/109207

5. Mr. BHARATH KRISHNA RAO, Director
No. 319/147-148 Inner Circle , Whitefield
Bangalore 560066

No. ROCB/ BETUAL WIND FARMS /Sec.454/109207

6. Mr. Mitin Chandanmal Jain, Director
Kingston Tower Parel Tank Road ,
Parel, East Mumbai 400012
Maharashtra.