



0671-2365361

0671-2366958



तार/Telegram: COMPYREG.

फैक्स/FAX: (0671) 2365361

भारत सरकार/Government of India  
कारपोरेट कार्य मंत्रालय/Ministry of Corporate Affairs  
कम्पनी रजिस्ट्रार –सह- शासकीय समापक कार्यालय, ओडिशा  
Office of the Registrar of Companies –cum- Official Liquidator, Odisha  
कारपोरेट भवन, /CORPORATE BHAWAN  
द्वितीय एवं तृतीय तल /2<sup>ND</sup> & 3<sup>rd</sup> FLOOR  
प्लॉट क्रमांक – 9 (पी) सेक्टर – 1, सी डी ए, ओडिशा, कटक-753014  
PLOT NO. 9(P), SECTOR-1, CDA, ODISHA, CUTTACK-753014

No. ROC/S.203/2019/Neelachal Technologies/Penalty Order/

Dated , the 4<sup>th</sup> June, 2019.

Order for Penalty for violation of Section 203(1) of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**NEELACHAL TECHNOLOGIES LIMITED**

**CIN : L24232OR1991PLC002861**

**Appointment of Adjudicating Officer :-**

1. The Ministry of Corporate Affairs vide its Gazette Notification No. A-42011/112/2014-Ad. II dated 24.03.2015 appointed the undersigned as Adjudicating Officer in exercise to the powers conferred by Section 454 of the Companies Act, 2013 (herein after referred as **Act**) read with Companies (Adjudication of Penalties) Rules, 2014 for adjudging penalties under the provisions of the Act.

**Company : -**

2. Whereas, **NEELACHAL TECHNOLOGIES LIMITED** (herein after referred to as "the Company") is a company registered with this office under the Provisions of the Companies Act, 2013/1956 (or previous Acts in force, as applicable) having its registered office at **3<sup>RD</sup> LANE, ANANTA NAGAR, TATA BENZ SQUARE, BERHAMPUR : 760 005, GANJAM, ODISHA** as per the data available with MCA website.


**Facts about the Case :-**

3. AND WHEREAS, Section 203(1) of the Companies Act, 2013 provides inter alia as follows :  
"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; and
  - (iii) Chief Financial Officer:"
  
4. AND WHEREAS, Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (herein after referred as "the Rules") framed under Section 203(1) of the Act provides inter alia as follows:  
  
"Every listed company and every other public company having a paid-up share capital of ten crore rupees or more shall have whole-time key managerial personnel."
  
5. AND WHEREAS, Rule 8A of the Rules provides inter alia as follows:  
  
"A company other than a company covered under rule 8 which has a paid up share capital of five crore rupees or more shall have a whole-time company secretary."
  
6. AND WHEREAS, from the records maintained in the MCA21 system it appears that the Company is a listed public company having paid up capital of Rs. 6,50,00,000.00 (Rupees Six Crores fifty lakhs) and failed to appoint whole-time company secretary since **13.11.1995 (date of obtaining the status of listed company)** as provided under Section 203(1) of the Act read with Rule 8 of the Rules. Therefore, the company and its directors/officers who are in default are liable to be punished as prescribed under Section 203(5) of the Act read with The Companies (Amendment) Second Ordinance, 2019.

7. AND WHEREAS, since the company has failed to appoint whole-time Company Secretary in terms of Section 203(1) of the Act read with Rule 8 of the Rules since 11.04.2018, the Adjudicating Officer issued Show Cause Notice under Sub-Rule (2) of Rule 3 of Companies (Adjudication of Penalties) Rules, 2014 vide Notice No. ROC/Sec.203/3/2018/2423(4) dated 31.12.2018 to the company and its directors/officers in default directing them to Show Cause within 15 (fifteen) days from the date of service of the notice as to why enquiry should not be held against them for the concerned default/non-compliance.
8. AND WHEREAS, in response to the said Show Cause Notice neither the company nor any of the directors furnished any reply for which the Adjudicating Officer issued Show Cause Notice under Sub-Rule (3) of Rule 3 of Companies Adjudication of Penalties Rules, 2014 vide Notice No. ROC/Sec.454/2861/2019/2727(4) dated 13.02.2019 to the Company and its directors/officer in default directing them to appear personally or through authorized representative on 28<sup>th</sup> February, 2019 at 3.00 PM before the Adjudicating Officer for hearing on the default.
9. AND WHEREAS, on the fixed date the company through its Managing Director furnished a letter stating therein, "The company has no turnover from several years. As there is no income entire capital of the company was eroded. The company is not able to appoint exclusive Company Secretary, however we are availing the services of an authorized company secretary Shri VBSS Prasad for filing purpose etc." As the reply furnished by the company is not satisfactory the matter was again adjourned to 28<sup>th</sup> March, 2019 at 3.00 PM and on the fixed date Shri Adessha Mantena Raju, Managing Director appeared before the Adjudicating Officer and requested for adjournment as he has not obtained the Board Resolution and Power of Attorney. Considering his request the matter was adjourned to 25.04.2019.
10. AND WHEREAS, on the fixed date Shri Adessha Mantena Raju, Managing Director appeared before the Adjudicating Officer and requested for adjournment as the document submitted in respect of other directors are not in the proper format. Hence the matter was again adjourned to 4<sup>th</sup> June, 2019 at 3.00 PM.

## ORDER

On the fixed date i.e. 4<sup>th</sup> June, 2019 Shri Adessha Mantena Raju, Managing Director of the Company duly authorized by the Board of Directors of the company appeared before the Adjudication Officer and submitted a written statement mentioning therein, "The company is not carrying on any operations for a long period of time and hence there are no revenue generating sources available for the company, keeping in view of financial turmoil the company is facing, the Board of directors of the company has already decided to go for the liquidation of the company, initially the company was listed with BSE, Calcutta Stock Exchange, Bhubaneswar Stock Exchange and Hyderabad Stoke Exchange. But in the due course of time the company was delisted from all the Stock Exchanges where it was listed, all the assets of the company were already taken over by the Odessa State Financial Corporation for the loans taken from it and also from IPICOL. All the assets were auctioned and the amount realized was credited to the Odessa State Financial Corporation" and requested this office to consider for exempting the applicability of Section 203(1) of the Companies Act, 2013." Further, Shri Raju stated that he is the Managing Director and look after the affairs of the company. On verification from the records from MCA21 system it is found that the status of the company is listed and the company has not appointed any whole-time company secretary since 13.11.1995 i.e. obtaining the status of Listed company, hence the default period of the violation is 8596 days i.e. with effect from 13.11.1995 (date of obtaining status of Listed company) to 04.06.2019 (date of hearing of the matter). Accordingly, I inclined to impose a penalty of a sum of Rs. 5,00,000/- (Rupees five lakhs) on the company viz. NEELACHAL TECHNOLOGIES LIMITED and Rs. 50,000/- (Rupees fifty thousand) and Rs. 1,000/- (Rupees one thousand) per day for the default period of 8596 days i.e. maximum amount of Rs. 5,00,000/- (Rupees five lakhs) on the Managing Director who is in default viz. Shri Adessha Mantena Raju for violation of Section 203(1) of the Act read with Rule 8 of the Rules. It is further directed that the amount of penalty so imposed shall be deposited by way of Demand Draft in favour of "Pay and Accounts Officer, Ministry of Corporate Affairs, Kolkata" payable at Kolkata, before the Office of the ROC –cum- OL, Odisha within 90 (Ninety) days from the date of receipt of this order. It is also directed that the penalty so imposed upon the officer-in default shall be paid from his personal sources.



**( A. K. Mahapatra )**  
**Adjudicating Officer, Odisha**  
**ROC –cum- OL, Odisha**