



भारत सरकार/ GOVERNMENT OF INDIA
कारपोरेट कार्य मंत्रालय / MINISTRY OF CORPORATE AFFAIRS
कम्पनी पंजीयक का कार्यालय, बेंगलूर, कर्नाटका
OFFICE OF THE REGISTRAR OF COMPANIES, BANGALORE, KARNATAKA
“केंद्रीय सदन”, II मंजिल, ‘ई’ विंग, कोरमंगला, बेंगलूर – 560 034
“KENDRIYA SADAN”, II FLOOR, E- WING, KORAMANGALA, BANGALORE – 560034

मि.सं/F.No.ROCB/ Adj.454/Co.No.24991/Section 12/2019-2020 दिनांक/Date: 02/07/2020

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 118 (1) OF THE COMPANIES ACT 2013 BY M/S UNITED SPIRITS LIMITED

- 1 Whereas the company, M/s UNITED SPIRITS LIMITED was incorporated on 31.03.1999 under the jurisdiction of Registrar of Companies, Bangalore with the registered office situated at “UB TOWER, #24, Vittal Mallya Road, Bangalore-560001 Karnataka.
- 2 *Whereas, pursuant to provisions of Section 118(1) of the Companies Act, 2013, “every company shall cause minutes of the proceedings of every general meeting of any class of shareholders or creditors, and every resolution passed by postal ballot and every meeting of its Board of Directors or of every committee of the Board, to be prepared and signed in such manner, as may be prescribed and kept within thirty days of the conclusion of every such meeting concerned, or passing of resolution by postal ballot in books kept for that purpose with their pages consecutively numbered.”*
- 3 *Whereas pursuant to provisions of sub-section (11) of Section 118 of Companies Act, 2013, “if any default is made in complying with the provisions of this section in respect of any meeting, the company shall be liable to a penalty of twenty five thousand rupees and every officer of the company who is in default shall be liable to a penalty of five thousand rupees.”*
- 4 *Whereas, during the course of inspection of books and records of the company under Section 206(5) of the Companies Act, 2013, it was noticed by the Inspecting Officer that Minutes of various Board Meetings were not signed within the time prescribed under Section 118(1) of the Act and thereby violated the provisions of the Act . The table showing the date of the Board meeting, Signature made by the Chairman and the period of default is given as under as an extract from the Show Cause Notice dated 23.06.2016 issued to the company.*

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S.No.	Date of Board Meeting	Date of Signature of minutes by Chairman	Period of default (in days)
1	23.04.2014	01.08.2014	69
2	30.04.2014	01.08.2014	62
3	08.05.2014	01.08.2014	54
4	09.05.2014	01.08.2014	53
5	16.05.2014	01.08.2014	46
6	17.06.2014	01.08.2014	14
7	03.09.2014	20.10.2014	17
8	13.11.2014	24.01.2015	41
9	24.01.2015	25.04.2015	60

- 6 Whereas, in response to the show cause notices issued by this office, the Company submitted its adjudication application on 04.04.2019 in order for adjudicating the matter.
- 7 Due to COVID-19 pandemic, instructions were issued by the Ministry of Corporate Affairs to conduct hearings through Video Conference in the matters of Adjudication and Compounding of offences by ROCs and RDs.
- 8 In complying with Ministry's guidelines, hearing was held through Video Conference on **12.06.2020 (Friday)**. Mr.Sarvotham, Practicing Company Secretary attended the hearing. He admitted the offence and pleaded for less penalty for the same.
- 9 It was noticed that the Company and its officers are liable for a penalty as per Section 118(11) 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 nine different defaults in signing the minutes, hereby impose a penalty of **Rs.2,25,000/- on the Company and applicants, namely, (1) Mr. Ashok Harikishanlal Capoor, Ex-Managing Director, (2) Mr. Anand Kripalu Thirumalachar as Ex-MD & CFO, (3) Mr. Vaikalathur Subramanian Venkataraman, Ex-Company Secretary of Rs. 45,000/- each (totaling Rs.3,60,000/-)** and to pay from their own sources in the MCA 21 portal and proof of payment be produced for verification and also Form INC-28 should be filed along with copy of payment challans and copy of this order within 60 days from the date of receipt of order.
- 10 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.

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- 11 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 received by the aggrieved person and shall in such form, manner and be accompanied by such fees as may be prescribed.
- 12 Please note that as per Section 454(8)(i), where a company fails to comply with the order made under sub-section (3) or sub-section (7), as the case may be, 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 or any other person who is in default fails to comply with the order made under sub-section (3) or sub-section (7), as the case may be, within a period of ninety days from the date of 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.

मि.सं/F.No.ROCB/ Adj.454/Co.No.24991/Section 12/2019-2020

1.M/s United Spirits Limited
"UB Tower, #24, Vittal Mallya Road
Bangalore-560001

मि.सं/F.No.ROCB/ Adj.454/Co.No.24991/Section 12/2019-2020

2. Mr.Ashok Harikishanlal Capoor,Former Managing Director
No.A3, Regency Pavilion Apartments
14, Alexandria Street
Richmond Town
Bangalore-560025.

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✓ 3.Mr.Anand Kripalu Thirumalachar, Former Managiner Director
& CFO
A-1703, Vivarea Sane Guruji Marg
Mahalaxmi, Mumbai 400011

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4.Mr.Vaikalathur Subramanian Venkataraman, Former Company Secretary
L-71, Sector X, 7th Main
Jeevan Bhima Nagar
Bangalore 560075.



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