

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, MUMBAI
Company Petition No. 12/2016**

Coram: B. S. V. Prakash Kumar, Member Judicial & V, Nallasenapathy,
Member Technical

In the matter of Companies Act 2013 under sections 14(1).

And

M/s. Varuna Drinking water solutions Ltd.

..... Petitioner

Present on behalf of the party:

1. Tani Doshi, Director of the Petitioner Company in Person.

ORDER

(Heard on 23.11.2016)

(Ordered on 28.11.2016)

This Company Petition filed by M/s. Varuna Drinking water solutions Ltd. (hereinafter called the Company) under Section 14(1) of the Companies Act, 2013, seeking approval of this Tribunal for conversion of its status from that of Public Company in to a Private Company.

The Company in its petition has stated that it is a public unlisted Company having Registered Office at 6A Lalwani Industrial Estate, G.D. Ambekar Road, Wadala, Mumbai – 400031, the company is not registered under Section 8 of the Companies Act, 2013 and the Company would like to utilize the benefits of being a Private Limited Company under the Companies Act, 2013 since its business operations have not yet started and hence the Company is filing this Petition for converting its status from that of Public Company in to a Private Company. The company in its Balance sheet as on 31-03-2016 disclosed only Current Liabilities to the extent of Rs. 51,435.00 and there are no any other liabilities. The Registrar of Companies, Maharashtra, has also filed its Report on 31.8.2016.

The directors of the company filed an affidavit, as required under Rule 35 of NCLT Rules, 2016, stating that a notice of hearing of this petition

was published on 07.11.2016 in Business Standard and Tarun Bhara (Mumbai) and filed the same and also stated in the affidavit that there are no creditors or debenture holders or related parties as required under Rule 68 of NCLT Rules, 2016.

The Board of Directors of the Company in the meeting held on 07.06.2016 resolved to convert the Company into a Private Company and to alter the Company's Articles of Association in this regard. Subsequently, the Company in its Extra-Ordinary General Meeting held on 07.06.2016, unanimously resolved to convert the Company into a Private Limited Company.

Section 14(1) of the Companies Act, 2013 provides as below:

"14. Alteration of articles.

(1) Subject to the provisions of this Act and the conditions contained in its memorandum, if any, a company may, by a special resolution, alter its articles including alterations having the effect of conversion of —

- (a) a private company into a public company; or*
- (b) a public company into a private company:*

Provided that where a company being a private company alters its articles in such a manner that they no longer include the restrictions and limitations which are required to be included in the articles of a private company under this Act, the company shall, as from the date of such alteration, cease to be a private company: Provided further that any alteration having the effect of conversion of a public company into a private company shall not take effect except with the approval of the Tribunal which shall make such order as it may deem fit."

(2) Every alteration of the articles under this section and a copy of the order of the Tribunal approving the alteration as per sub-section (1) shall be filed with the Registrar, together with a printed copy of the altered articles, within a period of fifteen days in such manner as may be prescribed, who shall register the same.

(3) Any alteration of the articles registered under sub-section (2) shall, subject to the provisions of this Act, be valid as if it were originally in the articles."

The Company has complied with the mandate of Section 14(1) of the Companies Act, 2013 for conversion of Public Company in to a Private Company. In view of this it is ordered that approval for conversion "Varuna Drinking Water Solutions Limited." to "Varuna Drinking Water Solutions Private Limited" is granted as prayed for in the petition.

The Company Petition is allowed accordingly.

sd/-

B.S.V. PRAKASH KUMAR
Member (Judicial)

sd/-

V. NALLASENAPATHY
Member (Technical)