

IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH, CHENNAI

C.P. No.35 of 2017

Under Section 14(1)(b) of the Companies Act, 2013

In the matter of
M/s.Sri Jayajothi & Company Ltd

Order delivered on **13th July 2017**

CORAM

CH. MOHD SHARIEF TARIQ, MEMBER (J)
S.VIJAYARAGHAVAN, MEMBER (T)

For Applicant : Mr.A.M.Sridharan, Advocate

ORDER

CH. MOHD SHARIEF TARIQ, MEMBER (JUDICIAL) : (ORAL)

1. The above Company Petition came to be filed on 06.03.2017 under Second proviso to Section 14 (1) (b) of the Companies Act, 2013 by the Applicant company viz. M/s. Sri Jayajothi & Company Limited for conversion of its status from public company to private company.

2. The Petitioner Company was incorporated originally in the name and style 'Sri Jayajothi & Company Private Limited' on 07.04.1981. But the company has been converted into Public limited w.e.f. 01.01.1989 by virtue of the approval given by the Assistant Registrar of Companies, Madras, making an endorsement on the certificate of incorporation; "*The word 'private' deleted under the provisions of Section 43-A(2) of the*

C.A.1956 and the company has become a public company with effect from 01.01.1989". The company has its registered office at No.70, Alagai Nagar, Rajapalayam, Tamilnadu-626117 having its CIN : U51102TN1981IPLC008702

3. The company is having an authorised capital of Rs.60 Crores divided into 60,00,000/- equity shares of Rs.100/- each. The issued, subscribed and paid up share capital of Rs.57,00,00,000/- divided into 5,70,00,000 equity shares of Rs.100/- each.

4. It has been stated that the Board of Directors held a meeting on 10.12.2016 and accorded their consent for conversion of the company from a public limited to a private limited and consequently change in the name of the company and alteration to the Articles of Association. Therefore, an EGM for the said purpose was convened. It is a closely held company having only 8 members and 5 members have attended the EGM dated 12.01.2017 (details available at Page 152) passed the special resolution approving conversion of the company into private limited. Consequently, the name of the company shall be changed from Sri Jayajothi & Company Limited to **Sri Jayajothi & Company Private Limited**.

5. In this regard, all the requisite documents were filed before the Registrar of Companies concerned, including Form MGT-14 on 06.02.2017. Mr.K.Gokul and Mr.T.R.Kannan, Managing Director and Director respectively of the applicant company filed a joint affidavit

affirming the correctness of the list of creditors, available in Annexure A-10 at Page 190 to 204 of the Application. The applicant company effected publication of notice in newspapers on 13.05.2017, one in English "The Hindu" and the other in vernacular language "Dinamalar" and filed copies of newspapers as proof of notice.

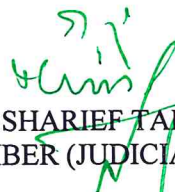
6. Counsel for the applicant sought for exemption of the creditors having credit value less than Rs.1 lakh from issuance of notice. He has also filed a Memo in this connection. We grant exemption to the said extent. However, he has also submitted that notices to creditors having value more than Rs.1 lakh constituting 98.83% of the total value debts have been given and NOCs have been received from them.

7. The Registrar of Companies, Chennai vide report dated 24.03.2017 stated that the application may be decided on merits. The special resolution passed also provides for amending the Articles of Association to align with the provisions of the Companies Act, 2013. Therefore, it appears that the applicant company has fulfilled all the requirements as per law, for the proposed conversion.

8. In the light of the above, the company petition is allowed permitting the conversion from public limited to private limited which is in the interest of the company with a view to carry on the business more efficiently and effectively with the provisions of Companies Act, 2013 and the same is not likely to cause any prejudice either to the members or

to the creditors of the company. The CP is disposed of accordingly, with a direction to give effect to the conversion of the company from public to private by bringing necessary alteration in the Articles of Association and a copy of this Order along with printed copy of the Articles of Association be filed with the Registrar of Companies concerned, within a period of 15 days from today in the manner as prescribed for registration of the company and change of the name of the company as prayed for in the petition.


S.VIJAYARAGHAVAN
MEMBER (TECHNICAL)


CH. MOHD. SHARIEF TARIQ
MEMBER (JUDICIAL)

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, CHENNAI**

CP/35/2017

**PRESENT: SHRI MOHD SHARIF TARIQ, MEMBER-JUDICIAL
SHRI S. VIJAYARAGHAVAN, MEMBER-TECHNICAL**

**IN THE MATTER OF THE COMPANIES ACT, 2013
SECTION 14(1)**

AND


IN THE MATTER OF SRI JAYAJOTHI AND COMPANY LIMITED

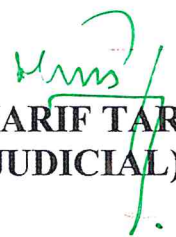
CORRIGENDUM

In exercise of powers under Rule 154 of the National Company Law Tribunal Rules, 2016 in the order passed by Hon'ble Members on 13th July, 2017

Page 3 Para No.6 Line 6 provides as follows :-

“and NOCs have been received from them”, **the same be read as** “and ‘no objections’ have been received from them”


(S.VIJAYARAGHAVAN)
MEMBER (TECHNICAL)


(CH. MOHD. SHARIF TARIQ)
MEMBER (JUDICIAL)

DATED THIS THE DAY OF JULY, 2017