

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH, CHENNAI

Arguments heard on 10.02.2017

Orders passed on 20.03.2017

C.P. No. 10 of 2017

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

Petitioner : M/s. Blue Nile Software Systems Limited

Represented by: Shri M. Rathinakumar, PCS

CORUM

ANANTHA PADMANABHA SWAMY & CH MOHD SHARIEF TARIQ,
MEMBERS (JUDICIAL)

ORDER

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

1. This company petition came to be filed on 28.11.2016 under Second proviso to Section 14 (1) (b) of the Companies Act, 2013 which has been numbered as C.P. No. 10 of 2017.
2. The Applicant “Blue Nile Software Systems Limited” is a company incorporated on 28.08.2005 under the Companies Act, 1956 having its CIN : U72200TN2005PLC057301 and its registered office is located at 4/26, II Lane, St. Patrick Church Road, St. Thomas Mount, Chennai – 600 016.

3. It has been stated that, in the shareholdings and management of the company, there is no involvement of public, and therefore, the Board of Directors has decided to convert the company into a Private Limited Company to avail the privileges and exemptions that are available in the Private Limited Companies to enable the management to carry out its affairs efficiently. Accordingly, on 08.08.2016, in the Board Meeting, alteration of Articles was approved.

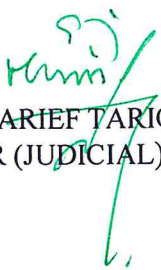
4. An EoGM has been held on 01.09.2016, in which out of 7 Shareholders, 5 shareholders participated and unanimously approved the special resolution for conversion of the applicant company from public limited to private limited. The petitioner is an unlisted company. The petitioner company is not registered under Section 8 of the Companies Act, 2013. The petitioner company is limited by shares. The company has no creditors and the Board of Directors has given Affidavit confirming to that effect.

5. The company is having an authorised capital of Rs.25,00,000/- divided into 2,50,000 equity shares of Rs.10/- each. The issued, subscribed and paid up capital is Rs.10,95,000 /- divided into 1,09,500 equity shares of Rs.10/- each. The object of the company is trading in ⁱⁿ ~~company~~ hardware, software and hardware training, software research and development, development of customs applications, enterprise package solution, networking solutions, web services and consulting, software implementation and services. Besides that, the applications, hosting, trading in software package and IT enable services. The petitioner company is a very closely held public company having only 7 shareholders.

6. On 10.02.2017, the petitioner company filed the proof of publication of notices in newspapers made on 21.01.2017, one in vernacular “Makkal Kural” and another in English “Trinity Mirror”, before this Bench, by complying with the directions of this Bench’ order dated 07.02.2017. Therefore, it appears that the petitioner company has fulfilled the requirements as per law, for consideration of its application.

7. 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. Accordingly, the CP No: 10/2017 is disposed of, 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.


K.ANANTHA PADMANABHASWAMY
MEMBER (JUDICIAL)


CH. MOHD. SHARIEF TARIQ
MEMBER (JUDICIAL)