

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
SPECIAL BENCH, CHENNAI

Arguments heard on 21.02.2017

Orders passed on 28.02.2017

C.P.No. 13 of 2017

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

Petitioner : M/s.Essel Finance Wealth Zone Limited – represented by
Mr. Rajiblochan Sarangi, PCS

ORDER

ANANTHA PADMANABHA SWAMY, MEMBER (JUDICIAL) :-
(ORAL)

1. This company petition came to be filed on 26.12.2016 by M/s. Essel Finance Wealth Zone Limited (hereinafter called as the Petitioner company) under Second proviso of Section 14(1)(b) of the Companies Act, 2013 which has been numbered as C.P.No.13 of 2017.
2. The Petitioner company is a company incorporated on 05.02.2008 under the provisions of the Companies Act, 1956 having its CIN : U67190TN2008PLC066315. The Petitioner company is an unlisted public limited company. The Registered office of the company is located at No.33B, Olympia Platina, Second floor, SIDCO Industrial Estate, Guindy. Chennai-600032.
3. It is mentioned that the Authorised capital of the company is Rs.11,00,00,000 divided into 11,00,00,000 Equity Shares of Rs.1/- each

and the Paid up Capital is Rs.10,33,00,000/- divided into 10,33,00,000 Equity Shares of Rs.1/- each.

4. The objects of the company are set out in the Memorandum of Association of the Company. In the petition, the composition of the Board of the company is given as follows :-

| Name of Directors | Director Identification Number | Date of Appointment |
|---|--------------------------------|---------------------|
| Mr.Ravinder Kumar Dogra | 01725914 | 20.04.2016 |
| Mr.Aditya Omprakash Biyani | 07423120 | 31.03.2016 |
| Mr.Meenakshi Sundaram Ganapathi Subramanian | 02272989 | 17.06.2011 |

5. It has been stated that the Board has approved the conversion of nature of public limited company into a private limited company in its EGM held on 30.08.2016. According to the petitioner, the need for change is that the management of the company is contemplating certain changes to the business strategy and the same will be implemented more efficiently and effectively, if the company is a private limited company. The total number of members are 7 and all of them attended the meeting and none vote against the proposal. It is mentioned by the Petitioner company that the conversion of the company from public limited to private limited does not prejudice the interests of any person either Member or creditor or other related parties of the company.

6. The Registrar of Companies, Tamil Nadu, Chennai, vide letter dated 21.02.2017 has submitted that there is no prosecution pending

against the Petitioner company and its Directors and also no investors complaints are pending. He has also submitted that the petition may be decided on its merits.

7. In the light of the above, it seems that the Petitioner company has complied with the provisions of Section 14 r/w Rule 68 of NCLT Rules, 2016. This Bench is of the opinion that permitting conversion of the company from public limited to private limited is in the interest of the company with a view to make the company to carry on the business more efficiently and it will not be prejudicial to the interest of any members or to the creditors of the company. Therefore, the company petition is allowed. Accordingly, the petition is disposed of, with a direction to give effect to the conversion of the company from public to private by alteration of a clause in the Articles of Association.

8. The copy of the order of this Tribunal along with the printed copy of the altered Articles of Association be filed with the Registrar of Companies, Tamil Nadu, Chennai, within a period of 15 days from today in a prescribed manner, for registration of the company thereof and for change of the name of the company as has been prayed in the petition.


K.ANANTHA PADMANABHASWAMY
MEMBER (JUDICIAL)