

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH, CHENNAI

Arguments heard on 30.03.2017
Order passed on 11.04.2017

C.P. No.29 of 2017

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

Petitioner : M/s. TVS Capital Funds Ltd.
Represented by : PCS Shri K.Sriram

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

ORDER

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

1. The above Company Petition came to be filed on 28.03.2017 under Second proviso to Section 14 (1) (b) of the Companies Act, 2013 by the Applicant company viz. M/s. TVS Capital Funds Ltd. for conversion of its status from public company to private company.
2. The Petitioner Company was incorporated originally in the name and style 'Harita Auto and Finance Private Limited' on 07.10.1994 with CIN U65191TN1994PLC028851. The name of the entity was altered as TVS Credit Private Limited on 26.12.1994 and once again changed as TVS Finance Private Limited. In the Fresh Certificate of Incorporation issued on 9.5.1995 by ROC, Chennai in respect of TVS Finance Private Limited, ROC, Chennai modified the certificate, making an endorsement "*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 5.5.95” and from 5.5.95 the company’s name is TVS Finance Limited. Yet another change of name was made on 29.03.2001 as TVS Investments Limited having its registered office at Jayalakshmi Estates, No.29, Haddows Road, Chennai-600006, Tamilnadu. Subsequently, the name of the company was changed as TVS Capital Funds Limited, which is continuing w.e.f.1.11.2013 for which Form MGT14 was filed.

3. The company is having an authorised capital of Rs.50 Crores divided into 4,70,00,000/- equity shares of Rs.10/- and 30 Lakhs unclassified shares of Rs.10/- each. The main objects of the company have been specified in Clause IIIA of the Memorandum of Association, which includes carrying on activities or raising or acquiring funds for and managing mutual funds, venture capital funds, private equity funds, debt funds, structured finance funds. Pension funds, provident funds, insurance funds, or any other funds, portfolio management services, etc. The Petitioner Company, in order to avail the exemptions and privileges available to the private limited companies and to assist the company in carrying on its business activities in a simpler and more efficient manner, has filed this petition for converting its status to private limited.

4. It has been stated that the Board of Directors held a meeting on 27.04.2016 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, AGM for the said purpose was convened by the Board of Director, in this regard. It is a closely held company having only 9 members of whom 7 members attended the AGM dated 13.08.2016 and all the 7 members passed the special resolution approving conversion of the company into private limited. Consequently, the name of the company shall be changed from “TVS Capital Funds Limited” to “TVS Capital Funds Private Limited”.

5. In this regard, all the requisite documents were filed before the Registrar of Companies concerned, including Form MGT-14 on 27.02.2017. Mr.Gopal Srinivasan, Chairman & Managing Director, Mr.H.Lakshmanan, Director and Mr.R.S.Raghavan, Chief Financial Officer & Secretary filed a joint affidavit affirming the correctness of the list of creditors as on 31st December 2016, available in Annexure A-10 at Page 125 of the Application. A separate affidavit dated 23.03.2017 given by Mr.R.S.Raghavan, Chief Financial Officer & Secretary deposing that the company does not have any secured or unsecured creditors and hence, the applicant prayed to dispense with advertisement of the petition and service of notice of the petition on creditors. Therefore, we order to dispense with the advertisement and notice to creditors, as has been prayed.

6. 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.

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 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)