

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

HYDERABAD BENCH AT HYDERABAD.

CP.No.10 of 2016

(TP No.87/HDB/2016)



Date of order: 07.10.2016

Between:

**CERTIFIED TO BE TRUE COPY
OF THE ORIGINAL.**

1. Mr. Yarikalareddy Srinivas Reddy,
S/o Yarikalareddy Ramanjaneya Reddy,
Flat No.501, Vth Floor,
Bharani Classic, Hakeemabad Colony,
Chitalakunta,
Hyderabad – 500074, Telangana.

2. Mr. Karre Satya Reddy,
S/o Karre Thimma Reddy,
Flat No.506, Vth Floor,
Bharani Classic, Hakeemabad Colony,
Chitalakunta,
Hyderabad – 500074, Telangana

... Petitioners

Versus

1. M/s K P R Pipes Private Ltd,
Regd. Office at H.No.6-3-1198,
Flat No.302, East Face Homes,
Vaman Naik Lane,
Kundan Bagh, Begumpet,
Hyderabad – 500016, Telangana.

2. Mr. Tharigopula Suryanarayana,
S/o Tharigopula Hanumanthu,
R/o 201, 2nd Floor, SAI EPIC GARDEN,
Plot Nos.78&79, Survey Nos.155,156,172
Part 173, 174, Manikonda Jagir,
Rajendranagar Mandal, R.R. District,
Hyderabad – 500089, Telangana.



3. Mrs. Tharigopula Lakshmi Devi,
W/o Mr. Tharilgopula Suryanarayana
R/o Flat No.201, 2nd Floor, SAIL EPIC GARDEN,
Plot Nos.78 & 79, Survey Nos.155,156,172 Part 173,174,
Manikonda Jagir Rajendranagar Mandal, R.R. District,
Hyderabad-500089, Telangana

... Respondents

Counsel for the Petitioners:

Sri Y. Suryanarayana,
Representing Dr. S.V. Ramakrishna

Counsel for the Respondents:

Sri V.S. Raju

CORAM:

HON'BLE Mr. RAJESWARA RAO VITTANALA, MEMBER (JUDL)

HON'BLE Mr. RAVIKUMAR DURAISAMY, MEMBER (TECH)

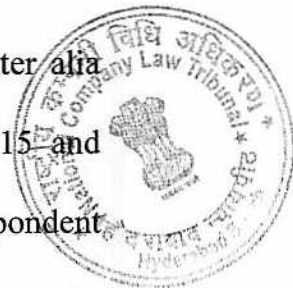
ORDER

(As per Rajeswara Rao Vittalana, Member (Judicial))

1. The present petition was initially filed before Hon'ble Company Law Board, Chennai Bench, Chennai. Since the NCLT Bench has been constituted for the cases relating to the States of Andhra Pradesh and Telangana, the case is transferred to Hyderabad Bench of NCLT. Hence, we have taken the case on records of NCLT, Hyderabad Bench and deciding the case.

2. The present Petition is filed under Sections 111, 235, 397, 398, 402, 403 of the Companies Act 1956 and Sections 58 and 59 of the

Companies Act, 2013 and other applicable provision, by inter alia seeking to declare the notices dated 01.12.2015, 21.12.2015 and 30.12.2015 issued by the respondent as illegal; to direct the respondent to issue duplicate shares in respect of shares lost by the petitioner; to direct the respondent to rectify the Members Register etc.



3. The case was listed before this Bench on 28.7.2016, 23.08.2016, 17.09.2016, 30.09.2016 and today i.e., on 07.10.2016. The learned counsels for both the parties submit that in pursuant to the compromise talks held between the parties, the parties signed a Memorandum of Understanding dated 06.10.2016. A copy of the MoU is filed in this Bench, and the same is taken on record.

4. Both the parties present in the Tribunal today i.e., on 07.10.2016, and submitted that in order to settle all their issues amicably, they have entered the said MoU. The terms and conditions of the Memorandum of Understanding are as follows:

- i) Parties of the Fourth and Fifth shall give a letter to KPR Pipes Pvt Ltd stating that they have validly handed over the Share Transfer Forms and Original Share Certificates representing the 5,00,000 Equity shares for effecting transfer of Shares in the name of Parties of Second and Third Part.
- ii) Party of the First Part shall give a letter of Manjeera PVC Products Pvt Ltd stating that he has validly handed over the Share Transfer



Forms and Original Share Certificates representing the 78,000 Equity shares for effecting transfer of shares in the name of Associate Parties of Fourth and Fifth.

- iii) Party of Fourth part shall make suitable intimation to the Inspector of Police, P.S. Begumpet that the Share Certificates intimated to be lost have been found.
- iv) Parties of Fourth and Fifth part shall resign with immediate effect from the Board of Directors and also shall obtain resignation letters of Mrs. B. Mary Vandhana and Mr. B. Rameswara L Reddy and forward the same to KPR Pipes Pvt Ltd.
- v) Parties of Fourth and Fifth shall sign Minutes of the Board Meeting for resignation of aforesaid directors and their personal resignations.
- vi) Parties Fourth and Fifth shall withdraw the Complaint already filed with RoC, Hyderabad and shall provide a copy of documents submitted in this regard.
- vii) Parties of the Fourth and Fifth shall withdraw the Complaint already filed with CLB, Chennai, (now the matter stands transferred to National Company Law Tribunal, Hyderabad Bench (NCLT)).
- viii) First Part shall pay Rs.19,00,000/- (Rupees Fifteen Lakhs only) to Mr. P. Joseph Reddy, Rs.15,00,000/- (Rupees Fifteen Lakhs only) to Mr. P.V. Rami Reddy and Rs.2,50,000/- (Rupees Two Lakhs Fifty thousand only) to Mr. S.V. Satyanarayana on or before 31st

March, 2017. The company shall give post-dated cheques to that effect.

- ix) Parties of the Fourth and Fifth Part shall sign suitable resolution to be submitted to the bank for intimating the exit of Mrs. B. Mary Vandhana, Mr. B. Rameswara Reddy as Directors from KPR Pipes Pvt Ltd.,
- x) Parties of the Fourth and Fifth Part shall sign suitable resolution to be submitted to the bank for intimating their resignation from the position of Directors of KPR Pipes Pvt Ltd.
- xi) Parties of the Fourth and Fifth Part shall take necessary steps to relieve the personal guarantee of Party of First Part for the Funding Facilities taken by the Manjeera PVC Products Pvt Ltd with immediate effect.
- xii) Parties of the First, Second and Third Part shall take necessary steps to relieve the personal guarantee of Parties of Fourth and Fifty Part for the funding Facilities taken by KPR Pipes Pvt Ltd with immediate effect.
- xiii) KPR Pipes Pvt Ltd and the Party of First Part shall withdraw the writ petition before Hon'ble High Court of judicature at Hyderabad vide WP No.42682 of 2015.
- xiv) Party of First Part shall withdraw the complaint filed on 26th December 2015, in the jurisdiction police station at Panjagutta, Hyderabad.



- xv) All the Parties shall withdraw the complaints, cases etc., filed in any forum, court, authority, government agency etc., whether listed in this MOU or not and shall provide a written confirmation in this regard to the counter party.
- xvi) All the parties hereby expressly confirm and agree that neither party shall interfere into the affairs of each other or their companies and shall maintain peaceful and fair relation with each other so as to focus on the business by respective party.
- xvii) All the parties hereby expressly agree that there are no dues from other party and shall not make any claims either in present or future and shall issue no dues letter to other party in this regard.
- xviii) All the parties hereby expressly confirm that any unused stationery, letterheads, promissory notes, NJ Stamp Paper, cheques and any other stationery which have been signed by either party and handed over to other party in order to meet contingency, shall not be used either in present or future and shall return it over to other party and destroy them. The party possessing such document shall give a written confirmation in this regard.
- xix) The Parties of the First, Second and Third shall take responsibility of all liabilities of every description of KPR Pipes Pvt Ltd and parties of Fourth, Fifth, Seventh and their relatives or associates shall not be made liable for such liabilities whether known or unknown, present or future, ascertainable or contingent.



- xx) The Parties of Fourth, Fifth, Seventh shall take responsibility of all liabilities of every description of the Manjeera PVC Products Pvt Ltd and parties of the First, Second, Third and Sixth, their relatives or associates shall not be made liable for such liabilities whether known or unknown, present or future ascertainable or contingent.
- xxi) All the parties expressly agree and confirm that there are no outstanding dues from other party and shall not make any claims in future for attributing liability of every description, whether present or future, known or unknown, ascertainable or contingent etc.
- xxii) All the parties expressly consent to hand over all the books, documents, records, storage media or any such nature of devices which is under their custody relating to the KPR Pipes Pvt Ltd., Manjeera PVC products Pvt Ltd or personal documents of each party as the case may be to the other party and shall not use any such available document in future also for any purpose.
- xxiii) Parties of the Fourth and Fifth shall hand over the Digital Signatures of Parties of First and Second, which have been obtained by and lying in the custody of Parties of Fourth and Fifth.
- xxiv) Parties of the Fourth and Fifth shall agree and confirm that the brand "KPR" shall be the exclusive property of the KPR Pipes Pvt Ltd, Parties of the First Part and their relatives or associates only and shall not be used by parties of the Fourth and Fifth Part or any of their relatives or associates either present or future.



- xxv) Parties of the First, Second, Third and Sixth shall agree and confirm that the brand "Manjeera" shall be the exclusive property of the Manjeera PVC Products Pvt Ltd, Parties of the Fourth and Fifth Part and their relatives or associates only and shall not be used by Parties of the First, Second, Third and Sixth Part or any of their relatives or associates either present or future.
- xxvi) The Parties of Fourth, Fifth and Seventh Part shall agree that they shall not represent the KPR Pipes Pvt Ltd in any capacity either before Customers, Dealers, Suppliers, employees or general public of every description and nature. This condition is applicable either in personal capacity, their family members name or their associate/group companies present or future.
- xxvii) The Parties of First, Second, Third and Sixth Part shall agree that they shall not represent the Manjeera PVC Products Pvt Ltd in any capacity either before Customers, Dealers, Suppliers, employees or general public of every description and nature. This condition is applicable either in personal capacity, their family members name for their associate/group companies present or future.
- xxviii) All the parties shall agree to unconditionally co-operate each other in order to prepare pending documents in the nature of Minutes of Board Shareholders, maintenance of Statutory Registers and all other related compliances under applicable laws, including Companies Act for the Party of Sixth Part and Party of Seventh Part.



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xxix) All the parties agree for the exclusive jurisdiction of courts at Hyderabad and in case of any dispute the parties shall resort the dispute to the Arbitration as per the Arbitration laws of India.

xxx) This MOU is entered in two original sets and kept by each group and all such documents collectively represent one document only.

5. As per Clause-7 of the said MoU, the parties wanted to withdraw the present Company petition. As per Clause-16, both the parties have expressly confirmed and agreed that neither of the party shall interfere into the affairs of each other companies. As per clause-29, the parties agreed for exclusive jurisdiction of the Court at Hyderabad and in case of any dispute the parties shall resort the dispute to the arbitration as per the Arbitration Laws of India.

6. In view of the above Memorandum of Understanding, the CP No. 10 of 2016 is disposed off as "withdrawn". No order as to cost.

Sd/-

RAVIKUMAR DURAISAMY
MEMBER (TECHNICAL)

Sd/-

RAJESWARA RAO VITTANALA
MEMBER (JUDICIAL)

V. Annapoorna
V. ANNA POORNA
Asst. DIRECTOR
NCLT, HYDERABAD - 68

