

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH, AT HYDERABAD**

**CP No.11/241/59/HDB/2016**

**Date of Order: 13.12.2016**

Between:

Mr. Palakala Shyam Sunder Reddy  
S/o: Sambashiva Reddy Palakala  
Occupation: Business, Aged: 39 Years,  
Capacity: Director and Shareholder  
DIN: 03300188  
Address: H.No. 1-4-14, Chinna Nivas, Street No.7,  
Habsiguda, Hyderabad-500007.

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....Petitioner

AND

1. M/s. Vind Agro Farms Private Limited  
CIN: U01119TG011PTC073871  
Capacity: Private Limited Company.  
REGD Office: 1631 H/368/G1, 6<sup>th</sup> Phase, KPHB  
Colony, Hyderabad TG 500072

2. Mr. Ravindra Babu Yarlagadda  
S/o: Siva Rama Krishna Prasad Yarlagadda  
Occupation: Business, Aged: 49 Years  
Capacity: Director and Shareholder  
DIN: (03510994)  
Address: 368, 6<sup>th</sup> Phase,  
KPHB, Kukatpally,  
Hyderabad TG 500072



3. Mrs. Yarlagada Snehalatha  
W/o. Ravindra Babu Yarlagadda  
Occupation: Business, Aged: 42 Years  
Capacity: Director and Shareholder  
DIN: (03300286)  
Address: 368, 6<sup>th</sup> Phase,  
KPHB, Kukatpally,  
Hyderabad TG 500072

....Respondents

Counsel for the Petitioner:

Shri V. Venkat Rami Reddy

Counsel for Respondents:

Shri S Chidambaram

**CORAM:**

Hon'ble Mr. Rajeswara Rao Vittanala, Member (Judicial)

**ORDER**

(As per Rajeswara Rao Vittanala, Member (J))

1. Heard Sh. Venkatarami Reddy for the Petitioner and Sh. S. Chidambaram for the Respondents.
2. The present CP No. 11 of 2010 is filed by Mr. Shyam Sunder Reddy under Section 241 and 59 read with 242, 244 and other applicable provisions of the Companies Act, 2013 by making several allegations of oppression and mismanagement on the part of the Respondents and thus sought following reliefs:



- i. To declare the Board meeting dated 06.10.2016 as illegal, null and void and any resolution stated to be passed at the alleged meeting is null and void.
- ii. To declare that the resolution purportedly passed in the Board Meeting for removal of the Petitioner as Director if any at the alleged meeting shall be treated null and void.
- iii. To rectify the existing shareholding purportedly shown without receipt of full consideration of the Equity.

- iv. To declare that EGM purported to be held on 02.11.2016, is illegal
- v. To appoint an independent statutory auditor to finalise the pending accounts
- vi. To permit the Petitioner to sell the shares held by him to the third party/any person/any company/ any corporation, who is competent to offer a better price.

3. During the course of hearing, both the Learned Counsels agreed that an Auditor can be appointed to finalise the accounts of the Company for auditing the fair value for shares of Respondent No. 1 Company. Out of the panel submitted by both the counsels, I hereby appoint Satish and Associates, Chartered Accountants (Membership No. 209020 and Firm Regn No. 009389S) having their office at #8-3-222, C13 & 14, block No. A3, Flat No. 203, Haritha Apartments, Madhura Nagar, Hyderabad – 500038, as Auditors to finalise the accounts for the above purpose.



4. The Learned Counsel for the Petitioner submits that the Petitioner was ready to offer his shares to any of the existing shareholders/members/Directors of the Company. So the only issue to be decided is the fair value of the shares of the Company.



5. Admittedly, the fair value of the share of the Company cannot be adjudicated by the Tribunal and has to be done by the expert in the field. Hence, I thought it appropriate that a competent authority to be appointed for the above purpose. The Learned Counsel for the Respondents submits that basing on the report of auditor, after scrutiny of Company accounts, it would be easy for the parties to come to assess fair value of the shares of the Company so that the value of the shares of the Petitioner can be easily worked out.

6. Hence, CP No. 11 of 2016 is disposed off with the following directions:

- i. Both the parties are at liberty to submit their own version of the accounts and their views to the Auditor and the Auditor is directed to look into all the aspects raised by both the parties and submit his comprehensive report on the issue so as to settle the issues amicably without any further dispute and to facilitate the parties to arrive at the fair value of the shares of the Company.
- ii. The audit fee of the Auditor will be borne by the Company.
- iii. The auditor is directed to conclude audit of the accounts within four weeks from the date of receipt of copy of the Order.



- iv. Auditor is also at liberty to re-look into the previous two years Balance Sheet [2011-12, 2012-13]. The auditor is directed to complete the audits for 2013-14 to till date.
- v. The Interim orders passed on 31.10.2016 is extended till the submission of report of Auditor.

In terms of above, the present Company Petition is disposed off accordingly.



Sd/-

**RAJESWARA RAO VITTANALA**

**MEMBER (J)**

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

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