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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

HYDERABAD BENCH, AT HYDERABAD

CA No. 74/14/HDB/2016

Date of Order: 8.12.2016

Svarog Global Power Limited having
Its Registered office at Plot No. 122
Kavuri Hills , Gutla Begumpet
Jubilee Hills Post
Hyderabad- 500033

...Petitioner

Counsel for the Petitioner:

....Shri Y. Suryanarayana

CORAM

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

Hon'ble Mr. Ravikumar Duraisamy, Member (Technical)

ORDER

(AS PER RAJESWARA RAO VITTANALA, MEMBER (J))

1. The Application/petition was filed by Svarog Global Power Limited (referred to as Company hereinafter) having its Regd. Office at Plot No. 122 Kavuri Hills, Gutla Begumpet, Jubilee Hills Post, Hyderabad 500033 under Section 14 of the Companies Act 2013 R/w rule 68 of NCLT Rules, 2016 by praying the Tribunal to sanction and approve the conversion of the petitioner's company from public Limited Company to Private Limited Company.



2. Heard Shri Y.Suryanarayana, the learned counsel for the Applicant (petitioner) and perused the material placed on record and also the report of Registrar of Companies furnished vide his letter dated 30.11.2016.
3. The Learned Counsel submits that Svarog Global Power Limited was initially incorporated as Public Limited Company on 04.05.2010 with Corporate Identity Number (CIN) No. U40300AP2010PLCo68251. And the main objects of the Company are to carry on all or any of the business of producers, generators, transmitters, dealers in Electricity, solar etc. And the authorised capital of the company is Rs.1,00,00,000/-(Rupees One Crore only) divided into 10,00,000 (Ten lakhs) Equity shares of Rs.10/- each and the issued, subscribed and paid up share capital as on 31.03.2016 is 5,00,000 (Rupees five lakhs only) divided into 50,000 equity shares of Rs. 10/- each. There are only eight shareholders in the company holding 7000/6000 shares each. It was registered as Public Limited Company with an intention to raise funds from the public in order to meet the financial requirements of the multiple solar projects which the company intends to take up. However, the Company failed to get solar projects inspite of its best efforts to get it.



4. The Learned counsel further submits since the company could not get required business as planned, it was decided to convert the Company from Public Limited Company to Private Company in order to enjoy and avail certain benefits, privileges and exemptions provided to the Private

Limited Companies under various provisions of the Companies Act, 2013 so as to carryout affairs of Company efficiently and effectively.

5. The Learned Counsel further submitted that the Company has followed all requisites as prescribed U/s 14 of the Companies Act 2013 R/w Rule 68 of NCLT Rules, 2016. He has submitted that the Board of Directors of the Company proposed for conversion of the Petitioner Company from Public Limited Company to Private Limited Company and accordingly, the Extraordinary General Meeting of the shareholders was convened on 30th August, 2016 at 11.00 A.M and all 8 (eight) shareholders of the company attended it and have unanimously adopted a resolution approving the proposal of conversion of the company from Public Limited Company to Private Limited Company and to change the company name to 'Svarog Global Power Limited to 'Svarog Global Power Private Limited. The Shareholders further resolved that the word "Private" before the word "Limited" be inserted in the name of the Company and consequently the name of the company in the Memorandum and Articles of Association, books, files, documents, records, letterheads, etc., be changed and other consequential /incidental proceedings.



6. The learned counsel further submits that the conversion in question would not have an adverse effect on any of the shareholders of petitioner's Company and the Company do not have any creditors and

debenture holders(secured or un-secured whatsoever. In pursuance to direction given by the Tribunal on 9.11.16, a notification about the Conversion of Company was advertised in Business Standard, English Daily and in Nava Telangana, Telugu Daily on 15.11.2016 in accordance with the provisions of Rule 35 of NCLT Rules, 2016 inviting objections, if any, and the counsel has further submitted that no objections were raised by anyone with respect to this matter.

He therefore, submits that all the requisites as required under law were complied with and thus prayed the Tribunal to allow the prayer as prayed for in the application.

7. The Registrar of Companies, vide his letter No. ROCH/Legal/SEC14/68251/SGPL/STACK/2016/3561 dated 30.11.16 submitted a report by intimating that the Company instead of filing E-Form GNL-1, has filed GNL-2 for conversion of the Company from Public to Private but has not opposed the application. 7. By hearing the learned counsel for the applicant and after perusing the above documents, we are of the considered view that the Applicant's company has fulfilled all the conditions as prescribed under Section 14 of the Companies Act 2013 R/w rule 68 of NCLT Rules, 2016 and thus satisfied that the conversion of the company in question is for genuine and for bonafide reasons. Hence, the prayer of Applicant's Company deserves to be allowed in the interest of justice and good governance.



8. In the result, we allow the application bearing No. CA No.74/14/HDB/2016 and approve the conversion of company from Public Limited to Private Limited with the change of company's name from 'Svarog Global Power Limited to 'Svarog Global Power Private Limited' and direct the Company to comply with all the requirements of section 14 of Companies Act, 2013 and, further submit all the documents as required by the Registrar of Companies and, submit the compliance of this direction to Registry of NCLT for its record.

Sd/-

RAVIKUMAR DURASAMY
Member (T)

Sd/-

RAJESWARA RAO VITTANALA
Member (J)

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

