

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH, AT HYDERBAD**

**C.P. No.8/111A/CB/2015  
in  
(T.P. No.114/HDB/2016)**

**In the matter of**

**Between:**

Ms Sri Rajarajeswari,  
W/o Mr. Kandimalla Bhaskar,  
6-188/5, Teachers Colony,  
Martur,  
Andhra Pradesh – 523 301.

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

**... Petitioner**

**Versus**

1. Amaravathi Textiles Private Limited,  
33-263, Kandimalla Road,  
Panduripuram,  
Chilakaluripet,  
Andhra Pradesh – 522 616.
2. Mr. K.Srinivasa Rao  
S/o. Mr. Subbiah  
3-1-2, Stambalagaravu (Brindavan Gardens),  
Ring Road, (Next to Chebrolu Hanumiah's House)  
Guntur District,  
Andhra Pradesh – 522 006.
3. Mr. Muvva Srinivasa Rao  
S/o. Mr. Venkateswarlu  
Staff Quarters,  
Amaravathi Textiles (P) Ltd.  
N.H.5, Martur,  
Andhra Pradesh – 523 301
4. Mr. Madamanchi Sambasiva Rao  
S/o. Mr. Subba Rao,  
Pusuluru village  
Pedanandipadu Mandal  
Guntur District,  
Andhra Pradesh – 522 235
5. Mr. Muvva Ramesh Babu  
S/o. Muvva Venkateswarlu  
(C/o. Mr. Kandimalla Srinivasa Rao's House)  
Pusuluru village, Pedanandipadu Mandal  
Andhra Pradesh – 522 235.



:2:

6. Ms. Komarneni Subbayamma  
W/o. Mr. Sitaramaiah  
C/o. Muvva Venkateswarlu  
(C/o. Mr. Kandimalla Srinivasa Rao's House)  
Pusuluru village  
Pedanandipadu Mandal, Andhra Pradesh – 522 235
7. Mr. Jampani Raghunath Babu  
S/o. Mr. Veeraiah  
Degaramudi Village  
Martur Mandal  
Andhra Pradesh – 523 301
8. Mr. Ramineni Veeraiah  
S/o. Mr. Madhavaiah,  
Pusuluru village  
Pedanandipadu Mandal  
Guntur District  
Andhra Pradesh – 522 235.
9. Mr. Muvva Venkateswarlu  
S/o. Mr. Seetharamaiah  
(C/o. Mr. Kandimalla Srinivasa Rao's House)  
Pusuluru village  
Pedanandipadu Mandal  
Andhra Pradesh – 522 235.
10. Mr. Gannamaneni Purnachandra Rao  
S/o. Mr. Koteswara Rao,  
Punuru, Prakasam District  
Andhra Pradesh – 523 169.
11. Ms. Gannamaneni Rangamma  
W/o. Mr. Koteswara Rao,  
Punuru, Prakasam District  
Andhra Pradesh – 523 169.
12. Ms. K. Geetha,  
W/o Mr. Bhaskar Rao,  
3-1-2, Stambalagaravu (Brindavan Gardens),  
Ring Road, (Next to Chebrolu Hanumiah's House)  
Guntur District,  
Andhra Pradesh – 522 006.

... Respondents

Judgement delivered: 09.08.2017

**CORAM:**

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



:3:

**Counsel for the Petitioner:**

Mr. S. Chidambaram,  
PCS

**Counsel for the Respondents:**

Mr. V.S. Raju & V.B. Raju  
For R.1 & R.2  
Mr. R.Raghunandan Rao along with  
Mr.G. Bhupesh,  
For R.3, R.5.,R.6, R.8, R.9 & R.12.

**Per: Ravikumar Duraisamy, Member (Technical)**

### JUDGEMENT

1. The Company Petition No.8 of 2015 filed by the Petitioner Ms.Sri Rajarajeswari under Section 59 of the Companies Act, 2013, read with Companies (Removal of difficulties) Order, 2013, dt.26.09.2013 questioning the transfer of 1,92,550 shares from R.3 to R.11 in favour of R.2 on 11-3-2010 and inturn 2,00,050 (inclusive of 1,95,550) from R.2 to R.12 on 22-7-2010, and sought the following reliefs:

- a. "to set aside the purported transfer of 1,92,550 Equity shares of Rs.10/- each from the Respondent No.3 to 11 in favour of 2<sup>nd</sup> Respondent allegedly on 11-03-2010, as being illegal and in violation of the Articles of Association of the 1<sup>st</sup> Respondent Company and consequently direct the 1<sup>st</sup> Respondent Company to rectify the Register of Members so as to delete the entries relating to the said transfers;
- b. "to set aside the subsequent purported transfer of 2,00,050 (inclusive of 1,95,550) Equity Shares of Rs.10/- each from the 2<sup>nd</sup> Respondent to the 12<sup>th</sup> Respondent allegedly on 22-07-2010, as being illegal and in violation of the Articles of Association of the 1<sup>st</sup> Respondent Company and consequently direct the 1<sup>st</sup> Respondent Company to rectify the Register of Members so as to reduce 2,00,050 shares from the folio of the 12<sup>th</sup> Respondent and
- c. To direct that the cost of this Petition be awarded to the Petitioner

2. The brief facts of the case are that the Company viz., Amaravathi Textiles Private Limited was initially registered as a private limited company on 20.08.1983. The Company was converted as a Public Company on 01.07.1996 and later on again reconverted as a Private Company on 05.02.1997.



:4:

3. The main objects of the company are business of Textile Manufacturing etc., The authorised Share Capital of the Company is Rs.1,70,00,000/- (Rupees One Crore Seventy Lakhs only) divided into 17,00,000 (Seventeen Lakhs) Equity Shares of Rs.10 each. The Issued, Subscribed and paid Up capital is Rs.1,60,00,000/- (Rupees One Crore Sixty Lakhs only) divided into 16,00,000 (Sixteen Lakhs) equity shares of Rs.10 each.
4. The Petitioner submits that she is a shareholder of the 1<sup>st</sup> Respondent Company since 1992 and presently holds 22,500 equity shares of Rs.10/- each constituting 1.40% of the paid up capital of the company. The Respondent No.2 without complying with the procedures stipulated under the Articles of Association of the Company purportedly purchased the said shares.
5. The Petitioner became aware about the illegal transfer only when the Petitioner attended the Annual General Meeting for the year ended 31.03.2014 held on 15.09.2014. Only at that meeting the petitioner had an opportunity to look at the register of members and share transfer register for the first time and the petitioner came to know the illegal transfer only upon inspecting the above mentioned statutory registers on the said date. No notice was received by the Petitioner for any of the AGMs in the past and therefor petitioner did not have an opportunity to attend the AGM in the past and inspect the members' register (which needs to be kept as per the provisions of the companies act). For the AGM on 15.09.2014 the petitioner for the first time received the notice and had an opportunity to attend the AGM and also inspect the some of the registers. In view of the above mentioned facts the petitioner is well within the limitation period. The Petitioner most respectfully submits that there has been no willful and intentional delay on her part in filing the present petition. This fact was mentioned in para 5.1 of the Petition and it is to be noted that the Respondent No. 1 Company has not disputed this fact in their counter and hence the petition is filed within limitation period of three years from the date of knowledge of the Petitioner.
6. As mentioned above only on 15.09.2014 the petitioner became aware that Respondent No.3 to 11 without complying the procedures laid down in the Articles of Association of the company, purportedly transferred 1,92,550 shares of Respondents 3-11 to R2 on 11.03.2010 and subsequent transfer of



:5:

another 2,00,050 shares (inclusive of 1,92,550) from R2 to R12 on 22.07.2010. These shares were transferred without complying the procedures laid down in the Articles of Association. No offer for sale or transfer notice is issued to the existing members for them to participate in transfer. Had the petitioner being given proper notice, the petitioner would have purchased the shares (transacted at Rs.14/- per share). Since the second transfer of shares on 22.07.2010 contains the same 1,92,550 equity shares, even the second transfer of shares being contrary to the articles needs to be declared as illegal.

7. The reply by R1 Company is untenable. The stand of the company is that the transfer is between the members under Article 11, being inter-se transfer between member to member. Every transfer should be preceded with the transfer notice under Article 12. Further the transfer price should be at a fair price. These two important critical compliances have not been adhered to. The transfers have been affected without sufficient cause. On this ground alone the impugned transfer should be set aside.
8. The board of directors is strictly bound by the Articles of Association, the board of directors have no power to act contrary to Articles of Association. The decision of the Supreme Court in the leading case in **Claude-Lila Parulekar (Smt) Vs. Sakal Papers (P) Ltd and others (2005) 11 Supreme Court Cases 73**. The Supreme Court held:



*“Section 36 of the Companies Act, 1956 makes the Memorandum and Articles of Company, when registered, binding not only on the company but also the members inter-se to the same extent as if they had been signed by the company and by each member and covenanted to by the company and each shareholder to observe all the provisions of the Memorandum and of the Articles. The Articles of Association constitute a contract not merely between the shareholders and the company but between the individual shareholders also. The Articles are a source of powers of the Directors who can as a result exercise only those powers conferred by the Articles in accordance therewith. Any action referable to the Articles and contrary thereto would be ultra vires.*”

*Thus in Hunter v. Hunter (1936) A.C. 222, the shareholders in a private company challenged the transfer of shares by another shareholder to 3<sup>rd</sup> parties without compliance with the provisions of Articles of Association. In terms of the articles a member could not transfer his shares until he had given notice*

:6:

*to the Secretary offering to sell the shares at a price to be fixed by the auditor and until the Secretary had offered them to the other members. It was found that in violation of this article, one of the shareholders had sold the shares to nominees of a bank from which that shareholder had obtained loans. The application for rectification of the share register was resisted by the purchaser in whose favour the shares had already been registered with the company. The House of Lords came to the conclusion that the purchase was not in terms of the Article and that the transfer in violation of the Articles was inoperative.*

*In our opinion the entire transaction of sale is riddled with illegalities*

*The notices issued in respect of the 93 and 3417 shares were not in keeping with the Articles as far as Articles 58 to 63 were concerned. As we have already observed, notices to willing members or to selected persons under Article 58 must succeed and not precede the actual operation of Article 57-A. The notices issued by the respondent Nos. 2, 3 and 4 also did not constitute the Directors as the transferor's agents for the purposes of selling the shares in terms of Article 59. There was, in the circumstances, no question of the transferors selling their shares to any 3rd party under Article 63 unless proper notice had been issued to the 2nd and 3rd category of persons if any. There was also no question of the transferor invoking Article 61 bypassing the right of a willing member or selected, if any, to negotiate a fair price....”*



9. The above decision make it clear that board of directors are duty bound to comply strictly as per Articles of Association and any violation thereof would be an ultra vires transaction.
10. In view of the above submission, the transfer on 11.03.2010 from R3 to R11 to R2 of 1,92,550 shares and on 22.07.2010 from R2 to R12 of 2,00,050 shares by the Board of Directors in direct contradiction to the Articles of Association being illegal should be set aside and the members' register be rectified to that extent.
11. The Petitioner is willing to acquire the impugned 2,00,050 shares (which includes 1,92,550 shares) and this Hon'ble Bench may kindly direct the company to transfer the impugned shares to the credit of the Petitioner. The Petitioner is undertaking to pay the fair price for those shares as directed by the Hon'ble Tribunal.

12. **Extract of Articles of Association 11 to 15:**

*“11. A share may be transferred by a member or other person entitled to transfer to any member selected by the transferor but save as afore said and save as provided by Articles 17, 18 and 19 hereof. No share shall be transferred to a person who is not a member so long as any member or any person selected by the Directors for membership is willing to purchase the same at its fair value.*

*12. Except where the transfer is made pursuant to Articles 11 and 17 hereof, the person proposing to transfer any share hereinafter called the “proposing transferor” shall give notice in writing (herein after called the ‘transfer notice’) to the company that he desires to transfer the same. Such notice may specify the sum he fixes as the sale value and shall constitute the company his agent for transferring the share to any member of the company or person selected as aforesaid at the price as fixed or at the option of the purchaser at the fair value to be ascertained hereunder. The transfer notice may include several shares and in such case, it shall operate as if it were a separate notice in respect to each. The transfer notice shall not revocable except with the sanction of the Board.*

*13. If the Company shall find a member or person selected as foresaid willing to purchase the share (hereinafter called “purchasing member”) it shall give notice thereof to the proposing transferor within twenty-eight days after being served with the transfer notice and after being served with such notice, he shall be bound upon payment of the fair value to transfer the share for the purchasing member.*

*14. The company shall at its annual General Meeting determine the fair value of a share for this purpose as per the latest audited balance sheet and said fair value shall be in force till it is so fixed again and where it is not so fixed, the amount paid up on the share or share shall be fair value thereof.*

*15. If in any case the proposing transferor after having become bound as aforesaid make default in transferring the shares, the company may receive the purchase money and shall thereupon cause the name of the purchasing member to be entered in the Register as the holder of the shares and shall hold the purchase money in trust for the proposing transferor. The receipt of the company for the purchase money shall be good discharge to the purchasing member and after his name has been entered in the register in purported exercise of the aforesaid power the validity of such proceedings shall not be questioned by any person.*

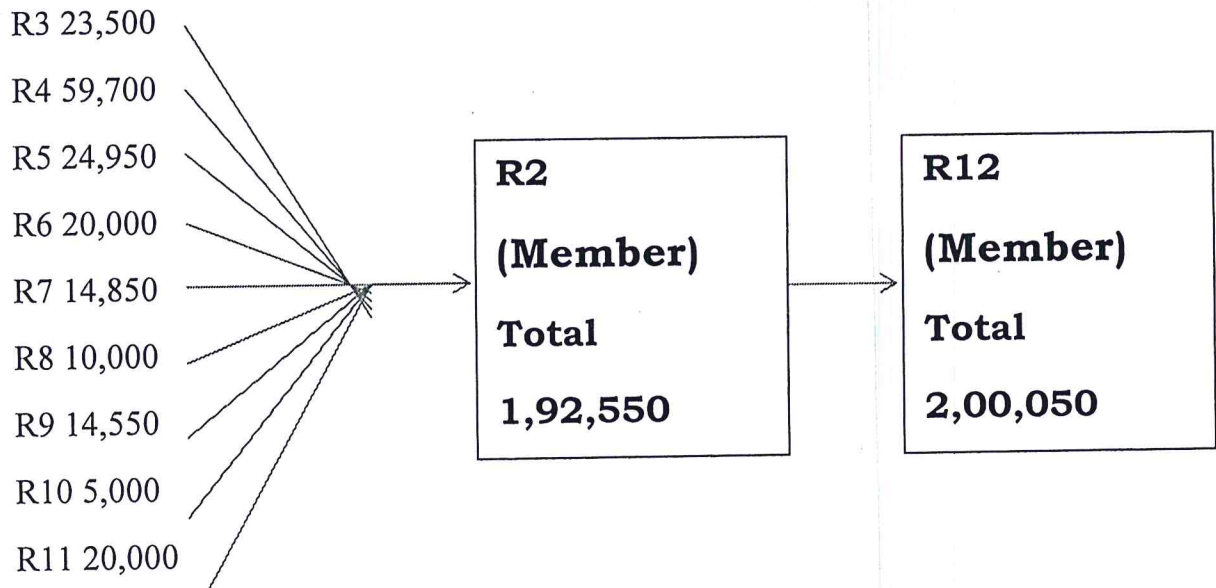
Submissions of Respondents No.3,5,6,8,9 and 12

13. It is humbly submitted that the present petition was filed by the petitioner questioning the transfer of 1,92,550 shares from respondents 3 to 11 to respondent No.2 on 11-3-2010 and subsequent transfer of 2,00,050 shares from respondent No.2 to respondent No.12 on 22-7-2010. These transfers are questioned by the petitioner on the ground that the procedures laid down in the articles of association of the company were not followed. The said ground is untenable for the following grounds stated hereunder.



:8:

14. The manner of transfer of shares can be seen from the below diagram:



15. It can clearly be seen from the above diagram that R3 to R11 have transferred 1,92,550 shares to R2 who is a member being the Chairman cum Managing Director of the Company, on 11-3-2010. Subsequently, R2 has transferred 2,00,050 (inclusive of 1,92,550) shares to R12 who is also a member being the Director and shareholder of the company, on 22-7-2010.



16. It is further submitted that in fact, the transfer of shares by the respondents 3 to 11 to respondent No.2 and subsequent transfer of shares by respondent No.2 to respondent No.12 were made fairly in accordance with the Articles of Association of the Company. A reading of Article 11, 17, 18 & 19 would show that transfer of a share from a member to another member doesn't require to comply with the procedure set out in Article 17 to 19. The saving provision in Article 11 clearly saves transfer of shares from one member to another member from any restriction of transfer and can be done at the sole discretion of the transferor.

17. It is very evident from the Articles of Association that a transfer can be made to any of the member at the discretion of the transferor. And so, the 2<sup>nd</sup> respondent being the Chairman cum Managing Director and also a shareholder of the company, the transfer of shares made to him is fairly legal and justified. Further, the 12<sup>th</sup> respondent being the Director and shareholder of the company, the subsequent transfer of shares made to her is also equally legal and justified.

:9:

18. Hon'ble Supreme Court in Para 6 of *V.B.Rangaraj Vs. VB Gopalakrishnan & others AIR 1992 SC 453* very clearly contemplated that "Whether under the Companies Act or Transfer of Property Act, the shares are, therefore, transferable like any other movable property. The only restriction on the transfer of the shares of a company is as laid down in its Articles, IF ANY. A RESTRICTION WHICH IS NOT SPECIFIED IN THE ARTICLES IS, THEREFORE, NOT BINDING EITHER ON THE COMPANY OR ON THE SHAREHOLDERS. THE VENDEE OF THE SHARES CANNOT BE DENIED THE REGISTRATION OF THE SHARES PURCHASED BY HIM ON A GROUND OTHER THAN THAT STATED IN THE ARTICLES.

19. Further, the Hon'ble Supreme Court in *Tett V. Phoenix Property and Investment Co. Ltd. and Ors. 1986 2 SCC 99* reiterated a view from *Re Swaledale Cleaners Ltd. (1968) 1 All ER 1132* that it is well established that a share in a company is an item of property freely alienable in the absence of express restrictions under the Articles.

20. In view of the aforesaid, it is clearly understood that the transfer of 1,92,550 shares from respondent No.3 to 11 to the respondent No.2 who is already a member and subsequent transfer of 2,00,050 shares (including 1,92,550) from respondent No.2 to respondent No.12 who is also a member, is in accordance with the Articles of Association of the company and so is legal and justified

21. Further, it is humbly submitted that the subject matter of the present company petition is already barred by limitation. The present company petition was filed by the petitioner herein after a lapse of 5 years. It is well established that the limitation period prescribed to approach this Hon'ble Tribunal is 3 years. Hon'ble National Company Law Tribunal, Principal Bench New Delhi in *M/s. Elan Professional Appliances Pvt. Ltd. & Ors.* has very clearly and elaborately elucidated the aspect of limitation period to knock the doors of the Hon'ble National Company Law Tribunals and has very strictly stated that the prescribed period of limitation is 3 years. Further, on the same subject matter litigation, the husband of the petitioner



:10:

has already approached the Hon'ble CLB in the year 2011 vide Company Petition No.19 of 2011 which eventually got transferred to this Hon'ble Tribunal. In the meanwhile, the petitioner herein, tried to file same cases on the same subject matter litigation and filed the present case and with a fear of consequences of resubjudice and fear of consequences for running parallel proceedings in the same forum of law, the husband of the petitioner withdrew the Company Petition No.19 of 2011. It is herein important to note that the petitioner herein and her husband are residing in the same residence and therefore, the petitioner cannot claim that she came to know about the transfer of shares only on 15-9-2014. Thus, the present company petition is strictly barred by limitation and is liable to be dismissed.

22. It is respectfully further submitted that the petitioner herein has referred to decision in *Claude-Lila Parulekar (Smt) Vs. Sakal Papers (P) Ltd (2005) 11 SCC 73* and brings down the illustration of Section 36 of the Companies Act, 1956. It is herein important to note that Section 36 contemplates that the Memorandum and Articles of Company, when registered, become binding not only the company but also on the members. It is herein brought to the notice of the Hon'ble Tribunal that the respondents herein have duly acted as per the procedures and regulations prescribed by the Articles of Association of the company as stated supra. The decision referred to by the petitioner thus cannot be applied to the present case.
23. Further, the petitioner herein tries to rely on the judgment in *Hunter Vs. Hunter (1936) A.C. 222*. If the said judgment is observed, it speaks about the transfer of shares by another shareholder to 3<sup>rd</sup> parties without compliance with the provisions of Articles of Association. Here is a case, where the transfer of shares are done in due compliance with the provisions of Articles of Association as stated earlier. Therefore, the judgment thus referred cannot be applied to the present case.
24. It is humbly further submitted that the petitioner stays silent on her misdeeds. The petitioner herein does not speak about the share transfers made on 1-9-2007, 25-3-2008 and 18-7-2009 wherein 55,000 , 72,400 and 67,600 shares were transferred to the husband of the petitioner from 3<sup>rd</sup> parties.



25. In view of the aforesaid, it is very evident and clear that the petitioner has approached this Hon'ble Tribunal with malafide intentions and malafide motives to grab the entire shareholding of the respondent company. The balance of convenience is very clearly in favor of the respondents herein.

**Submission of Respondent No.1&2**

26. At the outset it is submitted that the transfer of the shares in favour of the respondents No.2 and 12 have validly taken place in accordance with the provisions of the Companies Act, 1956 Read with Articles of Association of the 1<sup>st</sup> Respondent company. The petitioner has filed the Company Petition who was aware of the transfer of the shares in the year 2007 since some of the shares held by the 3<sup>rd</sup> parties were transferred the petitioner's husband. The present petition has been filed due to the disputes and differences between the family members and the petitioner who is none else than the daughter-in-law of the 2<sup>nd</sup> respondent. The present petition is barred by limitation as she is quite aware of transfer of certain shares from the 3<sup>rd</sup> parties in the year 2007, 2008 and 2009 and hence the present petition is liable to be dismissed.

27. It is further submit that as per the Articles of Association of the 1<sup>st</sup> respondent company the transfer of shares by respondents Nos. 3 to 11 being share holders of the 1<sup>st</sup> respondent company are entitled to select any existing member and accordingly they have selected and transferred 1,92,550 shares duly signed and executed in favour of the respondent No.2. Subsequently, shares were transferred by Respondent No.2 to Respondent No.12. The executed transfer forms were submitted with the respondent No.1 company and having found that shares are fully paid up and no lien on the said shares and the transfer being to an existing member, the Board of Directors at their meeting held on 11.03.2010 & 22.07.2010 have agreed to transfer their shares in favour of the 2<sup>nd</sup> respondent and Respondent No.12 respectively, who are fit and proper persons to hold their shares in the 1<sup>st</sup> respondent company. Further as per the Articles the share holder can identify any member for selling their shares to any of the existing share holders at the discretion of the transferor and there are no restrictions on such transfer. Further it is submitted that as per the Articles, the 1<sup>st</sup>



respondent company has got discretionary powers to transfer their shares vested with the Board of Directors of the company. Hence on transferring the said shares, the name of the transferee i.e. 3 to 11 and 12 respondents were entered in the register of members of the 1<sup>st</sup> respondent company. Hence the shares are being validly transferred does not require any rectification in the register of members of the company. It is submitted that the husband of the petitioner have got transferred 55,000 shares on 01.09.2007, 72,400 shares on 25.03.2008 and 67,600 shares on 18.07.2009 in his favour from 3<sup>rd</sup> parties. Having benefited by such transfers the petitioner cannot question the approval of the inter-se transfer of shares among the members as illegal. The petitioner by abusing the process of law has filed the present petition only due to the differences between the family members. There is duty cast on the respondent company when once legally executed the documents are filed, the respondent company has to transfer the shares.



28. Upon perusal of all the documents, written submissions filed by all the parties and the judgements referred to by the parties, the Bench made the following observations:

29. With regard to the limitation issues raised by the Respondents, the Petitioner clearly stated that she came to know about the transfer of 1,92,550 shares from R.3, R.4, R.5, R.6, R.7, R.8, R.9, R.10 and R.11 to Respondent No. 2 on 11.03.2010 and subsequent transfer of 2,00,050 shares from Respondent No.2 to Respondent No.12 on 22.07.2010. Only on 15-09-2014 i.e. during the Annual General Meeting she had an opportunity to inspect the Register of Members and the Share Transfer Register for the first time. She also submitted that she did not receive any prior notice for AGM. The present petition is filed on dt.28-04-2015 before the Hon'ble Company Law Board, Chennai. The Respondents also did not furnish any proof establishing that the notice for previous AGM's were served on the petitioner. Therefore, we agree with the submissions of the petitioner and find no merit in the submission of the respondents.

30. The Respondents have also raised an issue stating that the petitioner was aware of the transfer of shares taken place in the year 2007, 2008, 2009 to her husband laid the shares the transfer to her husband. Taking the plea that

:13:

the transfer of shares to her husband in the year 2007, 2008 and 2009 therefore she would have automatically know about the alleged current transfer of 1,92,550 shares transferred from R.3 to R.11 to R.2 and in turn from R.2 to R.12 is not acceptable since facts of these transfers are not before this Tribunal therefore we cannot comment on the same. Further husband and wife are two separate individuals therefore it is not a must that all the transactions especially financial transactions come to the knowledge of the other person automatically. Therefore, the above submissions of the Respondents do not find merit.

31. Articles of Association of the R.1 Company prescribes certain procedures which have to be followed regarding transfer of shares. The petitioner alleged that the transfer is without any transfer notice to the company as per Article 12 of R1 Company. Though the matter was earlier reserved for orders, in the absence of the documents / evidence submitted by either party (mainly relating to Rules framed in General Body Meeting, Board's Approval), the case was again listed on 05-06-2017 and clarifications / documents were sought from the parties. However, it is observed that the Respondents once again just reiterated the submissions made during previous pleadings. As per the Articles of Association, transfer notice was not served on other shareholders including the petitioner. They have also not submitted the crucial document, i.e. Minutes of the Board of Directors meeting held on 11-03-2010 & 22-07-2010 wherein the shares were transferred on 11-03-2010 from R.3 to R.11 to R.2 and in turn to R.12 from R.2 on 22-7-2010. In the absence of crucial evidence with regard to facts and circumstances, discretionary powers of Board considered while approval was granted by the Board of Directors for the aforesaid transactions, and rules made in the General Meeting of R.1 Company with regard to the transfers, we are convinced that the above said transfer of shares are not in accordance with Articles of Association of R.1 Company, therefore the same is liable to be set-aside. Accordingly we hold that the transfer of above 1,92,550 shares from R.3 to R.11 to R.2 on 11-03-2010 and in turn 2,00,050 shares from R.2. to R.12 on 22-07-2010 in the name of Ms.K.Geethais illegal therefore, we direct the R.1 Company to rectify the Register of Members within 10 days from the date of receipt of copy of this order and report compliance of the same to the Registry immediately.



:14:

32. With regard to the prayer of the petitioner, to direct the company to transfer the impugned shares to the credit of the petitioner, we are of the view that the same has to be dealt by the Transferor/Transferees/R-1 Company in accordance with the applicable provisions of Companies Act, Articles of Association of R-1 Company.

33. No order as to costs.



*Sd/-*  
**RAVI KUMAR DURAISAMY**  
MEMBER (TECHNICAL)

*Sd/-*  
**RAJESHWARA RAO VITTANALA**  
MEMBER (JUDICIAL)

*Order Received by the Registrar on 6-9-2017*

ED TO BE TRUE COPY  
F THE ORIGINAL

*Sd* *[Signature]*  
Dy. Regr./Asst. Regr./Court Officer/  
National Company Law Tribunal, Hyderabad Bench

प्रमाणित प्रतिलि  
CERTIFIED TRUE COPY  
केस नं. 8/111AK/2015 IN  
CASE NUMBER (T.P. No. 114/AD/3/2016)  
दिनांक 9-9-2017  
DATE OF JUDGEMENT  
कॉपी माफ़ रेडी ऑन 6-9-2017  
COPY MADE READY ON