

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

CP No.8/241/HDB/2016

Date of Order: 30.01.2017

Between:

1. Mr. Sushil Kumar Patodia,
3, Moira Street, Kolkata-700 017.
2. Mr. Sudhir Kumar Patodia,
3, Moira Street, Kolkata-700 017

..... Petitioners

Versus

1. Patodia Fabric Processors Limited,
Company incorporate under the Companies Act, 1956
Having its registered office at
Shree Kishan Kunj, House No.281N,
Road 10B, Jubilee Hills,
Hyderabad-500 034.
2. Mr. Sunil Kumar Patodia
Shree Kishan Kunj, House No.281N,
Road 10B, Jubilee Hills,
Hyderabad-500 034.
3. Mrs. Shakuntala Patodia,
Shree Kishan Kunj, House No.281N,
Road 10B, Jubilee Hills,
Hyderabad-500 034
4. Mr. Mudit Patodia,
Shree Kishan Kunj, House No.281N,
Road 10B, Jubilee Hills,
Hyderabad-500 034.
5. Mr. Anil Kumar Patodia
3, Moira Street,
Kolkata – 700017
6. Mr. Pawan Kumar Patodia
3, Moira Street,
Kolkata – 700017



7. CNC Components Pvt Ltd
6E, Nicco House,
2, Hare Street,
Kolkata – 700001
8. Mr. M.S.Reddy
H.No.8-2-78/1, Sri Sai Enclave,
Old Bowen Pally
Secunderabad – 500011
9. Mr. B.Nagi Reddy
H.No. 7-4-35, Ferozguda, Bowenpally
Secunderabad – 500011
10. Mr. Prahlad Rai Bagrodia
H.No.5-8-57/B, Nampally Station Road,
Hyderabad – 500001
11. Nayna Bagrodia
H.No.5-8-57/B, Nampally Station Road,
Hyderabad – 500001

... Respondents

Counsel for Petitioner :
Counsel for Respondents :

Sh. Kuldeep Mallik & Sh. Ashish C
Ms. Kaveri Shrivastava, for Respondent No.4
and Sh. P Surya Prakash for Respondent No.
6 & 7



CORAM:

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

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

ORDER

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

1. Heard Shri. Kuldeep Mallik along with Shri Ashish C for the Learned Counsels for Petitioners and Ms. Kaveri Shrivastava, Learned Counsel for Respondent No.4 & Shri P Surya Prakash, Learned Counsel for Respondent No. 6 & 7.
2. The Company Petition bearing No.8/241/HDB/2016 has been filed by Shri. Sushil Kumar Patodia (Petitioner No.1) under section 59, 210, 213, 241, 242, 243 and 244 of the Companies Act, 2013. The Petitioner No.1 & 2 are holding 3,00,000 equity shares each in the Respondent No.1 Company which are equivalent to 14.63% each of the total valid shareholding of and in the Respondent No.1 Company. Both the Petitioner No.1 & 2 are the sons of Shri Bishambhar Lal Patodia and are residing at 3, Moria Street, Kolkata-700 017. The Petitioner by inter-alia seeking a direction to appoint fit and proper person to take charge of all books, papers, records and documents of the company having with the Respondent Nos.2,3,4 & 5; declare that all Board Meetings held subsequent to 2007 wherein the Petitioners had not attended and/or not present be declared illegal and null and void; delivery up and cancellation of minutes of such Board Meetings; declare that all general meetings held subsequent to 2007 wherein the Petitioners had not attended and/or not present be declared illegal and null and void; delivery up and cancellation of minutes of such general meetings; declaration that the accounts prepared by the Respondent Nos. 2 and 5 for and on behalf of the Respondent No.1 Company be declared illegal, null and void; injunction restraining Respondents Nos.2, 3, 4, 5, 8, 9, 10 and 11 from holding any General Meeting of the Company without giving proper notice to the Petitioners; injunction restraining the Respondent Nos.2 and 5 from holding any Board Meeting or General Meeting of the Company; injunction restraining the Respondent Nos.2, 3, 4, 5, 8, 9, 10 and 11 from



altering or changing in any manner the composition of the Board of and in the Company; injunction restraining the Respondent Nos. 2, 3, 4, 5, 8, 9, 10 and 11 from interfering with or intermeddling in the management and affairs of the company in any manner whatsoever etc.

3. The case was taken up today for final hearing with the consent of both the parties. The Learned Counsel for Petitioners submits that they will be satisfied if a direction given by the company to conduct Board Meeting/General Meeting of Respondent No.1 Company by duly following the procedure of the Companies Act, 2013 and also the Articles of Association of Respondent No.1 Company and permit them to raise all the disputes during Board of Directors Meeting, General Meetings of Respondent No.1 Company. And also seek liberty to file fresh case for the grievances remaining after the above meetings were conducted.

4. The Learned Counsel for Respondents have no objection for the submission of the Learned Counsel for the Petitioners.



We have considered the entire issue in the Company Petition and the Petitioner has raised issues right from 2007 and sought several reliefs. It is also stated that both the Petitioners have 14.63% each of the total valid shareholding of the Respondent No.1 Company, and are not permitted to take part in the affairs of the company for several years. The Learned Counsel for Petitioner has stated that the company is in Dormant for more than seven years, and the property is only in dispute, which is required to be protected and resolved among the parties.

6. In the interest of justice and in order to render justice to parties at the earliest possible, we are inclined to dispose of the Company Petition with the following directions :-

- (a) We direct the Respondent No.1 Company to conduct a Board Meeting of Respondent No.1 Company within a period of one month from the date of receipt of copy of the Order, by duly giving sufficient notices to all Board of Directors.
- (b) We direct Respondent No.1 Company to conduct Annual General Meeting/Extra Ordinary General Meeting within a period of two months by giving advance notice to all the concerned persons in accordance with the provisions of the Companies Act, 1956/2013 and Articles of Association of the Respondent No.1 Company.
- (c) The Petitioners are at liberty to raise all the disputes including the disputes raised in the present Petition, before the proposed Board/General Meeting.
- (d) Since the Learned Counsel for Respondent No. 4 expressed the safety of their clients, we hereby appoint Dr. S.V. Ramakrishna as Chairman for the above meetings (Board/General Meetings) to conduct the meetings in accordance with the law, and his fees is fixed at Rs.1 (One) Lakh, apart from travelling expenses to be borne by all the Directors proportionately.
- (e) The Learned Chairman is also permitted to take Police assistance if necessary, for conducting meetings in accordance with law.
- (f) The 1st Board Meeting is to be conducted at Kolkata and venue, date and time of the meeting will be determined by the Learned Chairman in consultation with other Board of Directors
- (g) The second Board Meeting should be conducted at Hyderabad and the venue of the meeting will be determined by the Learned Chairman in consultation with other Board of Directors
- (h) The Respondent No.1 Company/Directors are directed to file necessary compounding applications for various violations/non-compliances, since 2007 to till date, before the second Board Meeting is held.
- (i) The Petitioners are at liberty to approach this Tribunal by filing a fresh case, if they are still aggrieved by the decision during the Board/General meetings going to be held.



- (j) The parties are directed to cooperate with Learned Chairman in complying with the above directions. Issue copy of the order to Dr. S.V. Ramakrishna, 3-6-481, 2nd Floor, Above Vijaya Bank, Street No.6, Himayatnagar-500 029.
- (k) The Learned Counsel for the Petitioners, withdrawn the reliefs sought against R 10 & R-11 and thus their names of R-10 & R-11 to be struck off from the array of Respondents.

CERTIFIED TO BE TRUE COPY
OF THE ORIGINAL



No order as to cost.

Sd/-

RAVIKUMAR DURAISWAMY
MEMBER (T)

Sd/-

RAJESWARA RAO VITTANALA
MEMBER (J)

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