

IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH, AT HYDERABAD

C.P No. 67/14/HDB/2017

U/s 14 (1) of Companies Act, 2013

In the matter of

Petro Additives and Fertilizers Limited

Having its registered office at

Survey No. 13, Mahadevpur,

Village, Bibinagar Mandal,

Bhuvangiri District -508126,

Telangana.

....Petitioner

Vs.

The Registrar of Companies, Andhra Pradesh and

Telangana.

....Respondent

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OF THE ORIGINAL



Date of order: 24.08.2017

CORAM:

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

Parties Present:

Counsels for the Petitioner

:Ms Kirtika Sharma., PCS

Shri Manoj Kumar Koyalkar.,

PCS

Counsel for

:Shri M. Anil Kumar .,Adv.

Per: Rajeswara Rao Vittanala, Member (Judicial)

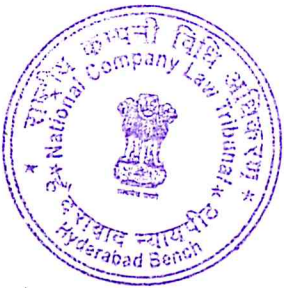
ORDER

1. The present Company Petition bearing CP No. 67/14/HDB/2017 is filed by Petro Additives And Fertilizers Limited, U/S 14(i) of the Companies, 2013 R/w Companies(Incorporation) Rules,2014 by inter alia seeking to approve conversion of "Public Limited" into "Private Limited" and to amend the articles of association of the company to include the restrictions and limitations, which are required to be included in the articles of association of a private company with consequential order(s).

2. Brief facts, leading to filing of present company petition, are as follows:

1) Petro Additives and Fertilizers Limited, formerly known as Naveen Additives Limited, was incorporated on 28th May 1997 as Public Limited Company in the state of State of Telangana (erstwhile state of Andhra Pradesh (which is herein after referred to as Company).

2) The main objects of the Company are Manufacture, process, assemble, marketing, buy, sell, trading, enter into contract, import, export, repair, alter, improve, reprocess, exchange, develop let on hire, distribute or otherwise deal in all type of special chemicals, fine chemicals, fertilizers and additive components for petroleum products, Petrochemicals, Plastic, rubber, monomers, oil fields application, natural gas processing oil, vegetable oils and all types of industrial oils like gear oils and additives, rust inhibitors, Emulsifiers,



Automotive Oil, lubricants, Furnace oils, Bio- fuels Grease and pulverizing of Minerals and Metals, despite best efforts of management, there is no revenue being generated for past 6 (six) financial years.

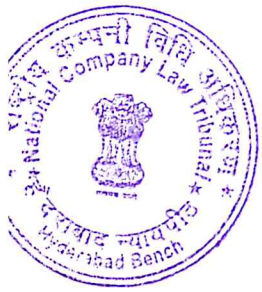
- 3) Since the operations of the company have curtailed, and it has a very small numbers of shareholder i.e. below two hundred, and the Company is no need of more funding from capital, and interest of shareholders and stakeholders, the Board of Directors thought it fit convert the Company into Private Limited Company to avoid unnecessary formalities and to obtain privileges available for private Companies and it would help the management to carry out its affairs effectively.
- 4) In pursuance to the above decision, a notice dated 20th November, 2016 was given for the above purpose, calling Extraordinary General Meeting of the Company at 10.00 A.MJ on Monday, the 5th December, 2016 at the registered office of the Company. Accordingly, meeting was held in accordance with law, and all the members of the Company have given their consent for conversion of Company from Public into Private Company as per provisions of section 14 R/w 33 of Companies (Incorporation) Rules, 2014, however, subject to approval of the same by the Tribunal. Accordingly, the present petition is filed seeking approval of the same.

3. I have heard Ms Kirtika Sharma. Practicing Secretary and Shri M. Anil Kumar. Learned counsel for the Respondent.
4. The Learned PCS submit that the Conversion of the Company from Public Limited to Private Limited will not affect any of the Shareholders of the company, except for restriction



and limitations applicable for a private company with respect of transfer of shares. It will also not affect any of the creditors of the Company in any manner whatsoever. As on 31.03.2016, there are only eight members in the company, out of which five members have attended the extraordinary general meeting held on 05th December, 2016. All the members present at the meeting have voted in favour of for the resolution.

5. She has further submitted that in pursuance to direction given by the Tribunal, they have got published notifications for conversion of the from Public to Private , in Telugu Newspaper Nava Telangana dated 13th June, 2017 and in Business Standard edition dated 13.06.17 by informing about the present petition pending.
6. The Registrar of Company has submitted a Report No. ROCH/LEGAL/SEC14/27187/STACK/2017 Dated 18.07.2017, by inter-alia affirming materials averments made in Company Petition for conversion of the Company from Public limited company to Private Limited. He has also further submitted that APIDC, APEX and Indian Institution of Petroleum public entities are holding 56.30% equity hence petitioner may be put to strict proof of serving EGM Notice and NOC if any obtained for conversion. After satisfying on the issue, the petition can be considered as per merits.
7. The learned counsel for petitioner has filed letter dated 14-07-2017 issued by APIDCL stating that they have accorded consent to the proposal for conversion of M/S Petro Additives and Fertilizers Limited from Public limited company to Private Limited company as decided by members of Company in EGM held on 5th December 2016 similarly, APEX by its letter dated 11/07/2017 has given consent for Conversion. Indian Institute of Petroleum has also given its confirmation for conversion vide letter dated 16th July 2017.



8. I have perused the report of the ROC and the consent letters given by APIDC, APEX and Indian Institute of Petroleum and Resolution passed by the Company proposing to covert the Company from Public Limited to Private Limited. The Company has followed all the relevant provision of Article 14 of the Companies Act, 2013 so as to make it eligible to grant the conversion is in the interest of shareholders and the Company in general and will not affect anybody. As stated supra, all the stakeholders have been duly informed by the public notification issued above and no objection has been stated to have been received by them from any person. So, the Company application is deserved to be allowed.

9. In the result, the Company Application bearing C.P No. 67/14/HDB/2017 is allowed by granting approval for the conversion of the Company from "Petro Additives and Fertilizers Limited" to "Petro Additives and Fertilizers Private Limited" and also to amend the Articles of Association of the Company to include the restrictions and limitations, which are required to be included in the Articles of Association of a Private Company and also given newspaper notification in the same newspaper where earlier notification has been given for present conversion.

10. No order as to costs.



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Rajeswara Rao Vittanala
Member (J)


V. ANNAPOORNA
Asst. DIRECTOR
NCLT, HYDERABAD.

प्रमाणित प्रति
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केस संख्या
CASE NUMBER...C.P. NO. 67/14/HDB/2017
निर्णय का तारीख
DATE OF JUDGEMENT...24.8.2017
प्रति तैयार किया गया तारीख
COPY MADE READY ON...24.8.2017