

IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL,  
HYDERABAD BENCH  
HYDERABAD

C. P. No. 44/14/HDB/2017

Under Section 14 of the Companies Act, 2013  
read with Rule 68 of NCLT, Rules, 2016

In the matter of

Musaddilal Projects Limited  
6-3-679, 1<sup>st</sup> Floor, Elite Plaza,  
Punjagutta, Hyderabad,  
Telangana – 500 082

... Petitioner

and

The Registrar of Companies, Hyderabad  
For Andhra Pradesh and Telangana,  
2<sup>nd</sup> Floor, Corporate Bahwan,  
Bandla Guda, Nagalore, Hyderabad – 500 068.

.... Respondent

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Order Delivered on: 08.09.2017

**CORAM:**

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

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

**Parties Present:**

Counsel for the Petitioner: Ms. Rakhi Agarwal, Practicing Company Secretary

Counsel for the Respondent: None appeared for the Respondents.

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

**ORDER**

1. The Company Petition bearing CP.No.44/14/HDB/2017 is filed by Musaddilal Projects Limited (hereinafter referred to as 'the Petitioner Company') under Section 14(1) of the Companies Act, 2013 by inter-alia seeking to convert the Company from 'Public Limited' to 'Private Limited' and consequently the name of the company be changed from

“Musaddilal Projects Limited” to “Musaddilal Projects Private Limited” by inserting the word “Private” before the word “Limited”.

2. The above Petition came up for hearing before this Tribunal on 12.04.2017; 17.04. 2017; 25.05.2017; 21.06.2017; 17.07.2017; 19.07.2017 and finally on 31.07.2017.
3. Brief facts of case as submitted are as under:-

a) The Petitioner Company was initially incorporated as a Public Limited Company on 01.11.2006 under the Companies Act, 1956, with Corporate Identity Number (CIN) U45200TG2006PLC051504. The Authorized Share Capital of the Company is Rs.6,00,00,000/- divided into 60,00,000 equity shares of Rs.10/- each and its paid up capital is Rs.4,43,50,000/- divided into 44,35,000 equity shares of Rs.10/- each. The Company is an Unlisted Public Company. The registered office of the Company is situated at 6-3-679, 1<sup>st</sup> Floor, Elite Plaza, Punjagutta, Hyderabad, Telangana – 500 082.

b) The main objects of the Company as per its Memorandum of Association is to undertake and to carry on in India or elsewhere, either alone or jointly with one or more person/companies (viz. government, local or other bodies)/(corporate/firm/person); all activity pertaining to construction and real-estate sector such a to build, alter, acquire, convert, improve, design, erect, establish, equip, develop, dismantle, pull down, turn to account, furnish, level, decorate, fabricate, install, finish and to repair, maintain and conduct search, survey, examine, inspect, locate, modify, own, operate, protect, promote, provide, participate, reconstruct, grout, dig, excavate, pour, renovate, remodel, rebuild, undertake, contribute, assist, and to act a civil engineer, architectural engineer, interior decorator, consultant



advisor, agent broker, supervisor and as an maintenance/service contractor and /or as engineer and as administrator etc.

- c) The Company has very small number of shareholders i.e. eight shareholders holding 44,35,000 share and the company is in no need of more funding from capital and thus, in the interest of shareholders and stakeholders, and in order to avoid unnecessary formalities and to obtain privileges, which are available to private limited companies, it has decided to convert the Public Limited Company into a Private Limited Company so as to work effectively.
- d) The Board of Directors of the Petitioner Company in its meeting held on 25.10.2016 proposed and unanimously approved to convert the Company to a Private Limited Company subject to requisite approvals from Members and the Hon'ble Tribunal.
- e) Subsequently, the Members of the Company in their EOGM held on 23.11.2016 approved the proposal of conversion from Public Limited to a Private Limited Company, by way of a Special Resolution and the same was filed in Form No.MGT-14 with the Registrar of Companies. All the 8 (eight) members participated in the EOGM and voted in favour of the resolution.
- f) The conversion of the Company to a Private Limited will not affect any debts, liabilities, obligations or contracts etc., transacted in the name of present Company.
- g) Individual notices have been issued to the creditors of the Petitioner Company. As on 26.12.2016, the Petitioner Company was having ten creditors aggregating to Rs.7,36,07,133/- and has received No Objection Certificates from 8 (eight) creditors. Further the Petitioner Company has published an advertisement on 02.05.2017 in accordance with NCLT Rules, 2016 with regard to conversion of Public Limited



Company to Private Limited Company one in English in “Business Standard” on 02.05.2017 and one in vernacular language i.e. Telugu in “Nava Telangana” on 02.07.2017.

4. The Registrar of Companies, vide his letter No. ROCH/Legal/Sec14/051504.MPL/STACK/2017/5908 dated 10.03.2017 while affirming the averments of Petitioner Company in the Petition has further submitted that the Company has filed E-form GNL-1 for submission of documents with ROC vide SRN G36505653.
5. Heard, Ms. Rakhi Agarwal, Practicing Company Secretary and authorized representative for the Petitioner Company, and carefully perused the material papers placed on record, and also the Report of the Registrar of Companies, Hyderabad furnished vide his letter dated 10.03.2017.

We are of the considered view that the Petitioner Company has fulfilled all the conditions as prescribed under Section 14(1) of the Companies Act, 2013 read with Rule 68 of the NCLT Rules, 2016. Hence, prayer of the Petitioner Company deserved to be allowed in the interest of justice and good governance.

7. In the result, the Company Petition bearing No.44/14/DHB/2017 is allowed with the following directions:-
  - a) Approved the conversion of Petitioner Company into a Private Limited Company and that the name of the Company be changed from “Musaddilal Projects Limited” to “Musaddilal Projects Private Limited”.



- b) Directed the Petitioner Company to comply with requirements of all the provisions of Section 14 of the Companies Act, 2013 and if any default in complying with the same, the Company and every officer who is in default shall be liable to a penalty as per Section 15 of the Companies Act, 2013.

8. No order as to costs.

*Sd/-*  
Ravikumar Duraisamy  
Member (Technical)

*Sd/-*  
Rajeswara Rao Vittalala  
Member (Judicial)

*copy received by Reg'st'ry on 11/9/17*  
प्रमाणित प्रति

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केस संख्या

CASE NUMBER C.P.N.C. 44/14/HDB/2017

निर्णय का तारीख

DATE OF JUDGEMENT 08.09.2017

प्रति तैयार किया गया तारीख

COPY MADE READY ON 11.9.2017

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