

BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL,  
HYDERABAD BENCH, AT HYDERABAD

C.A.No.9/14/HDB/2017

Date of order: 20.06.2017

Inventaa Chemicals Limited  
Survey No.137, Kecsara Village,  
Kanchikacherla Madalam,  
Krishna District - 521 180,  
Andhra Pradesh.

..... Applicant

**Parties Present:**

Counsel for the Applicant:

Mr. D. Sathwik,  
Practicing Company Secretary.

**CORAM:**

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

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

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**ORDER**

[

[As per Ravikumar Duraisamy, Member (Technical)]

1. The Company Application bearing CA.No.9/14/HDB/2017 was filed by Inventaa Chemicals Limited (hereinafter referred to as 'the Applicant Company') under Section 14 of the Companies Act, 2013 by praying this Tribunal to sanction and approve the conversion of the Applicant Company from Public Limited Company to Private Limited Company. The Registered Office of the Company is situated at Survey No.137, Kecsara Village, Kanchikacherla Mandalam, Krishna District - 521 180, Andhra Pradesh.
2. The above Petition came up for hearing before this Tribunal on 17.02.2017; 28.02.2017 and finally on 29.03.2017.

3. Mr. D. Sathwik, Practicing Company Secretary appeared for the Applicant Company submitted the following:-

- a) The Applicant Company was initially incorporated as a Private Limited Company on 20.06.1979. Subsequently, on 06.07.1990 the Company was converted from Private to Public Limited Company and the Corporate Identity Number of the Company is U24110AP1979PLC002476. The authorized Share Capital of the Company is Rs.1,50,00,000/- divided into 15,00,000 equity shares of Rs.10/- each and its paid up capital is Rs.68,80,000/- divided into 6,88,000 of Rs.10/- each. The Company is an Unlisted Public Company.
- b) The main objects of the Applicant Company is to manufacture, purchase, sell, export or import or otherwise deal in Hydroxyl Amine Hydrochloride Hydroxyl Amine Sulphate and other fine organic or inorganic chemicals and intermediate compounds, including vitamins like Nicotinamide, Anti-TB Drugs, like Thiocetazone, Anti-Malarial, Anti-fungal and Anti-cancer drugs, Antihistamine and Anti-diabetic drugs and their intermediaries etc.
- c) The Board of Directors of the Applicant Company were of the opinion that since the Company failed to get any project, it did not raise any funds from the public or from the promoters of the Company and since the purpose of conversion of the Applicant Company as a Public Limited Company was defeated, the Board of Directors of the applicant Company after due deliberations decided that it would be appropriate to convert the Applicant Company from Public Limited Company to Private Limited 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, read with the Rules made there under which would help the management to carry out affairs of the Company efficiently and effectively.



- d) Hence, the Board of Directors of the Applicant Company are of the opinion that no purpose is being served by retaining the Public Limited character and the Company be converted to a Private Limited Company.
- e) The Board of Directors of the Petitioner Company in its meeting held on 04.11.2016 proposed to convert the Company to a Private Limited Company subject to requisite approvals from Members and the Hon'ble Tribunal.
- f) Subsequently, the Members of the Company in their EOGM held on 01.12.2016 approved the proposal of conversion from Public Limited to a Private Limited Company, by way of a Special Resolution.
- g) The conversion of the Company to a Private Limited will not have any adverse effect on any of the shareholders, creditors, debenture holders and other related parties in any manner.



The Registrar of Companies by his letter No.ROCH/Legal/Sec14/02476/ICL/STACK/2017/5130 dated 23.01.2017 addressed to NCLT has stated that the Company is regular in filing its statutory returns upto 2016 and the Company has filed E Form GNL-2 for submission of documents with ROC.

- 5. The Applicant Company has published an advertisement on 02.03.2017 with regard to conversion of Public Limited Company to Private Limited Company one in English in "Deccan Chronicle" and one in vernacular language i.e. Telugu in "Eenadu".
- 6. Mr. D. Satwhik , Representative for the Applicant Company vide his letter dated 24.01.2017 submitted that the advertisement detailing Petition was published in newspapers in accordance with Rule 35 of NCLT Rules, 2016. It is further confirmed that the Company has not received any objection of any person whose interest is likely to be affected by the proposed application to NCLT in



connection with conversion of the Company from Public Limited to Private Limited.

7. Heard, the Authorized Representative of 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 23.01.2017.
8. We are of the considered view that the Applicant 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.
9. In the result, we allow the Company Petition bearing No.9/14/HDB/2016 by approving the conversion of present Company into a Private Limited Company and that the name of the Company be changed from "Inventaa Chemicals Limited" to "Inventaa Chemicals Private Limited". We further direct the Petitioner Company to comply with requirements of all the provisions of Section 14 of the Companies Act, 2013 and further submit all the documents as required by the Registrar of Companies.
10. Further, if the Company makes any default in complying with the provisions of Section 14 of the Companies Act, 2013, the Company and every officer who is in default shall be liable to a penalty as per the provisions of Section 15(2) of the Companies Act, 2013 for every copy of the Memorandum & Articles of Association of the Company issued without such alteration.
11. No order as to costs.

Sd/-  
RAVIKUMAR DURASAMY  
MEMBER (TECHNICAL)

Sd/-  
RAJESWARA RAO VITTANALA  
MEMBER (JUDICIAL)

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V. Annapoorna  
(V. ANNAPOORNA)  
ASSISTANT DIRECTOR  
NCIT, HYDERABAD