

**THE NATIONAL COMPANY LAW TRIBUNAL  
PRINCIPAL BENCH,  
AT NEW DELHI**

**COMPANY PETITION NO. CA (CAA)-63 (PB)/2019**

Under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

In the matter of  
Scheme of Amalgamation of

Saptrangi Craft Limited

Transferor Company No. 1

AND

Naugaon Artisans Handicrafts Limited

Transferor Company No.2

AND

Mumbai Vastra Kala Limited

Transferor Company No.3

AND

Nilgiri Artisans Limited

Transferor Company No.4

WITH

Krishna Weavers Limited

Transferee Company

*Judgment delivered on: 15.05.2019*

**CORAM:**

**CHIEF JUSTICE (Rtd.) M.M. KUMAR, Hon'ble President**

**S. K. MOHAPATRA, Hon'ble Member (T)**

For Applicants: Mr. Ashutosh Gupta, Advocate

Mr. Arun Gupta, Advocate

## ORDER

**S.K. Mohapatra, Member**

1. This application has been jointly filed by the Applicant Companies under Sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the National Company Law Tribunal Rules, 2016, duly supported by separate affidavits of the Applicant Companies, seeking appropriate orders/directions for dispensing with the respective meetings of the shareholders, secured creditors and unsecured creditors of all the companies, in connection with the proposed Scheme of Amalgamation as contemplated between the applicant companies. The said Scheme of Amalgamation (hereinafter referred to as the "Scheme") has been placed on record along with the joint application.
2. It is represented that the registered offices of all the applicant companies are situated in New Delhi and therefore the subject matter of this joint application falls within the Jurisdiction of this Bench.

3. M/s Saptrangi Craft Limited (Transferor Company No.1) was incorporated on 03.10.2007 under the provisions of the Companies Act, 1956. The present Authorized Share Capital of the Transferor Company no.1 is Rs. 85,00,000/- divided into 85,000 Equity Shares of Rs. 100/- each. The present Issued, Subscribed and paid-up Share Capital of the Company is Rs. 52,85,700/- divided into 52,857 Equity Shares of Rs. 100/- each. The registered office of the Company is situated at E-42/4, Okhla Industrial Area, Phase-II, Delhi – 110 020.

4. It is submitted that the transferor Company no.1 has 141 Equity Shareholders out of which equity shareholders having 99.35 % of total value of equity shares of the company, have given their consent affidavits to the Scheme. The consent affidavits of aforesaid equity shareholders have been placed on record. It is further represented that the transferor company no.1 has no secured creditor and 4 unsecured creditors. The certificates of chartered accountant in respect of creditors have also been placed on record. All the four unsecured creditors have given their consent affidavits in favour of the Scheme. As the company has no secured

creditor, the requirement of convening of their meeting does not arise. In relation to the shareholders and unsecured creditors, the transferor company no.1 seeks dispensation from convening and holding of their respective meetings on the ground that the equity shareholders having 99.35% in value of total equity shares of the company and all the four unsecured creditors have given consent affidavits in favour of the Scheme.

5. M/s Naugaon Artisans Handicrafts Limited (Transferor Company No.2) was incorporated on 30.05.2007 under the provisions of the Companies Act, 1956. The present Authorized Share Capital of the Transferor Company no.2 is Rs. 1,00,00,000/- divided into 1,00,000 Equity Shares of Rs. 100/- each. The present Issued, Subscribed and paid-up Share Capital of the Company is Rs. 90,00,000/- divided into 90,000 Equity Shares of Rs. 100/- each. The registered office of the Company is situated at E-42/4, Okhla Industrial Area, Phase-II, Delhi – 110 020.

6. It is submitted that the transferor Company no.2 has seven Equity Shareholders out of which equity shareholders having 94.96 % of total value of equity shares of the company,

have given their consent affidavits to the Scheme. The consent affidavits of aforesaid equity shareholders have been placed on record. It is further represented that the transferor company no.2 has no secured creditor and two unsecured creditors. The certificates of chartered accountant in respect of creditors have also been placed on record. Both the unsecured creditors have given their consent affidavits in favour of the Scheme. As the company has no secured creditor, the requirement of convening of their meeting does not arise. In relation to the shareholders and unsecured creditors, the transferor company no.2 seeks dispensation from convening and holding of their respective meetings on the ground that the equity shareholders having 94.96% in value of total equity shares of the company and all the unsecured creditors have given consent affidavits in favour of the Scheme.

7. M/s Mumbai Vastra Kala Limited (Transferor Company No.3) was incorporated on 05.10.2007 under the provisions of the Companies Act, 1956. The present Authorized Share Capital of the Transferor Company no.1 is Rs. 1,00,00,000/- divided into 1,00,000 Equity Shares of Rs. 100/- each. The

present Issued, Subscribed and paid-up Share Capital of the Company is Rs. 90,00,000/- divided into 90,000 Equity Shares of Rs. 100/- each. The registered office of the Company is situated at E-42/4, Okhla Industrial Area, Phase-II, Delhi – 110 020.

8. It is submitted that the transferor Company no.3 has 55 Equity Shareholders out of which equity shareholders having 95.52% of total value of equity shares of the company, have given their consent affidavits to the Scheme. The consent affidavits of aforesaid equity shareholders have been placed on record. It is further represented that the transferor company no.3 has no secured creditor and 6 unsecured creditors. The certificates of chartered accountant in respect of creditors have also been placed on record. All the six unsecured creditors have given their consent affidavits in favour of the Scheme. As the company has no secured creditor, the requirement of convening of their meeting does not arise. In relation to the shareholders and unsecured creditors, the transferor company no.3 seeks dispensation from convening and holding of their respective meetings on the ground that the equity shareholders having 95.52% in

value of total equity shares of the company and all the six unsecured creditors have given consent affidavits in favour of the Scheme.

9. M/s Nilgiri Artisans Limited (Transferor Company No. 4) was incorporated on 11.01.2008 under the provisions of the Companies Act, 1956. The present Authorized Share Capital of the Transferor Company no.4 is Rs. 40,00,000/- divided into 40,000 Equity Shares of Rs. 100/- each. The present Issued, Subscribed and paid-up Share Capital of the Company is Rs. 40,00,000/- divided into 40,000 Equity Shares of Rs. 100/- each. The registered office of the Company is situated at E-42/4, Okhla Industrial Area, Phase-II, Delhi – 110 020.
10. It is submitted that the transferor Company no.4 has 203 Equity Shareholders out of which equity shareholders having 96.18 % of total value of equity shares of the company, have given their consent affidavits to the Scheme. The consent affidavits of aforesaid equity shareholders have been placed on record. It is further represented that the transferor company no.4 has no secured creditor and 2 unsecured creditors. The certificates of chartered accountant in respect



of creditors have also been placed on record. Both the unsecured creditors have given their consent affidavits in favour of the Scheme. As the company has no secured creditor, the requirement of convening of their meeting does not arise. In relation to the shareholders and unsecured creditors, the transferor company no.4 seeks dispensation from convening and holding of their respective meetings on the ground that the equity shareholders having 96.18% in value of total equity shares of the company and all the unsecured creditors have given consent affidavits in favour of the Scheme.

11. M/s Krishna Weavers Limited (Transferee Company) was incorporated on 30.05.2008 under provisions of the Companies Act, 1956. The present Authorized Share Capital of the Transferee Company is Rs. 4,80,00,000/- divided into 4,80,000 Equity Shares of Rs. 100/- each. The present Issued, Subscribed and paid-up Share Capital of the Company is Rs. 3,25,93,300/- divided into 3,25,933 Equity Shares of Rs. 100/- each. The registered office of the Company is situated at E-42/4, Okhla Industrial Area, Phase-II, Delhi – 110 020.

12. It is submitted that the transferee Company has 42 Equity Shareholders out of which equity shareholders having 94.07 % of total value of equity shares of the company, have given their consent affidavits to the Scheme. The consent affidavits of aforesaid equity shareholders have been placed on record. It is further represented that the transferee company has no secured creditor and 3 unsecured creditors. The certificates of chartered accountant in respect of creditors have also been placed on record. All the three unsecured creditors have given their consent affidavits in favour of the Scheme. As the company has no secured creditor, the requirement of convening of their meeting does not arise. In relation to the shareholders and unsecured creditors, the transferee company seeks dispensation from convening and holding of their respective meetings on the ground that the equity shareholders having 94.07% in value of total equity shares of the company and all the four unsecured creditors have given consent affidavits in favour of the Scheme.

13. We have perused the joint application and the connected documents / papers filed with the application including the Scheme of Amalgamation as contemplated between the Applicant companies.
14. It is seen that the board of directors of all the applicant companies vide separate meetings, held on 04.02.2019 respectively have unanimously approved the proposed Scheme of Amalgamation. Copies of such board resolutions passed by the board of directors have been placed on record by the companies.
15. All the applicants have filed their respective Memorandum and Articles of Associations. The applicants have also filed their latest audited financial statements for the year ending 31.03.2018.
16. It is submitted that the proposed merger is sought to be made under the provisions of Section 230 to 232 of the Companies Act, 2013 and the same if sanctioned by this Tribunal, the appointed date as provided in the Scheme shall be April 1<sup>st</sup>, 2019.

17. All the applicant companies have submitted that no proceedings for inspection, inquiry or investigation under the provisions of the Companies Act, 2013 or under the provisions of the Companies Act, 1956 is pending against any of the applicant companies.
18. The certificates of respective statutory auditors of all the applicant companies have been placed on record confirming that the accounting treatment in the scheme is in conformity with Section 133 of the Companies Act, 2013.
19. Further, it has been stated in the application that the Scheme will be beneficial to all the applicant companies and their respective shareholders, employees, creditors and other stake holders.
20. Taking into consideration the application filed jointly by all the Applicant Companies the following directions are issued: -

**A) In relation to the Transferor Company no.1: -**

- (i) *The meeting of Equity Shareholders is dispensed with as there are 141 equity shareholders in the company out of which*

*equity shareholders holding 99.35% in value of the total equity shares of the company have given their consent affidavits in favour of the Scheme.*

*(ii) The meeting of secured creditors is also dispensed with because there is no secured creditor in the company and therefore, the requirement of convening meeting of secured creditors does not arise.*

*(iii) The meeting of unsecured creditors is also dispensed with as there is only 4 unsecured creditors in the company and all of their consent affidavits in favour of the Scheme have been placed on record.*

**B) In relation to the Transferor Company no.2: -**

*(i) The meeting of Equity Shareholders is dispensed with as there are 7 equity shareholders in the company out of which equity shareholders holding 94.96 % in value of the total equity shares of the*

*company have given their consent affidavits in favour of the Scheme.*

*(ii) The meeting of secured creditors is also dispensed with because there is no secured creditor in the company and therefore, the requirement of convening meeting of secured creditors does not arise.*

*(iii) The meeting of unsecured creditors is also dispensed with as there is only 2 unsecured creditors in the company and all of their consent affidavits in favour of the Scheme have been placed on record.*

**C) In relation to the Transferor Company no. 3: -**

*(i) The meeting of Equity Shareholders is dispensed with as there are 55 equity shareholders in the company out of which equity shareholders holding 95.52% in value of the total equity shares of the company have given their consent affidavits in favour of the Scheme.*

(ii) *The meeting of secured creditors is also dispensed with because there is no secured creditor in the company and therefore, the requirement of convening meeting of secured creditors does not arise.*

(iii) *The meeting of unsecured creditors is also dispensed with as there is only 6 unsecured creditors in the company and all of their consent affidavits in favour of the Scheme have been placed on record.*

**D) In relation to the Transferor Company no.4: -**

(i) *The meeting of Equity Shareholders is dispensed with as there are 203 equity shareholders in the company out of which equity shareholders holding 96.18% in value of the total equity shares of the company have given their consent affidavits in favour of the Scheme.*

(ii) *The meeting of secured creditors is also dispensed with because there is no secured*

*creditor in the company and therefore, the requirement of convening meeting of secured creditors does not arise.*

*(iii) The meeting of unsecured creditors is also dispensed with as there is only 2 unsecured creditors in the company and all of their consent affidavits in favour of the Scheme have been placed on record.*

**E) In relation to the Transferee Company:-**

(i) The meeting of Equity Shareholders is dispensed with as there are 42 equity shareholders in the company out of which equity shareholders holding 94.07% in value of the total equity shares of the company have given their consent affidavits in favour of the Scheme.

(ii) The meeting of secured creditors is also dispensed with because there is no secured creditor in the company and therefore, the



requirement of convening meeting of secured creditors does not arise.


(iii) The meeting of unsecured creditors is also dispensed with as there is only 3 unsecured creditors in the company and all of their consent affidavits in favour of the Scheme have been placed on record.

21. In view of the above the present joint application stands allowed by dispensing with the meetings of shareholders and creditors of all the applicant companies.

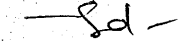
22. The applicants are directed to serve notice of the proposed Scheme on the Regional Director, Ministry of Corporate Affairs, B-2 Wing, 2<sup>nd</sup> Floor, Paryavaran Bhavan, CGO Complex, New Delhi-110 003, Registrar of Companies at 4<sup>th</sup> Floor, IFCI Tower, 61, Nehru Place, New Delhi-110 019; the Official Liquidator, Lok -Nayak -Bhavan, 8<sup>th</sup> Floor, Khan Market, New Delhi -110 001; the office of the Income Tax Department, Income Tax Officer, Ward - 7(4), Central Revenue Building, IP Estate, New Delhi-110 002 and Office of the Income Tax Department, Income Tax Officer, Additional Commissioner of Income Tax, Special Range-4, Central

Revenue Building, IP Estate, New Delhi-110 002. The notices to Income Tax authorities shall disclose sufficient details like PAN card numbers, ward numbers and assessing officers so that proper reply may be filed.

Let copy of the order be served to the parties.

  
15.05.2019  
**(M.M. KUMAR)**

**PRESIDENT**

  
**(S. K. MOHAPATRA)**  
**MEMBER (T)**