

THE NATIONAL COMPANY LAW TRIBUNAL

NEW DELHI BENCH-VI

CO. APPL.(CAA) (ND)/

IN THE MATTER OF:

FPL Pumps and Spares Private Limited
Having Registered office at: Plot No. 14,
Block-II, Mohan Co-op Industrial Estate
New Delhi-110044

.....Applicant No.1/Transferor Company

AND

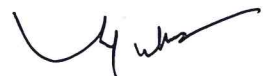
Maa Kali Steels Private Limited
Having Registered Office at: Plot No. 14,
Block-II, Mohan Co-op Industrial Estate
New Delhi-110044

.....Applicant No. 2/ Transferee Company

Order Delivered on: 23.10.2020

Coram:

SHRI. P.S.N. PRASAD
Hon'ble Member (Judicial)
DR. V.K. SUBBURAJ
Hon'ble Member (Technical)



ORDER


PER DR. V.K SUBBURAJ, MEMBER (T)

This is a joint petition filed by way of a 1st Motion under Sections 230-232 of the Companies Act, 2013 (hereinafter referred to as 'the Act') by PFL Pumps and Spares Private Limited (Applicant No.1/Transferor Company) in connection with the Scheme of Amalgamation (hereinafter referred to as 'the Scheme') for merging its business with Maa Kali Steels Limited (Applicant No. 2/ Transferee Company).

2. As per averments, the registered offices of the Transferor Company as well as that of the Transferee Company are situated in the National Capital Territory of Delhi, falling within the territorial jurisdiction of this Court.

3. The Applicant No. 1/ Transferor no. 1 Company was incorporated under the Act on 10th April, 1992 having CIN U74899DL1992PTC048297. Its authorized, issued, subscribed and paid up share capital is Rs.15,00,000/- divided into 1,50,000 equity shares of Rs. 10/- each. The main object is to carry on the business of import, develop, deal and sell in complete range of Power diesel and other pumps, agricultural farm machinery, handling equipments, other engineering goods, tractors and their accessories.

4. The Applicant No.2 /Transferee Company was incorporated under the Act on 29th July, 1985 having CIN U74899 DL1985 PTC021587. Its present authorized share capital Rs. 10,00,000/- divided into 1,00,000 equity shares of Rs. 10/- each while its issued, subscribed and paid up capital is 7,40,040 divided into 74,004 equity shares of Rs. 10/- each. The Applicant No.2/ Transferee Company is engaged in the business of builders and colonizers, landlords or proprietors, occupiers, lessers, Contractors with the possession of all kinds of buildings whether residential or commercial in India or elsewhere.



6. Copies of the Memorandum of Association and Articles of Association of each company provides for such amalgamation. Both Companies have filed their latest audited Annual Accounts as on 31.03.2019. Provisional balance Sheets upto 31st December, 2019 also been filed.

Reports of the Statutory Auditors of both the Applicant Companies have been filed on record, along with the certificate that the Accounting Standards, as per Sec 133 of the Companies Act 2013 have been adhered to.

7. It has been stated on behalf of the Applicant Companies that the Scheme of Amalgamation is necessitated and justified on grounds that it:-

- A. Consolidation of the business presently being carried on by the applicant companies which shall be beneficial to the interests of shareholders, creditors and employees of both the companies and to the interests at large;
- B. Creating synergies and optimum utilization of resources build by the Transferor Company;
- C. Better administration and cost reduction;
- D. Better utilization of professional expertise and other manpower resources.

The Appointed Date of the Scheme is 31st December, 2019.

9. The Board of Directors of each of the applicant company vide their respective meetings held on 27.08.2018 have unanimously approved the proposed Scheme of Amalgamation. Copy of the board resolutions passed have been filed.

10. Vide the present application, a prayer is made for dispensation of convening meetings in view of the following facts:-



A. In respect of the Transferor Company No.1 / Applicant Company No.1:-

- It has 2 shareholders who have accorded their consent vide affidavits placed on record.
- It has no Secured or Unsecured creditor as certified by the Chartered Accountant.

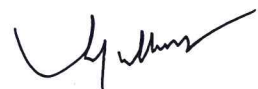
In view of the consent affidavits of its 2 shareholders being on record, the requirement of convening the meeting of the shareholders is dispensed with. Further, as there is no secured or unsecured creditor, the question of convening their meeting does not arise.

B. In respect of the Transferee Company No.2/ Applicant Company No.2:-

- It has 3 Equity Shareholders who have accorded their consent vide affidavits placed on record.
- It has no Secured creditor as certified by the Chartered Accountant.
- It has 4 unsecured creditors who have accorded their consent vide affidavits placed on record. .

In view of the consent accorded by 2 shareholders and 4 unsecured creditors being on record, the requirement of convening the meeting of the shareholders and unsecured creditors is dispensed with. Further, as there is no secured creditor, the question of convening their meeting does not arise.

In view of the above, the prayer for dispensing with the requirement of publication is also allowed.



11. The proposed Scheme of Amalgamation is annexed along with the present application.

12. It is submitted that the proposed arrangement is sought to be made under the provisions of Section 230 to 232 of the Companies Act, 2013 and the Scheme if sanctioned by this Tribunal, will take effect from the date of on which certified copy of the order of sanctioning of proposed Scheme, passed by this Tribunal is filed with the Registrar of Companies after obtaining necessary sanctions, orders or approvals.

13. It has also been submitted that there are no proceedings pending inquiry or investigation in respect of the applicant company.

14. Further, it has been stated that the scheme will be beneficial to the applicant companies and their respective shareholders and creditors.


15. While dispensing with the meetings, this Bench also directs that notices be sent to the Central Government through the office of the Regional Director (Northern Region), the Income Tax Authorities, Registrar of Companies, NCT of Delhi & Haryana, Official Liquidator and other sectoral regulators or authorities as required under sub-section (5) of section 230 of the Companies Act, 2013 who may have significant bearing on the operation of the applicant companies along with copy of required documents and disclosures required under the provisions of Companies Act, 2013 read with Companies (Compromises, Arrangement, and Amalgamation) Rules, 2016. Copies of the notices along with the proof of dispatch be filed before this Bench along with the affidavit of compliance.

16. All the aforesaid directions are to be complied with strictly in accordance with the applicable law including forms and formats contained

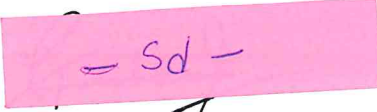


in the Companies (Compromises, Arrangements, Amalgamations) Rules, 2016 as well as the provisions of the Companies Act, 2013 by the Applicant.

As sequel to the above, the present application stands allowed by dispensing with the meetings of shareholders and creditors of the applicant companies.

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(DR. V.K.SUBBURAJ)
MEMBER (TECHNICAL)

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(P.S.N PRASAD)
MEMBER (JUDICIAL)