

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL**  
**NEW DELHI (BENCH IV)**

**COMPANY APPLICATION NO.CA (CAA) – 102/(ND)/2020**

**In the matter of:**

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

**AND**

**IN THE MATTER OF SCHEME OF AMALGAMATION**

**OF**

**TRANSCEND ELECTRONICS PRIVATE LIMITED**

...Transferor No.1 Company

**AND**

**ROSE ELECTRONICS PRIVATE LIMITED**

...Transferor No.2 Company

**AND**

**NOVELTY ELECTRICALS PRIVATE LIMITED**

...Transferor No.3 Company

**WITH**

**DMI DEVELOPERS PRIVATE LIMITED  
(FORMERLY KNOWN AS PETAL ELECTRONICS PRIVATE LIMITED)**

...Transferee Company

**AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**



**Order Pronounced on: 11.11.2020**

**CORAM:**

Hon'ble P.S.N Prasad, Member (J)

Hon'ble Dr. V.K. Subburaj, Member (T)

For the Applicant: Pradeep K. Mittal & Praveen K. Mittal,  
Advocates.

**MEMO OF PARTIES:**

**TRANSCEND ELECTRONICS PRIVATE LIMITED**

A company incorporated under the Companies Act, 1956  
Having its Registered Office at C-17, Wazirpur Industrial Area,  
Delhi-110052.

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

**AND**

**ROSE ELECTRONICS PRIVATE LIMITED,**

A company incorporated under the Companies Act, 1956  
Having its Registered Office at 100, Vaishali, Pitampura,  
Delhi-110034.

...Transferor No.2/Applicant No.2 Company

**AND**

**NOVELTY ELECTRICALS PRIVATE LIMITED,**

A company incorporated under the Companies Act, 1956  
Having its Registered Office at 100, Vaishali, Pitampura,  
Delhi-110034.

...Transferor No.3/Applicant No.3 Company

**WITH**

**DMI DEVELOPERS PRIVATE LIMITED (FORMERLY KNOWN AS  
PETAL ELECTRONICS PRIVATE LIMITED),**

A company incorporated under the Companies Act, 1956  
Having its Registered Office at C-17, Wazirpur Industrial Area,  
Delhi-110052.

...Transferee/Applicant No.4 Company



## ORDER

### PER- P. S. N. PRASAD, MEMBER (JUDICIAL)

1. This is a First Motion application jointly filed by the Applicant companies and their respective Shareholders and Creditors under sections 230-232 of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 in relation to the Scheme of Amalgamation (hereinafter referred to as the “SCHEME”), proposed between the applicants. The said Scheme is annexed with this application.
2. The applicants above named have preferred the instant application for the following namely:
  - i. *that the meetings of Equity Shareholders and Unsecured Creditors of the Applicant Companies may kindly be dispensed with in view of the written consents in the form of affidavits given by the Equity Shareholders and Unsecured Creditors of the Applicant Companies or in the alternative if this Hon'ble Tribunal directs the Applicant Companies to convene the meetings of Equity Shareholders and Unsecured Creditors, then directions may kindly be issued for convening meetings of Equity Shareholders and Unsecured Creditors of the Applicant Companies at the Registered*



*Office of the Applicant Companies, or at such other place as may be fixed by this Hon'ble Tribunal, and on such date(s) and at such time(s) as this Hon'ble Tribunal may direct, and that a Chairman and alternative Chairman may be appointed for meetings to be held.*

*ii. It is further prayed that the publication of the notice of the proposed meetings may also be dispensed with or alternatively may be ordered to be published in an English Newspaper (Business Standard ) and the Hindi Newspaper (Business Standard) or in such other manner, as this Hon'ble Tribunal may direct.*

*iii. It is prayed that any other order or directions, as this Hon'ble Tribunal deems fit and proper, may also kindly be granted.*

3. An affidavit in support of the above application sworn by an on behalf of the authorised persons of all the companies, have been filed. The corresponding Board resolutions of authorizations by all companies are also placed on record.

4. All the Applicant Companies have filed their Memorandum and Articles of Association as well as last available audited Financial Statements as on 31.03.2020.

5. Transcend Electronics Private Limited (hereinafter referred to as "Transferor No.1 Company") is a company incorporated under the



Companies Act, 1956 having its Registered Office at C-17, Wazirpur Industrial Area, Delhi-110052. The Transferor No.1 Company is primarily in the business of trading of electricals and electronics items. However, the Transferor No.1 Company presently neither has any manufacturing activity nor carrying on any operations. The present Authorized Share Capital of Transferor No.1 Company is Rs. 1,00,00,000/- (Rs. One Crore Only) divided into 10,00,000 Equity Shares of Rs.10/- each. The Issued, Subscribed and Paid-Up Capital of Transferor No.1 Company is Rs. 77,40,000 /- (Rs. Seventy-Seven Lakh Forty Thousand Only) divided into 7,74,000 Equity Shares of Rs. 10/- each fully paid-up.

6. Rose Electronics Private Limited (hereinafter referred to as “Transferor No.2 Company”) is a company incorporated under the Companies Act, 1956 having its Registered Office at 100, Vaishali, Pitampura, Delhi-110034. The Transferor No.2 Company is primarily in the business of trading of electricals and electronics items. However, the Transferor No.2 Company presently neither has any manufacturing activity nor carrying on any operations. The present Authorized Share Capital of Transferor No.2 Company is Rs.1,00,00,000/- (Rs. One Crore Only) divided into 10,00,000 Equity Shares of Rs.10/- each. The Issued, Subscribed and Paid-Up Capital of Transferor No.2 Company is Rs.41,75,000/- (Rs. Forty One



Lakh Seventy five Thousand Only) divided into 4,17,500 Equity Shares of Rs. 10/- each fully paid-up.

7. Novelty Electricals Private Limited (hereinafter referred to as “Transferor No.3 Company”) is a company incorporated under the Companies Act, 1956 having its Registered Office at 100, Vaishali, Pitampura, Delhi-110034. The Transferor No.3 Company is primarily in the business of trading of electricals and electronics items. However, the Transferor No.3 Company presently neither has any manufacturing activity nor carrying on any operations. The present Authorized Share Capital of Transferor No.3 Company is Rs.50,00,000/- (Rs. Fifty Lakh Only) divided into 5,00,000 Equity Shares of Rs.10/- each. The Issued, Subscribed and Paid-Up Capital of Transferor No.3 Company is Rs. 38,75,000/- (Rs. Thirty Eight Lakh Seventy Five Thousand Only) divided into 3,87,500 Equity Shares of Rs. 10/- each fully paid-up.
8. Dmi Developers Private Limited (hereinafter referred to as the “Transferee Company”) is a company incorporated under the Companies Act, 1956 having its Registered Office at C-17, Wazirpur Industrial Area, Delhi-110052. The Transferee Company is incorporated to do the business of real estate. However, since incorporation, the Transferee Company is neither doing any real estate business nor construction activity except having one piece of land. The present Authorized Share Capital of



Transferee Company is Rs. 1,00,00,000/- (Rs. One Crore Only) divided into 10,00,000 Equity shares of Rs. 10/- each. The Issued, Subscribed and Paid-up capital of the Transferee Company is Rs. 1,00,00,000/- (Rs. One Crore Only) divided into 10,00,000 Equity Shares of Rs. 10/- each fully paid-up.

9. In relation to Transcend Electronics Private Limited, being the Transferor Company No. 1, it is submitted that the Company has 3 Equity Shareholders and all of them have given their consents by way of affidavit (representing 100% of the total value). The consent affidavits of all the members have been placed on record. It is further represented that the Transferor Company No. 1 has nil Secured Creditor and One Unsecured Creditor and the unsecured creditor has given consent by way of affidavit (representing 100% of the total value). Certificate from Chartered Accountant certifying list of creditors is annexed. The certificates of Statutory Auditors in respect of creditors have also been placed on record. In relation to the shareholders and unsecured creditors, the Transferor Company No 1 seeks dispensation from convening and holding of their meeting on the ground that the same have given their consent affidavits in favour of the Scheme.

10. In relation to Rose Electronics Private Limited, being the Transferor Company No. 2, it is submitted that the Company has 9 Equity



Shareholders and all of them have given their consents by way of affidavit (representing 100% of the total value). The consent affidavits of all the members have been placed on record. It is further represented that the Transferor Company No. 2 has nil Secured Creditor and One Unsecured Creditor and the unsecured creditor has given consents by way of affidavit (representing 100% of the total value). Certificate from Chartered Accountant certifying list of creditors is annexed. The certificates of Statutory Auditors in respect of creditors have also been placed on record. In relation to the shareholders and unsecured creditors, the Transferor Company No 2 seeks dispensation from convening and holding of their meeting on the ground that the same have given their consent affidavits in favour of the Scheme.

11. In relation to Novelty Electricals Private Limited, being the Transferor Company No. 3, it is submitted that the Company has 13 Equity Shareholders and all of them have given their consents by way of affidavit (representing 100% of the total value). The consent affidavits of all the members have been placed on record. It is further represented that the Transferor Company No. 3 has nil Secured Creditor and One Unsecured Creditor and the unsecured creditor has given consent by way of affidavit (representing 100% of the total value). Certificate from Chartered Accountant certifying list of creditors is annexed. The certificates of





Statutory Auditors in respect of creditors have also been placed on record. In relation to the shareholders and unsecured creditors, the Transferor Company No 3 seeks dispensation from convening and holding of their meeting on the ground that the same have given their consent affidavits in favour of the Scheme.

12. In relation to Dmi Developers Private Limited, being the Transferee Company, it is submitted that the Company has 17 Equity Shareholders and all of them have given their consents by way of affidavit (representing 100% of the total value). The consent affidavits of all the members have been placed on record. It is further represented that the Transferee Company has nil Secured Creditor and nil Unsecured Creditors. The certificates of Statutory Auditors in respect of creditors have also been placed on record. In relation to the shareholders, the Transferee Company seeks dispensation from convening and holding of their meeting on the ground that the same have given their consent affidavits in favour of the Scheme.

13. It is represented that the Scheme does not contemplate any corporate debt restructuring exercise as contemplated under Section 230(2) of the Act. It is further represented that the application filed by the applicant is maintainable in view of Rule 3(2) of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016. Learned Counsel also



submits that the registered offices of all the Applicant Companies are situated within the territorial jurisdiction of this tribunal and fall within the territorial jurisdiction of the Registrar of Companies, NCT of Delhi & Haryana.

14. The appointed date as specified in the Scheme is 01.04.2020 subject to the directions of this Tribunal.
15. The Board of Directors of all the Applicants Company vide Board Resolutions passed and have unanimously approved the proposed Scheme of Amalgamation as contemplated above and copies of board resolutions have also been placed on record by the Applicant Companies herein.
16. The Certificates of statutory auditors of all the applicant companies, confirming that the accounting treatment in the scheme is in conformity with the Companies (Accounting Standards) Rules, 2016 and Generally Accepted Accounting Principles in India (India GAAP) and is in conformity with Section 133 of the Companies Act, 2013 have been placed on record.
17. We have perused the Application and the connected documents / papers filed along with the Scheme of Amalgamation contemplated amongst the Applicant Companies.
18. Taking into consideration the joint application and the documents filed therewith, showing compliance of various provisions of the Companies Act



and the rules framed there under, we propose to issue the following directions with respect to convening and holding of the meetings of the Shareholders, Secured and Unsecured Creditors or dispensing with the same as follows: -

**A. Applicant Company No. 1 / Transferor Company No.1**

**With respect to Equity Shareholders**

The Transferor Company No.1 has 3 Equity Shareholders and all of them have given their consent in form of affidavit, hence the necessity of convening a meeting of the Equity Shareholders is dispensed with.

**With respect to Secured Creditors**

The Transferor Company has ‘Nil’ Secured Creditor, hence the necessity of convening a meeting of the Secured Creditors is obviated.

**With respect to Unsecured Creditors**

The Transferor Company has ‘One’ Unsecured Creditor who has given consent in form of affidavit, hence the necessity of convening a meeting of the Unsecured Creditor is dispensed with.

**B. Applicant Company No. 2 /Transferor CompanyNo.2**

**With respect to Equity Shareholders**



The Transferor Company No.2 has 9 Equity Shareholders and all of them have given their consent in form of affidavit, hence the necessity of convening a meeting of the Equity Shareholders is dispensed with.

**With respect to Secured Creditors**

The Transferor Company has ‘Nil’ Secured Creditor, hence the necessity of convening a meeting of the Secured Creditors is obviated.

**With respect to Unsecured Creditors**

The Transferor Company has ‘One’ Unsecured Creditor who has given consent in form of affidavit, hence the necessity of convening a meeting of the Unsecured Creditor is dispensed with.

**C. Applicant Company No. 3/ Transferor Company No.3**

**With respect to Equity Shareholders**

The Transferor Company No.3 has 13 Equity Shareholders and all of them have given their consent in form of affidavit, hence the necessity of convening a meeting of the Equity Shareholders is dispensed with.

**With respect to Secured Creditors**



The Transferor Company has ‘‘Nil’’ Secured Creditor, hence the necessity of convening a meeting of the Secured Creditors is obviated.

**With respect to Unsecured Creditors**

The Transferor Company has ‘One’ Unsecured Creditor who has given consent in form of affidavit, hence the necessity of convening a meeting of the Unsecured Creditor is dispensed with.

**D. Applicant Company No. 4/ Transferee Company**

**With respect to Equity Shareholders**

The Transferee Company has 17 Equity Shareholders and all of them have given their consent in form of affidavit, hence the necessity of convening a meeting of the Equity Shareholders is dispensed with.

**With respect to Secured Creditors**

The Transferee Company has ‘‘Nil’’ Secured Creditor, hence the necessity of convening a meeting of the Secured Creditors is obviated.

**With respect to Unsecured Creditors**



The Transferee Company has ‘‘Nil’’ Unsecured Creditor, hence the necessity of convening a meeting of the Unsecured Creditors is obviated.

E. Notice of this Application shall also be served on the **Regional Director**, Ministry of Corporate Affairs, B-2 Wing, 2<sup>nd</sup> Floor, Paryavaran Bhavan, CGO Complex, New Delhi -110003, **Registrar of Companies** at 4<sup>th</sup> Floor, IFCI Tower, 61 Nehru place, New Delhi -110019; **the Official Liquidator**, Lok Nayak Bhavan, 8<sup>th</sup> Floor, Khan Market, New Delhi – 110001; **the Income Tax Department through the Income Tax Cell** at DCIT (High Court Cell), Lawyer’s Chamber, Block No. 1, Room No. 428 & 429, Delhi High Court, New Delhi, along with full details of assessing officer. The notices to Income Tax authorities shall disclose sufficient details like PAN card numbers, ward numbers and assessing officers so that proper reply is filed.

The application stands allowed on the aforesaid terms and is disposed of.

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**(V.K Subburaj)**

**Member(T)**

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**(P.S.N Prasad)**

**Member(J)**