

**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH -I**

Company Application (CAA) No. 49/KB/2024

*An application under Section 230 and Section 232 of the Companies Act, 2013,
read with the Companies (Compromises, Arrangements and Amalgamations)
Rules, 2016, and other applicable provisions of the law.*

IN THE MATTER OF:

LALBABA INDUSTRIAL CORPORATION PRIVATE LIMITED, a company incorporated under the Companies Act, 1956 and a Company within the meaning of Companies Act, 2013, having Corporate Identification No. **U74999WB2009PTC137782**, having PAN No. AABCL6851A and its registered office at 78, Lala Babu Shire Road, Howrah-711202, West Bengal, within the jurisdiction of this Hon'ble Tribunal.

....Applicant Company 1/ Demerged Company

AND

PEW ENGINEERING PRIVATE LIMITED, a company incorporated under the Companies Act, 1956 and a Company within the meaning of Companies Act, 2013, having Corporate Identification No. **U72100WB2010PTC144652**, having PAN No. AAFCP3995B and its registered office at 40/107, Joy Bibi Road, Ghosury, Howrah-711107, West Bengal, within the jurisdiction of this Hon'ble Tribunal.

....Applicant Company 2/ Transferor Company

AND

LAL BABA SEAMLESS TUBES PRIVATE LIMITED, a company incorporated under the Companies Act, 1956 and a Company within the meaning of Companies Act, 2013, having Corporate Identification No. **U27310WB2006PTC110060**,

having PAN No. AABCL2668M and its registered office at Kashberia, Bardhanyaghata Debhog, Haldia-721657, East Midnapore, West Bengal.

....Applicant Company 3/ Resulting Company/Transferee Company

IN THE MATTER OF:

1. Lalbaba Industrial Corporation Private Limited
2. PEW Engineering Private Limited
3. Lal Baba Seamless Tubes Private Limited

.....Applicants

Date of pronouncing the order: 15.05.2024.

Coram:

Bidisha Banerjee : Member (Judicial)
Balraj Joshi : Member (Technical)

Counsel on Record for the Applicants

1. Ms. Priyanka Jain, Adv.] For the Applicants

ORDER

Per: Balraj Joshi, Member (Technical)

1. This Court is congregated through hybrid mode.
2. The instant application has been filed in the first stage of the proceedings under Section 230(1) read with Section 232(1) of the Companies Act, 2013 (“Act”) for order/s and direction/s with regard to dispensation of meetings of Equity Shareholders, Preference Shareholders, Creditors (Secured and Unsecured) in connection with the Composite Scheme of Arrangement of **Lalbaba Industrial Corporation Private Limited** being the Applicant No. 1 above named (“Demerged Company”), **PEW Engineering Private Limited** being the Applicant No. 2 above named (“Transferor Company”) with **Lal Baba Seamless Tubes Private Limited** being the Applicant Company 3 above named (“Resulting Company/Transferee Company”) for Demerger and vesting of Uluberia Unit (“Demerged Undertaking”) of Lalbaba Industrial Corporation

Private Limited (“Demerged Company”) into Lal Baba Seamless Tubes Private Limited (“Resulting Company”) on a going concern basis and Amalgamation of PEW Engineering Private Limited (“Transferor Company”) with Lal Baba Seamless Tubes Private Limited (“Transferee Company”) from the **Appointed Date**, viz **1st April 2023**, in the manner and as per the terms and conditions stated in the said Composite Scheme of Arrangement (“**Scheme**”). A copy of the said Composite Scheme of Arrangement has been annexed with the Company Application marked as **Annexure-G in Volume III, Page Nos. 298 to 341**.

3. It is submitted by the Ld. Authorized Representative appearing for the Applicants that the **Appointed Date** as per the Scheme is **1st April 2023**.
4. It is submitted by the Ld. Authorized Representative appearing for the Applicants that the Board of Directors of the Applicant Companies have at their respective Board Meetings approved and resolved to carry out the said Composite Scheme of Arrangement, details whereof are presented hereunder:

Sl. No.	Company	Date	Relevant Annexure
1.	Applicant Company 1	15-02-2024	Annexure- H1 Volume III, Page 342-343
2.	Applicant Company 2	15-02-2024	Annexure- H2 Volume III, Page 344-345
3.	Applicant Company 3	15-02-2024	Annexure- H3 Volume III, Page 346-347

5. It is submitted by Ld. Authorized Representative appearing for the Applicants that the Valuation Report dated 13th February 2024 recommending the Swap Ratio has been prepared by Ms. Astha Gupta, IBBI Registered Valuer (Regn. No. IBBI/RV/06/2020/13096).

(A copy of the said Valuation Report is annexed to the Company Application marked as **Annexure-O in Volume X, Page nos. 1232 to 1254**.)

6. It is further submitted by Ld. Authorized Representative appearing for the Applicants that the shares of the Applicant Companies are *not listed in any stock exchange*. Further, the Applicants have the following classes of shareholders and creditors:

Applicant Company 1

Equity Shareholders as on 31.08.2023	Secured Creditors as on 31.08.2023	Unsecured Creditors as on 31.08.2023
5	13	332

Applicant Company 2

Equity Shareholders as on 31.08.2023	Secured Creditors as on 31.08.2023	Unsecured Creditors as on 31.08.2023
11	4	69

Applicant Company 3

Equity Shareholders as on 12.02.2024	Preference shareholders as on 12.02.2024	Secured Creditors as on 31.08.2023	Unsecured Creditors as on 31.08.2023
7	3	62	424

7. It is submitted by Ld. Authorized Representative appearing for the Applicants that of the Equity Shareholders of the Applicant Company 1, 2 and 3 have given their consent to the Scheme in writing by way of affidavits, all of which are annexed with the Company Application, details whereof are presented hereunder:

Applicant Company 1

Equity Shareholders as on 31 st August 2023	Auditors Certificate	Consent from Shareholders	Percentage

NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH -I,
KOLKATA

Company Application (CAA) No. 49/KB/2024

5	Annexure- I1 Volume III Page 348-350	Annexure- J1 Volume III Page 357-372	100%
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Applicant Company 2

Equity Shareholders as on 31 st August 2023	Auditors Certificate	Consent from Shareholders	Percentage
11	Annexure-I2 Volume III Page 351-353	Annexure- J2 Volume III Page 373-403	100%

Applicant Company 3

Equity Shareholders as on 12.02.2024	Auditors Certificate	Consent from Shareholders	Percentage
7	Annexure-I3 Volume III Page 354-356	Annexure- J3 Volume III Page 404-433	97.8%

8. It is submitted by Ld. Authorized Representative appearing for the Applicant Company 3 that 100% of the Preference Shareholders of the Applicant Company 3 have given their consent to the Scheme in writing by way of affidavits, all of which are annexed with the Company Application, details whereof are presented hereunder:

Preference Shareholder as on 12.02.2024	Auditors Certificate	Consent from Shareholders	Percentage
3	Annexure-I3 Volume III Page 354-356	Annexure- J3 Volume III Page 404-433	100%

9. It is submitted by Ld. Authorized Representative appearing for the Applicants that more than 90% of the value of Secured Creditors of the Applicant Companies have given their consent to the Scheme in writing, all of which are annexed to the Company Application, details whereof are presented hereunder:

Sl. No.	Company	Secured Creditors as on 31.08.2023	Auditors Certificate	Consent from Secured Creditors	Percentage
1.	Applicant Company 1	13	Annexure-K1 Volume IV Page 434-443	Annexure-L1 Volume IV Page 463	96.41%
2.	Applicant Company 2	4	Annexure-K2 Volume IV Page 444-448	Annexure-M1 Volume VI Page 706	94.37%
3.	Applicant Company 3	62	Annexure-K3 Volume IV Page 449-462	Annexure-N1 Volume VII Page 835-836	92.42%

10. It is submitted by Ld. Authorized Representative appearing for the Applicants that more than 90% of the value of Unsecured Creditors of the Applicant Companies have given their consent to the Scheme in writing, all of which are annexed to the Company Application, details whereof are presented hereunder:

Sl. No.	Company	Unsecured Creditors as on 31.08.2023	Auditors Certificate	Consent from Unsecured Creditors	Percentage
1.	Applicant Company 1	332	Annexure-K1 Volume IV Page 434-443	Annexure-L2 Volume IV & V Page 464-705	91.16%

**NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH –I,
KOLKATA**

Company Application (CAA) No. 49/KB/2024

2.	Applicant Company 2	69	Annexure-K2 Volume IV Page 444-448	Annexure-M2 Volume VI Page 707-834	95.15%
3.	Applicant Company 3	424	Annexure-K3 Volume IV Page 449-462	Annexure-N2 Volume VII, VIII & IX Page 837-1231	90.44%

11. It is submitted by the Ld. Authorized Representative appearing for the Applicants that the Statutory Auditor of the respective Applicant Companies have by their certificates confirmed that the accounting treatment proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and rules made thereunder.

Sl. No.	Company	Date of Certificate	Auditors Certificate
1.	Applicant Company 1	21.02.2024	Annexure- P1 Volume X, Page 1255-1258
2.	Applicant Company 2	21.02.2024	Annexure- P2 Volume X, Page 1259-1261
3.	Applicant Company 3	22.02.2024	Annexure- P3 Volume X, Page 1262-1265

12. Directions are accordingly sought for:

- (a) Dispensing with meetings of the Equity Shareholders of all the Applicant Companies;
- (b) Dispensing with meetings of the Preference Shareholders of the Applicant Company 3;
- (c) Dispensing with the meetings of the Secured Creditors of all the Applicant Companies;
- (d) Dispensing with meetings of the Unsecured Creditors of all the Applicant Companies.

Heard the Ld. Authorized Representative for the Applicants and upon perusing the records and documents in the instant proceedings and considering the submissions made on behalf of the Applicants, we allow the instant application and make the following orders:

Meetings dispensed:

- Meetings of the Equity Shareholders of the Applicant Companies dispensed with under Section 230(1) read with Section 232(1) of the Act.
- Meetings of the Preference Shareholders of the Applicant Company 3 dispensed with under Section 230(1) read with Section 232(1) of the Act.
- Meetings of the Secured Creditors of the Applicant Companies dispensed with under Section 230(1) read with Section 232(1) of the Act.
- Meetings of the Unsecured Creditors of the Applicant Companies dispensed with under Section 230(1) read with Section 232(1) of the Act.

13. Notice under Section 230(5) of the Companies Act, 2013 along with all accompanying documents, including a copy of the aforesaid Scheme and statement under the provisions of the Companies Act, 2013 shall also be served on the –

- Regional Director, Eastern Region; Ministry of Corporate Affairs, Kolkata;
- Registrar of Companies with whom the Applicants are registered;
- Official Liquidator, High Court, Calcutta;
- Income Tax Department having jurisdiction over the Applicants;
- Other statutory authorities like jurisdictional GST, who may be affected by the scheme.

Theses notices shall be sent by sending the same by hand delivery through special messenger or by Regd. AD/Speed post **and also by email** within two weeks from the date of receiving the Order. Such notice shall be sent pursuant to Section 230(5) of the Companies Act, 2013 read with Rule 8(2) of the Companies

(Compromises, Arrangements and Amalgamations) Rules 2016 in Form No. CAA 3 of the said Rules with necessary variations, incorporating the directions, which provides that representation, if any, shall be filed before this Tribunal within 30 days from the date of receipt of the notice with a copy of such representation being simultaneously sent to the Authorized Representative of the Applicants. If no such representation is received by the Tribunal within such period, it shall be presumed that such authorities have no representation to make on the said Scheme herein.

14. The Applicant Companies shall file affidavit with the Registry in regard to the directions given in this Order to report to this Tribunal that the directions regarding the issue of notices have been duly complied with.
15. The application being Company Application (CAA) No. 49/KB/2024 is disposed of accordingly.
16. Certified copies of this order, if applied for, be supplied to the parties, subject to compliance with all requisite formalities.

Balraj Joshi
Member (Technical)

Bidisha Banerjee
Member (Judicial)

This order signed on, the 15th Day of May, 2024.

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