

IN THE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD
COURT - 1

ITEM No
C.A.(CAA)/73(AHM)2021

Order under Section 230-232

IN THE MATTER OF:

Varun Dyeing and Printing Mills Pvt Ltd
Ramanbihari Processors Pvt Ltd

.....Applicant

Order delivered on ..01/12/2021

Coram:

Madan B. Gosavi, Hon'ble Member(J)
Ajai Das Mehrotra, Hon'ble Member(T)

PRESENT:

For the Applicant : Learned PCS, Mr. Kunjal Dalal
For the Respondent :

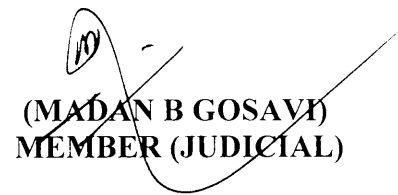
ORDER

It is brought to our notice by the Court Officer that certain corrections in the Order are required relating to the time of the meeting and designation of the scrutinizer.

Hence, by taking the suo-moto action, the corrections are carried out accordingly, and the corrected order to be uploaded.



(AJAI DAS MEHROTRA)
MEMBER (TECHNICAL)



(MADAN B GOSAVI)
MEMBER (JUDICIAL)

IN THE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD
COURT - 1

ITEM No 40
C.A.(CAA)/73(AHM)2021

Order under Section 230-232

IN THE MATTER OF:

Varun Dyeing and Printing Mills Pvt Ltd
Ramanbihari Processors Pvt Ltd

.....Applicant

Order delivered on ..29/11/2021

Coram:

Madan B. Gosavi, Hon'ble Member(J)
Ajai Das Mehrotra, Hon'ble Member(T)

PRESENT:

For the Applicant :
For the IRP/RP :
For the Respondent :

ORDER

The case is fixed for pronouncement of order.

The order is pronounced in open court vide separate sheet.



(AJAI DAS MEHROTRA)
MEMBER (TECHNICAL)



(MADAN B GOSAVI)
MEMBER (JUDICIAL)

**THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH
COURT-1**

CA (CAA) No.73 of 2021

[An application filed Under Sections 230-232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016]

IN THE MATTER OF:

Varun Dyeing and Printing Mills Private Limited

CIN: U17119GJ1994PTC023045

A company registered Under Companies Act, 1956 and having Registered office at 243/3 GIDC Estate Sachin Surat 394230

...Applicant No.1

(Demerged Company)

Ramanbihari Processors Private Limited

CIN: U17299GJ2020PTC117476

A company registered Under Companies Act, 1956 and having Registered office at Block No. 219, Plot No. 8301/P Road No. 1, GIDC Sachin, Surat.

..... Applicant No.2

(Resulting Company)

Order Reserved on 03rd November ,2021

Order Pronounced on 29th November, 2021

Coram:

Madan Bhalchandra Gosavi, Member (Judicial)

Ajai Das Mehrotra, Member (Technical)

Appearance:

PCS Mr. Kunjal Dalal, Authorised Representative for Applicant Companies



ORDER

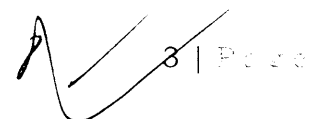
[Per: Madan B. Gosavi, Member (J)]

1. The present joint application is filed by M/s Varun Dyeing and Printing Mills Private Limited (hereinafter referred to as the **Demerged Company**) and M/s Ramanbihari Processors Private Limited (hereinafter referred to as **Resulting Company**) under Section 230 to 232 of the Companies Act, 2013 (hereinafter referred to as '**the Act**') read with Companies (Compromise, Arrangement and Amalgamations) Rules, 2016 (hereinafter referred to as '**CAA Rules**') seeking directions for dispensation of meetings of Equity Shareholders of both the applicants and convening and holding meetings of Secured and Unsecured Creditors of Demerged Company and seeking directions for holding meeting of Unsecured and Secured Creditors of the Resulting Company, in relation to the proposed scheme of demerger between **Varun Dyeing and Printing Mills Private Limited and Ramanbihari Processors Private Limited** and their respective shareholders and creditors.
2. The applicant companies proposed scheme of arrangement involves demerger, **transfer** and vesting of part of business undertaking M/s Varun Dyeing and Printing Mills Private Limited, Demerger Company to M/s Ramanbihari Processors Private

  2 | Page

Limited Resulting Company which is a wholly owned subsidiary of Demerged company for consideration in form of issue of shares to the shareholders of the Demerged Company.

3. The registered office of both the Applicant Companies is situated in the State of Gujarat, and are under the jurisdiction of the National Company Law Tribunal, Bench at Ahmedabad.
4. It is submitted that Resulting Company is the wholly owned subsidiary of the Demerged Company. Both the applicant Companies are engaged in business relating to manufacture of textile. It is further submitted that the Board of Directors of both the Applicant Companies have approved the Scheme of Arrangement by passing a Board Resolution dated 25.03.2021 in separate meeting, which is available on record. It is submitted by the applicant companies that the Demerged Company is a Private Company having **CIN No. U17119GJ1994PTC023045** incorporated under the Companies Act, 1956, and the Resulting Company is a Private Company having **CIN No. U17299GJ2020PTC117476** incorporated under the Companies Act, 2013.
5. It is submitted by both the applicant companies that accounting treatment specified in the Scheme of Arrangement is in conformity with the accounting standards prescribed in the Companies Act, 2013 and certificates of the statutory auditors

 3 | Page

issued under Section 133 of the Companies Act, 2013 are filed respectively with the application.

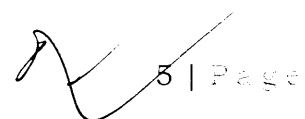
6. The Ld. counsel of the applicant companies submitted that as per the certificate issued by Chartered Accountant placed on record by the applicant Companies the details of Shareholders, Secured Creditors and Un-secured Creditors are as follows;

- I. The Demerged Company having 14 equity shareholders and all the equity shareholders have given their consent affidavits for the proposed Scheme.
- II. The Resulting Company have 2 shareholders both the shareholders have given their consent for the proposed scheme.
- III. The Demerged Company have 2 secured creditors and 121 un-secured creditors, the debt amount of secured creditor is Rs. 8,03,21,366.47/- and un-secured creditor is Rs. 27,82,05,605/- as on 25.03.2021.
- IV. There is no secured or unsecured creditor in Resulting Company.

7. The counsel of the applicant companies appeared and is praying for the dispensation of meetings of equity shareholders of both the companies in the light of consent affidavits given by respective shareholders. The applicant companies further praying for direction for convening and holding the meetings of secured and unsecured creditors of the demerged company. The applicant company is also praying for dispensing the meetings of secured creditors and unsecured creditors of the Resulting Company as

there are no secured or unsecured creditors in Resulting Company.

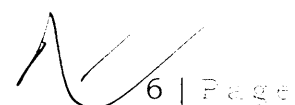
8. The applicants submit that there are no foreign shareholders in both the Applicant Companies. Further, considering the nature of business of applicant companies, the applicant companies are not registered with or governed by the Reserve Bank of India. As such, the Reserve Bank of India is not concerned with the Scheme proposed by the Applicant Companies.
9. The applicant companies further submitted that they don't meet threshold limit relating to assets and turnover as mentioned in the Competition Act, 2002 for the purpose of Combination. Further, it is submitted by the applicant companies that they are unlisted entities hence the SEBI Act, and Regulation are not applicable.
10. The applicant companies submitted that there are no proceeding/investigation pending against any of the applicant under section 210-217, 219, 220, 223, 224, 225, 226 and, 227 of the Companies Act, 1956.
11. It is further submitted by the applicant companies that all legal proceeding of whatsoever nature by or against the Demerged Company pending or arising at the appointed date in relation to the demerged undertaking shall be continued and enforced by or against the Resulting Company, and the Resulting Company will

 5 | Page

bear the liabilities of such proceedings at its own costs.

12. Taking into consideration the submission made by Ld. Counsel and perusing the documents on record, we issue the following directions:

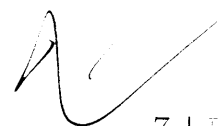
- I. In view of the consent affidavits of Equity Shareholders of both the Applicant Companies the meetings of equity shareholders of both the applicant companies are hereby dispensed with.
- II. The meeting of Secured Creditors of Demerged Company shall be convened on **8th January 2022 at 11:00 AM** at 243/3 GIDC Estate Sachin, Surat 394230, Gujarat for the purpose of considering and if thought fit, approving, with or without modification, the Scheme of Arrangement.
- III. The meeting of Unsecured Creditors of Demerged Company shall be convened on **8th January 2022 at 11:30 AM** at 243/3 GIDC Estate Sachin, Surat 394230, Gujarat for the purpose of considering and if thought fit, approving, with or without modification, the Scheme of Arrangement.
- IV. It is hereby declared that since there are no Secured and Unsecured Creditors of Resulting Company hence, the meetings of Secured Creditors of Resulting Company is not required to be held.
- V. At least one month before the date of meeting, an advertisement about convening the said meeting, indicating the day, the date, the place and the time as aforesaid, shall be published once in English Daily



6 | Page

'Financial Express', Surat Edition and Gujarati translation thereof in **'Dhabkar'**, Surat Edition. The publication shall indicate time within which the copies of the Scheme shall be made available to the concerned persons free of charge from the registered office of the Applicant Demerged Company. The publication shall also indicate that the statement required to be furnished pursuant to Section 102 of the Act read with section 230-232 of the Act and the prescribed form of proxy can be obtained free of charge at the registered office of the applicant demerged company in accordance with second proviso to sub-section (3) of Section 230 read with Rule 7 of the Companies (Compromise, Arrangements & Amalgamation) Rules, 2016 ["Companies CAA Rules, 2016"]

- VI. In addition, at least one month before the date of the aforesaid meetings of Secured Creditors and Unsecured Creditors of Demerged Company to be held as aforesaid, a notice convening the said meetings indicating the day, date and time aforesaid, together with a copy of the Scheme of Arrangement, a copy of the statement required to be furnished pursuant to Section 102 of the Act read with Section 230 to 232 of the Act and Rule 6 of the Companies (CAA) Rules, 2016 shall be sent to each of the Secured Creditors and Unsecured Creditors of the Demerged Company at their respective registered or last known addresses either by registered post or speed post or air mail or by courier or by e-mail or by hand delivery. The notices shall be sent to all the Secured Creditors and



Unsecured Creditors of Demerged Company with reference to the respective list of creditors as on 25.03.2021.

- VII. **Mr. Yogesh Goyal, Director of Applicant Companies shall be the Chairperson** of the meetings of Secured Creditors and Unsecured Creditors of Demerged Company to be held on 8th January 2022 and in any adjourned meeting.
- VIII. **Mr. Sachin Jalan, Practicing Chartered Accountant**, is appointed as Scrutinizer for the said meetings of both the Applicant Companies.
- IX. The Chairperson appointed for the aforesaid meetings shall issue advertisements and send out notices of the meetings referred to above. The Chairperson is free to avail the services of Demerged Company and Resulting Company and also under the Rules in relation to the conduct of meetings, including for deciding any procedural question that may arise at the meetings or adjournment thereof proposed at the said meetings.
- X. The Quorum for the meeting of Secured Creditors of Applicant Demerged Company shall be one and for the unsecured creditors shall be five, present in personal or proxy or by Authorized representative.
- XI. The Chairperson shall file an affidavit not less than 7 (seven) days before the date fixed for holding of the meetings and to report to this Tribunal that the directions regarding issuance of notices and advertisements of meetings have been duly complied with as per Rule 12 of Companies (CAA) Rules, 2016.

AK

8 | Page

XII. It is further ordered that the Chairperson shall report to this Tribunal on the results of the meetings in Form CAA 4, verified by his affidavit, as per Rule 14 of the Companies (CAA) Rules, 2016 within 15(fifteen) days of the conclusion of the meetings.

XIII. In compliance of sub-section (5) of Section 230 and Rule 8 of the Companies (CAA) Rules, 2016, a notice of meetings under sub-section (3) of Section 230 read with Rule 6 of the Companies (CAA) Rules, 2016 in Form No. CAA.3 along with a copy of the Scheme of Arrangement, explanatory statement and the disclosures mentioned under Rule 6 shall be sent to (i) The Central Government through the Regional Director North Western Region. (ii) The Registrar of Companies, Gujarat and (iii) The Income Tax Authorities, stating that the representations, if any, to be made by them shall be made within a period of 30 days from the date of receipt of such notice, failing which it shall be presumed that they have no objection to make on the proposed Scheme of Arrangement.

13. Accordingly, this Company Application is disposed of accordingly.



**AJAI DAS MEHROTRA
MEMBER (TECHNICAL)**



**MADAN B GOSAVI
MEMBER (JUDICIAL)**

Nirmal