

IN THE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD
COURT - 2

ITEM No 401
CP(CAA)/39(AHM)2021
in CA(CAA)80 of 2020

Order under Section 230-232 Co.Act, 2013

IN THE MATTER OF:

Arcelor Mittal India Pvt Ltd
AM Associates India Pvt Ltd
Arcelor Mittal Nippon Steel India Ltd

.....Applicant

.....Respondent

Order delivered on ..09/03/2023

Coram:

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

PRESENT:

For the Applicant : Dr. Abhishesk Singhvi, Sr. Adv.
: Mr. Mihir Thakore, Sr. Adv. Mr. Navin Pahwa, Sr. Adv.
: Mr. Nirag Pathak, Adv. Ms. Manisha Narsinghani, Adv.
For the RD : Mr. Liladhar Sharma, Adv.
For the Respondent :

ORDER

The clarification was sought on the following three issues.

1. Clause 3.2.6 of Scheme at Page 72 of the Application provides as under:

*“All employees of the Transferor Company in relation to the Transferred Undertaking, who are **on its pay roll** shall be engaged by the Transferee Company or its parent company, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Transferor Company, without any interruption of service as a result of this transfer and vesting of the Transferred Undertaking. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Transferor Company, upon this Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, in accordance with the provisions of Applicable Laws and in terms of this Scheme. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Transferor Company for such purpose, shall be treated as having been continuous;”*

Nothing is mentioned in the Scheme with regard to employees other than pay roll employees.

2. During the hearing of the petition, it was submitted by the counsel that idea behind reduction of AMIPL Shares is to move shares to Oakey Holdings.

However, nothing is mentioned with regard to Oakey Holdings in the Scheme.

3. The Petitioner Company has failed to place on record Schedule of assets of Transferred Undertaking of Transferor Company/ Petitioner Company No. 1

Learned Sr. Counsel for the petitioner companies stated that para 3.2.6, para 3.2.9, para 5.2.9 and para 5.2.11 of the Scheme relate to the treatment of the employees, which answers the query at serial no. 1. Regarding reference of M/s. Oakey holdings in the Scheme, the Learned Sr. Counsel stated that para 4.3 of the Scheme on page no. 81 mentions that the shareholders of the transferor company / petitioner company no. 1, which is the reference to M/s. Oakey holdings which is the sole shareholder in the petitioner company no. 1. Regarding schedule of assets of the transferred undertaking, the Learned Sr. Counsel undertook to submit the same within two working days.

-sd-

**AJAI DAS MEHROTRA
MEMBER (TECHNICAL)**

-sd-

**DR. MADAN B GOSAVI
MEMBER (JUDICIAL)**