

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH-IV**

**CA (CAA)/52/MB-IV/2024**

*In the matter of the Companies  
Act, 2013;*

*AND*

*In the matter of*

*Sections 230 to Section 232 of the  
Companies Act, 2013 and other  
applicable provisions of the  
Companies Act, 2013*

*read with Companies*

*(Compromises, Arrangements and  
Amalgamation) Rules, 2016;*

*AND*

*In the matter of  
The Scheme of Amalgamation  
of*

***Elegare Beauty Private  
Limited***

*("Transferor Company")*

*and*

***IDAM Natural Wellness Private  
Limited***

*("Transferee Company")*

*And their respective Shareholders  
and Creditors.*

Elegare Beauty Private Limited  
[CIN: U74999MH2016PTC281656] ... First Applicant Company/

IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH-IV

CA (CAA)/52/MB-IV/2024

IDAM Natural Wellness  
Private Limited ... Second Applicant Company/  
[CIN: U52100MH2019PTC404779]

Order delivered on **05.06.2024**

*Coram:*

Smt. Anu Jagmohan Singh  
Hon'ble Member (Technical)

Mr. Kishore Vemulapalli  
Hon'ble Member (Judicial)

*Appearances :*

For the Applicant(s) : Mr. Anindya Basarkod a/w  
Mr. Peshwan Jehangir, Mr.  
Mehul Shah, Mr. Rushabh  
Gala, Mr. Amit Panwar & Ms.  
Ishrita Bagchi i/b Khaitan &  
Co, Advocates for the  
Applicant Companies.

**ORDER**

1. Heard the Ld. Counsel for the Applicant Companies.
2. Ld. Counsel for the Applicant Companies have proposed a Scheme of Amalgamation of ***Elegare Beauty Private Limited*** ("***First Applicant Company***" or "***Transferor Company***") with ***IDAM Natural Wellness Private Limited*** ("***Second Applicant Company***" or "***Transferee Company***") and their respective Shareholders and Creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.
3. The Scheme provides for the amalgamation of the First Applicant Company with the Second Applicant Company.

The Scheme also provides for various other matters consequent and incidental thereto.

4. Ld. Counsel for the Applicant submits that the **Board of Directors** of the Applicant Companies *vide* resolution dated **14<sup>th</sup> October 2023** have approved the Scheme. The **Appointed Date** means the opening business hours of **April 1, 2023**, or such other date as may be decided by the Board of the Parties.
5. Counsel for the Applicant stated that the registered offices of the Applicant Companies are situated in Maharashtra and hence, the subject matter of the Company Scheme Application is within the jurisdiction of this Bench.
6. Ld. Counsel for the Applicant further submits that the **First Applicant Company** is engaged in the business of skin-care and body care products. The **Second Applicant Company** is engaged in the business of various toiletry, perfumery, skin care and wellness products.
7. Ld. Counsel for the Applicant Companies submits that the circumstances and/or reasons and/or grounds that have necessitated and/or justified the Scheme and some of the major benefits which would accrue from the Scheme are briefly stated below:
  - I. *By consolidating the business of the Transferor Company, the Transferee Company can expand its current service territory, strengthen its existing market share and provide different solutions / products to same category of market.*

IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH-IV

CA (CAA)/52/MB-IV/2024

*The Scheme will inter alia result in the following benefits:*

- a. Combination of resources, creating better synergies and deriving operating efficiencies;*
- b. More efficient utilization of capital for enhanced development and growth of the consolidated business under a single entity;*
- c. Enable opportunities for employees of the parties to grow, by bringing them into a common pool; and*
- d. Elimination of multiple entities, legal and regulatory compliances and, reduction of administrative costs.*

*II. The Scheme is in the best interests of the shareholders, employees and the creditors of each of the Parties.”*

8. The share capital of the **First Applicant Company** as on date of its Board approving the Scheme is as follow:

<b>Particulars</b>	<b>Amount</b>
<b>Authorised Share Capital</b>	
1,20,00,000 equity shares of INR 10 each	12,00,00,000
<b>Total</b>	<b>12,00,00,000</b>
<b>Issued, Subscribed and Paid-Up</b>	
81,51,312 equity shares of INR 10 each, fully paid up	8,15,13,120
<b>Total</b>	<b>8,15,13,120</b>

9. The share capital of the **Second Applicant Company** as on date of its Board approving the Scheme is as follow:

<b>Particulars</b>	<b>Amount</b>
<b>Authorised Share Capital</b>	
10,00,000 equity shares of INR 10 each	1,00,00,000

<b>Total</b>	<b>1,00,00,000</b>
<b><i>Issued, Subscribed and Paid-Up</i></b>	
1,14,320 equity shares of INR 10 each, fully paid up	11,43,200
<b>Total</b>	<b>11,43,200</b>

10. As **consideration** for amalgamation of the First Applicant Company with the Second Applicant Company, the Second Applicant Company, on proportionate basis will issue its equity shares to the shareholders of the First Applicant Company as per the following ratio:

*1,452 equity share of INR 10 (Indian Rupees Ten) each of the Transferee Company, credited as fully paid up, for every 1,00,000 equity share fully paid up of INR 10 (Indian Rupees Ten) each of the Transferor Company held by such shareholder.*

11. Ld. Counsel for the Applicant Company submits that there are **10 (ten) Equity Shareholders** holding 81,51,312 equity shares of INR 10/- each in the First Applicant Company and that there are **4 (Four) Equity Shareholders** holding 1,14,320 equity shares of INR 10/- each in the Second Applicant Company, as on September 30, 2023. All the Equity Shareholders of the First/ Second Applicant Company have given their consent in the form of affidavits approving the proposed Scheme and for dispensing from convening and holding the meeting of the Equity Shareholders for approving the Scheme. The certificate issued by M/s. K T M & Co., Chartered Accountants, certifying the list of Equity Shareholders of the First/ Second Applicant Company is annexed to the Company Scheme

Application. In view of consent, the meeting of the Equity Shareholders of the First/ Second Applicant Company is dispensed with.

12. Ld. Counsel for the Applicant Companies submits that the Applicant Companies have no **Preference Shareholders** as on the date of filing of the present Company Scheme Application and therefore, the question of convening and holding the meeting of the Preference Shareholders of the Applicant Companies does not arise.
13. Ld. Counsel for the First Applicant Company submits that the First Applicant Company does not have any **Secured Creditors**. Accordingly, the requirement of convening and holding the meeting of the Secured Creditors of the First Applicant Company does not arise. The certificate issued by M/s. K T M & Co., Chartered Accountants, confirming that there are no Secured Creditors in the First Applicant Company is annexed to the Company Scheme Application.
14. Ld. Counsel for the Second Applicant Company submits that there are **2 (Two) Secured Creditors** having an outstanding amount of INR 6,58,71,000/-, as on September 30, 2023. Both the Secured Creditors of the Second Applicant Company have given their written consent approving the proposed Scheme and for dispensing from convening and holding the meeting of the Secured Creditors for approving the Scheme. The certificate issued by M/s. K T M & Co., Chartered Accountants, certifying the list of secured creditors of the Second Applicant Company is annexed to

the Company Application. Accordingly, the requirement to convene and hold a meeting of the Secured Creditors of the Second Applicant Company is dispensed with.

15. Learned Counsel for the First Applicant Company submits that there are **5 (Five) Unsecured Creditors** having an outstanding amount of INR 10,001.55 lakhs, as on September 30, 2023. All the 5 (Five) Unsecured Creditors of the First Applicant Company have given their consent affidavits approving the proposed Scheme and for dispensing from convening and holding the meeting of the Unsecured Creditors for approving the Scheme. The certificate issued by M/s. K T M & Co., Chartered Accountants, certifying the list of Unsecured creditors of the First Applicant Company is annexed to the Company Application. Accordingly, the requirement to convene and hold a meeting of the Unsecured Creditors of the First Applicant Company is dispensed with.
16. Learned Counsel for the Second Applicant Company submits that there are **292 (Two Ninety-Two) Unsecured Creditors** having an outstanding amount of INR 10,985.47 lakhs, as on September 30, 2023. The Second Applicant Company submits that it has obtained consent affidavits from Unsecured Creditors representing **92.13%** of the total aggregate outstanding amount approving the proposed Scheme and for dispensing from convening and holding the meeting of the Unsecured Creditors for approving the Scheme. The certificate issued by M/s. K T M & Co., Chartered Accountants, certifying the list of Unsecured

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH-IV**

**CA (CAA)/52/MB-IV/2024**

Creditors of the Second Applicant Company and the number, value and fact that consent affidavits of from at least 92.13% of the total outstanding value of the Unsecured Creditors of the Second Applicant Company have been received, the same is annexed to the Company Application. Accordingly, the requirement to convene and hold a meeting of the Unsecured Creditors of the Second Applicant Company is dispensed with. This Bench directs the Second Applicant Company to serve notice seeking representations to the Scheme upon remaining Unsecured Creditors, who have not given their consent to the Scheme, by Registered Post - AD / Speed Post and through email.

17. The Applicant Companies are directed to serve notices along with a copy of the Scheme under the provisions of Section 230 (5) of the Companies Act, 2013 and Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, upon the –
  - a. Central Government through the office of Regional Director (Western region), Mumbai.
  - b. Jurisdictional Registrar of Companies, Maharashtra, Mumbai.
  - c. Income Tax Department of the First Applicant Company bearing GST No. 27AAGCG3932J1ZG having jurisdiction at Range II, Division II, Mumbai South, Meher Building, Chowpaty Mumbai – 400 007 and Goods & Services Tax Authorities of the Second Applicant Company bearing GST No.



IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH-IV

CA (CAA)/52/MB-IV/2024

27AAFCl1834E1ZT having jurisdiction at Range II, Division II, Air India Building, Nariman Point, Mumbai – 400 021 and the Nodal Authority in the Income Tax Department having jurisdiction over such authority i.e. Pr. CCIT, Mumbai, Address: 3rd Floor, Aayakar Bhawan, Mahrishi Karve Road, Mumbai – 400 020, Phone No. 022-22017654 [E-mail: [Mumbai.pccit@incometax.gov.in](mailto:Mumbai.pccit@incometax.gov.in)];

- d. Jurisdictional GST Authority(s) (proper officer), within whose jurisdiction such companies are assessed to tax under GST law;
  - e. Ministry of Corporate Affairs; and
  - f. Any other Sectoral/ Regulatory Authorities relevant to the Applicant Companies or their business.
18. The Transferor Company is also directed to serve notice along with a copy of the Scheme upon the Official Liquidator, High Court, Bombay, pursuant to Section 230(5) of the Act read with Rule 8 of the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016.
19. The Notice shall be served through by Registered Post-AD/Speed Post and through email along with copy of scheme and state that “*If no response is received by the Tribunal from the concerned Authorities within 30 days of the date of receipt of the notice it will be presumed that the concerned Authorities has no objection to the proposed Scheme*”. It is clarified that notice service through courier

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH-IV**

**CA (CAA)/52/MB-IV/2024**

shall be taken on record only in cases where it is supported with Proof of Delivery having acknowledgement of the notice.

20. The Applicant Companies will submit –

- i. Details of Corporate Guarantee, Performance Guarantee and Other Contingent Liabilities, if any.
- ii. List of pending IBC cases, if any, along with all other litigation pending against the Applicant Companies having material impact on the proposed Scheme.
- iii. The Applicant Companies shall submit details of all Letters of Credit sanctioned and utilized as well as Margin Money details; if any.

21. The Applicant Companies to file Affidavits of Service, with the Registry proving service upon the regulatory authorities as stated above, and report to this Tribunal that the directions have been duly complied with.

Sd/-  
**Anu Jagmohan Singh**  
**Member (Technical)**

/Dubey/

Sd/-  
**Kishore Vemulapalli**  
**Member (Judicial)**