

NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

COURT III

3. C.A.(CAA)/8/MB/2023

CORAM: SH. H. V. SUBBA RAO, MEMBER (J)
MS. MADHU SINHA, MEMBER (T)

ORDER SHEET OF THE HEARING OF MUMBAI BENCH OF THE NATIONAL
COMPANY LAW TRIBUNAL ON **12.01.2023**

NAME OF THE PARTIES: Creixent Special Steels Limited

SECTION 230(I) OF COMPANIES ACT, 2013

ORDER

Mr. Gaurav Joshi, Senior Counsel, Mr. Ankit Lohia a/w Mr. Anirudh Das, Ms. Meghna Rajadhyaksha, Ms. Nirmal Mahtani, Ms. Kriti Kalyani, Mr. Harit Lakhani i/b Shardul Amarchand Mangaldas & Co. Advocates for the Applicant Companies along with Mr. Ravi Sabarwal and Mr. Harshil Dalal, representatives of the Applicant Companies are present through virtual hearing.

C.A.(CAA)/8/MB/2023

Heard the counsel appearing for the Petitioner and the above Company
Application is **allowed. Detail order would follow:**

Sd/-
MADHU SINHA
Member (Technical)
//SGP//

Sd/-
H. V. SUBBA RAO
Member (Judicial)

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH, COURT III
CA (CAA) NO.: 08/230-232/MB/2023**

IN THE MATTER OF:

SECTIONS 230 TO 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:

COMPOSITE SCHEME OF
ARRANGEMENT AMONGST CREIXENT
SPECIAL STEELS LIMITED
("APPLICANT/ TRANSFEROR
COMPANY 1") AND JSW ISPAT
SPECIAL PRODUCTS LIMITED
("APPLICANT/ TRANSFEROR
COMPANY 2") AND JSW STEEL
LIMITED ("APPLICANT/ TRANSFEREE
COMPANY")

CREIXENT SPECIAL STEELS LIMITED

CIN : U27209MH2018PLC375319

PAN : AAHCC4291P

A COMPANY INCORPORATED UNDER THE
COMPANIES ACT, 2013, HAVING ITS
REGISTERED OFFICE AT JSW CENTRE, BANDRA
KURLA COMPLEX, BANDRA (EAST), MUMBAI –
400051

... APPLICANT/
TRANSFEROR
COMPANY 1

AND

JSW ISPAT SPECIAL PRODUCTS LIMITED

CIN : L02710MH1990PLC363582

PAN : AAACM0501D

A COMPANY INCORPORATED UNDER THE COMPANIES ACT, 1956, HAVING ITS REGISTERED OFFICE AT JSW CENTRE, BANDRA KURLA COMPLEX, BANDRA (EAST), MUMBAI – 400051

... APPLICANT/
TRANSFEROR
COMPANY 2

AND

JSW STEEL LIMITED

CIN : L27102MH1994PLC152925

PAN : AAACH4323N

A COMPANY INCORPORATED UNDER THE COMPANIES ACT, 1956, HAVING ITS REGISTERED OFFICE AT JSW CENTRE, BANDRA KURLA COMPLEX, BANDRA (EAST), MUMBAI – 400051

... APPLICANT/
TRANSFeree
COMPANY

Order delivered on: 12.01.2023

Coram:

Hon'ble Member (Judicial): Sh. H. V. Subba Rao

Hon'ble Member (Technical): Ms. Madhu Sinha

Appearances (via Video Conferencing):

Advocates For the Applicant Companies: Mr. Gaurav Joshi, Senior Counsel, Mr. Ankit Lohia, a/w Mr. Anirudh Das, Ms. Meghna Rajadhyaksha, Mr. Nirmal Mahtani, Ms. Kriti Kalyani, Mr. Harit Lakhani i/b Shardul Amarchand Mangaldas & Co.

Mr. Rajiv Sabharwal and Mr. Harshil Dalal, Representatives on behalf of the Applicant Companies

ORDER

1. This Bench is convened through video conferencing.
2. The Counsel for the Applicant Companies states that the present Composite Scheme is for an Arrangement amongst Creixent Special Steels Limited (**“Applicant/Transferor Company 1”**), JSW Ispat Special Products Limited (**“Applicant/Transferor Company 2”**) and JSW Steel Limited (**“Applicant/Transferee Company”**) and their respective shareholders and creditors (**“Scheme”**) (collectively referred to as **“Applicant Companies”**).
3. The Counsel for the Applicant Companies submits that the (i) Applicant/Transferor Company 1 is *inter alia*, engaged in the business of trading in steel and steel products and holding investments; (ii)

Applicant/Transferor Company 2 is *inter alia* engaged in the business of manufacturing and marketing of sponge iron, pellets, steel and ferro alloys; and (iii) Applicant/Transferee Company is engaged in the business of manufacturing steel and offers a wide gamut of steel products.

4. The Counsel for the Applicant Companies submits that the Board of Directors of the Transferor Company 1, Transferor Company 2 and the Transferee Company in their respective Board Meetings conducted on 27th May, 2022 have approved the Scheme. The Appointed Date fixed under the Scheme is 1st April, 2022.
5. The Transferor Company 1 has issued certain nonconvertible debentures, which are listed on the wholesale debt market segment of BSE Limited (“**BSE**”). The equity shares of the Transferor Company 2 are listed on the BSE and National Stock Exchange of India Limited (“**NSE**”). The Equity Shares of the Transferee Company are listed on the BSE and NSE.
6. The Counsel for the Applicant Companies submits that the proposed Amalgamation would accomplish the following benefits –
 - (a) ***Synergies in business***: The Applicant Companies are engaged in similar and/ or complementary businesses and their proposed

amalgamation pursuant to the Scheme will create synergies between their businesses, including by pooling of their financial, managerial, technical, distribution, marketing and other resources. The proposed amalgamation is expected to, *inter-alia*, result in reduction of costs, better alignment, coordination and streamlining of day-to-day operations of the units;

- (b) ***Optimization of raw material procurement:*** The Applicant/Transferee Company has captive iron ore mines and merchant iron ore mines. The manufacturing unit of the Applicant/Transferor Company 2 situated at Raigarh sources iron ore from the merchant mines of the Applicant/Transferee Company and pursuant to the proposed amalgamation, the Applicant/Transferor Company 2 will also source iron ore from the captive iron ore mines of the Applicant/Transferee Company, which are located closer to the Applicant/Transferor Company 2, than the merchant iron ore mines of the Applicant/Transferee Company. Such combined sourcing of raw materials will result in reduction in overall cost of procurement. Further, the requirement of coke for the manufacturing activities of the Applicant/Transferor Company 2

can also be supplied by the Applicant/ Transferee Company, thereby resulting in further reduction of procurement costs;

(c) ***Utilization of surplus rolling capacity:*** The Applicant/Transferor Company 2 commenced its slab manufacturing capacity in FY 2022. With the commissioning of a second electric arc furnace (EAF) by Applicant/Transferor Company 2 expected in Q2 FY 2023, its ability to produce crude steel will increase. The facilities of the Applicant/Transferee Company at Vijayanagar and Anjar have surplus rolling capacity. Thus, the slabs manufactured by the Applicant/Transferor Company 2 can be rolled in the said facilities of the Applicant/Transferee Company, thereby providing opportunity for transfer of intermediate products within the facilities, and thereby increasing the capacity utilization of the Applicant/Transferee Company's rolling mills;

(d) ***Simplified structure and management efficiency:*** The proposed amalgamation will result in a simplification of the existing corporate structure and eliminate administrative duplications, consequently reducing the administrative costs of maintaining separate

companies, while reducing the multiple legal and regulatory compliances; and

- (e) ***Enhancing presence in central India:*** The Applicant/Transferee Company does not have manufacturing presence in central India. Pursuant to the proposed amalgamation, the Applicant/Transferee Company shall be better positioned to service customer needs basis their combined portfolio of products and marketing capabilities in central India. The proposed amalgamation will provide opportunities to access new markets, segments, product offerings and customers in central India. Further, with a common credit management system, the customers are expected to benefit from an improved channel financing facility from the combined company.

- (f) ***Improved automation:*** The proposed amalgamation will result in increased level of automation across all plants of the Applicant/Transferor Company 2 by using the information technology application and systems of the Applicant/Transferee Company.

7. The Counsel for the Applicant Companies further submits that the consideration of the Scheme, as determined by the Valuation report dated 27th May, 2022 for Section I of the Scheme (Amalgamation of Transferor Company 1 with and into the Transferee Company) issued by PwC Business Consulting Services LLP (Applicant / Transferor Company 1) (“**Valuation Report 1**”) and issued by KPMG Valuation Services LLP (Applicant / Transferee company) (“**Valuation Report 2**”). Further, for Section II of the Scheme (Amalgamation of Transferor Company 2 with and into the Transferee Company) issued by PwC Business Consulting Services LLP (Applicant / Transferor Company 1) (“**Valuation Report 3**”). The said valuation reports are attached to the Company Scheme Application. The share entitlement ratio is as follows:

For Equity Shareholders of the Applicant / Transferor Company 1

Upon Section I of this Scheme coming into effect on the Effective Date 1 and with effect from the Appointed Date and in consideration of the amalgamation of the Transferor Company 1 with the Transferee Company, the Transferee Company shall, without any further act, instrument or deed, issue and allot to each equity shareholder of the Transferor Company 1 (other than the Transferee Company in respect of its shareholding in

Transferor Company 1) as on the Record Date, 3 (three) fully paid-up Equity Share(s) of INR 1 (Indian Rupee One) each of the Transferee Company for every 2 (two) fully paid-up Equity Share(s) of INR 10 (Indian Rupee Ten) each of the Transferor Company 1.

For Equity Shareholders of the Applicant Transferor Company 2

Upon Section II of this Scheme coming into effect on the Effective Date 2 and with effect from the Appointed Date and in consideration of the amalgamation of the Transferor Company 2 with the Transferee Company, the Transferee Company shall, without any further act, instrument or deed, issue and allot to:

- (a) each equity shareholder of the Transferor Company 2 (other than the Transferee Company in respect of its shareholding in Transferor Company 2, including in respect of shares of the Transferor Company 2 transferred and vested to the Transferee Company pursuant to Section I of this Scheme) as on the Record Date, 1 (one) fully paid-up Equity Share(s) of INR 1 (Indian Rupee One) each of the Transferee Company for every 21 (twenty-one) fully paid-up Equity Share(s) of INR 10 (Indian Rupees Ten) each of the*

Transferor Company 2; and

- (b) each holder of compulsorily convertible preference shares of the Transferor Company 2 (other than the Transferee Company in respect of its shareholding in Transferor Company 2, including in respect of shares of the Transferor Company 2 transferred and vested to the Transferee Company pursuant to Section 1 of this Scheme) as on the Record Date, 1 (one) fully paid-up Equity Share(s) of INR 1 (Indian Rupee One) each of the Transferee Company for every 21 (twenty-one) compulsorily convertible preference share(s) of INR 10 (Indian Rupees Ten) each of the Transferor Company 2.*
8. The Counsel for the Applicant Companies submits that for the purpose of considering and, if thought fit, approving, with or without modification(s) the proposed Scheme of Arrangement amongst Applicant/Transferor Company 1 and Applicant /Transferor Company 2 and Applicant / Transferee Company, the Meeting of Equity Shareholders and Preference Shareholders of the Applicant/Transferor Company 1 be dispensed with in view of the written consents given by (i) all 9 (nine) Equity Shareholders of the Applicant/Transferor Company 1 which are annexed

to the Company Scheme Application; and (ii) the sole Preference Shareholder of the Transferor Company 1 which is annexed as to the Company Scheme Application. Accordingly, the necessity and convening of Meeting of Equity Shareholders and Preference Shareholders of the Applicant/Transferor Company 1 is dispensed with.

9. The Counsel for the Applicant Companies submits that as on 30th September, 2022, the Applicant/Transferor Company 1 has no Secured Creditors. Certificate by the Chartered Accountant certifying no Secured Creditors as on 30th September, 2022 in the Applicant/Transferor Company 1 is annexed to the Company Scheme Application. Hence, the question of convening and holding meeting or sending notices to the Secured Creditors of the Applicant/Transferor Company 1 does not arise.
10. The Counsel for the Applicant Companies submits that as on 30th September, 2022, Applicant/Transferor Company 1 has 4 (four) Unsecured Creditors to the tune of INR 516,76,70,590 (Rupees Five Hundred Sixteen Crore Seventy Six Lakhs Seventy Thousand Five Hundred and Ninety).
11. The Counsel for the Applicant Companies submits that for the purpose of considering and, if thought fit, approving, with or without modification(s)

the proposed Scheme of Arrangement amongst Applicant/Transferor Company 1 and Applicant /Transferor Company 2 and Applicant / Transferee Company, the Meeting of Unsecured Creditors of the Applicant/Transferor Company 1 be dispensed with in view of the written consents given by 2 (two) Unsecured Creditors representing 99.97% of the unsecured debt of the Applicant/Transferor Company 1 (as on 30th September, 2022) which is annexed to the Company Scheme Application. Accordingly, the necessity and convening of Meeting of Unsecured Creditors of the Applicant/Transferor Company 1 is dispensed with.

12. The Counsel for the Applicant Companies submits that as on 9th December, 2022, the Applicant/ Transferor Company 2 has 1,21,127 (One Lakh Twenty One Thousand One Hundred and Twenty Seven) Equity Shareholders. Accordingly, it is directed that the meeting of the Equity Shareholders of the Applicant/Transferor Company 2 be convened and held through video-conference/other audio visual means on 17th March, 2023 at 11 AM IST, for the purpose of considering and, if thought fit, approving, with or without modification(s) the proposed Scheme of Arrangement amongst Applicant/Transferor Company 1 and Applicant /Transferor Company 2 and Applicant / Transferee Company. The

quorum for the aforesaid meeting of the Equity Shareholders of the Applicant/Transferor Company 2 shall be as prescribed under Section 103 of the Companies Act 2013, present either in person or by authorised representative. In case the required quorum as stated above is not present at the commencement of the meeting, the meeting shall be adjourned by 30 (thirty) minutes and thereafter the persons present shall be deemed to constitute the quorum.

13. In view of provisions of Section 230(4) read with Section 108 of the Companies Act, 2013 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014 and in accordance with Regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Applicant /Transferor Company 2 proposes to provide the facility of remote e-voting to its Equity Shareholders in respect of the resolution to be passed at the meeting of the Equity Shareholders of the Applicant /Transferor Company 2. The Equity Shareholders of the Applicant /Transferor Company 2 are also allowed to avail the facility of e-voting during the aforesaid meeting to be held through video conferencing and/or other audio-visual means on 17th March, 2023 at 11 AM IST. The remote e-

voting facility and the e-voting facility during the meeting for the Equity Shareholders of the Applicant /Transferor Company 2 shall be provided in compliance with the conditions specified under the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, as applicable.

14. At least 30 clear days before the said meeting of the Equity Shareholders of Applicant / Transferor Company 2 to be held as aforesaid, a notice convening the said meeting at the place, day, date and time aforesaid, together with a copy of the Scheme and the Explanatory Statement as required to be sent under Section 230(3) of the Companies Act 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rule, 2016 notified on 14th day of December, 2016, shall be sent by Registered Post or by mail or by courier or by speed post or by hand delivery at their respective registered or last known addresses or by email (to those Equity Shareholders of the Applicant / Transferor Company 2 whose email addresses are duly registered with the Applicant / Transferor Company 2 for the purpose of receiving such notices by email) to each of

the respective Equity Shareholders of the Applicant / Transferor Company 2 (as on 9th December, 2022) as per the records of the Applicant / Transferor Company 2).

15. At least 30 clear days before the meeting of the Equity Shareholders of Applicant / Transferor Company 2, to be held as aforesaid, a notice convening the said meeting shall be published once each in Financial Express (English Daily) and Navshakti (Marathi Daily), both widely circulated at Mumbai, notifying the place, date and time of the meeting and stating that copies of the Scheme of Amalgamation and the statement required to be furnished pursuant to Section 230 of the Companies Act, 2013 (which can be obtained free of charge at the Registered Office of the Applicant / Transferor Company 2 as aforesaid. .
16. The Applicant / Transferor Company 2 has undertaken to:
 - i. Issue Notice convening meeting of their respective Equity Shareholders as per Form No. CAA.2 (Rule 6) of the Companies (Compromises, Arrangements an Amalgamations) Rules, 2016;
 - ii. Issue Statement containing all the particulars as per Section 230 of the Companies Act, 2013; and

- iii. advertise the Notice convening meeting of their Equity Shareholders as per Form No. CAA.2 (Rule 7) the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

The undertaking is accepted.

17. Mr. Jyotin Mehta, Chairperson of the Board of the Applicant / Transferor Company 2, failing whom Mrs. Anuradha Bajpai, Independent Director of the Applicant / Transferor Company 2, failing whom Mr. Paresh Shah, Whole-time Director of the Applicant / Transferor Company 2, failing whom Mr. Naresh Kumar Lalwani, Director of the Applicant / Transferor Company 2 is appointed as the Chairperson for the meeting of the Equity Shareholders of the Applicant / Transferor Company 2. The Scrutinizer for the said Meeting shall be Mr. Shreyans Jain, Practicing company Secretary (holding membership CP No. 9801) who shall be paid an all inclusive amount of Rs. 50,000 (Rupees Fifty thousand only) plus taxes for the services in respect of the entire Scheme.
18. The Chairperson appointed for the meeting of the Applicant/Transferor Company 2 is to issue the advertisement and send out the notices of the meeting referred to above. The said Chairperson shall have all powers under the Companies (Compromises, Arrangements and Amalgamations)

Rules, 2016 in relation to the conduct of the meeting, including for deciding procedural questions that may arise at the meeting or at any adjournment thereof or any other matter including an amendment to the Scheme or resolution, if any, proposed at the meeting by any person(s).

19. The Chairperson for the meeting is to file an affidavit, not less than 7 (seven) days before the date fixed for the holding of the meeting and to report to this Tribunal that the direction regarding the issue of notices and the advertisement have been duly complied with as per Rule 12 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
20. The Chairperson for the meeting is to report to this Tribunal, the result of the aforesaid meeting within 7 (seven) working days of the conclusion of the meeting, and the said report shall be verified by his/ her Affidavit as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
21. The Counsel for the Applicant Companies submits that for the purpose of considering and, if thought fit, approving, with or without modification(s) the proposed Scheme of Arrangement amongst Applicant/Transferor Company 1 and Applicant /Transferor Company 2 and Applicant /

Transferee Company, the Meeting of Preference Shareholders of the Applicant/Transferor Company 2 be dispensed with in view of the written consents given by all 3 (three) Preference Shareholders of the Applicant/Transferor Company 2 which are annexed to the Company Scheme Application respectively. Accordingly, the necessity and convening of Meeting of Preference Shareholders of the Applicant/Transferor Company 2 is dispensed with.

22. The Counsel for the Applicant Companies submits that as on 30th September, 2022, the Applicant/ Transferor Company 2 has 6 (six) Secured Creditors to the tune of INR 2,931.35 Crores. The Counsel for the Applicant Companies submits that for the purpose of considering and, if thought fit, approving, with or without modification(s) the proposed Scheme of Arrangement amongst Applicant/Transferor Company 1 and Applicant /Transferor Company 2 and Applicant / Transferee Company, the Meeting of Secured Creditors of the Applicant/Transferor Company 2 be dispensed with in view of the written consents given by all 6 (six) Secured Creditors of the Applicant/Transferor Company 2 which are annexed to the Company Scheme Application. Accordingly, the necessity and convening of Meeting of Secured Creditors of the

Applicant/Transferor Company 2 is dispensed with.

23. The Counsel for the Applicant Companies submits that as on 30th September, 2022, the Applicant/ Transferor Company 2 has 1,599 (one thousand five hundred and ninety nine) Unsecured Creditors to the tune of INR 594.11 Crores. Further, the **Applicant/Transferee Company is also an Unsecured Creditor of the Applicant/Transferor Company 2**, to the tune of INR 295.89 Crores constituting **49.80 %** of the Unsecured Creditors in value terms.

24. The Counsel for the Applicant Companies submits that the Scheme does not propose any compromise or arrangement with the Unsecured Creditors of Applicant/Transferor Company 2 under Section 230(1)(a) of the Companies Act, 2013. It is submitted that the Unsecured Creditors of the Applicant/ Transferor Company 2 are not in any manner affected by the Scheme nor is there any compromise or arrangement envisaged in the Scheme with the Unsecured Creditors. The Scheme does not contemplate any variation in the rights of the Unsecured Creditors of the Applicant/Transferor Company 2. Further, in terms of the Scheme, the Unsecured Creditors of the Applicant/ Transferor Company 2 are not affected as the assets of the Applicant/Transferee Company are far more

than the liabilities of the Applicant/Transferor Company 2, and as such sufficient to discharge the liability towards the Unsecured Creditors. It is submitted that the net worth of the Applicant / Transferor Company 2 as on 30th September, 2022 is INR 1089.20 crores and the net worth of the Applicant/Transferee Company as on 30th September, 2022 is INR 63,295 Crores, which is far in excess of the liability of the Applicant/ Transferor Company 2 towards its Unsecured Creditors which is INR 594.11 Crores. Accordingly, the Counsel for the Applicant Companies submits that interests of the creditors of the Applicant/Transferor Company will not be prejudiced in any manner as a result of the Scheme being sanctioned by this Hon'ble Tribunal.

25. In view of the above, the Meetings of the Unsecured Creditors of the Applicant/ Transferor Company 2 are hereby dispensed with. However, the Applicant/Transferor Company 2 is hereby directed to issue Notices to the Unsecured Creditors of the Applicant/Transferor Company 2 (as on 30th September, 2022), with a direction that such Unsecured Creditors may submit their representation, if any, within a period of 30 (Thirty) days from the date of deemed receipt of such notice to the Tribunal and copy of such representations shall simultaneously be served upon the

Applicant/Transfer Company 2. The Notices be sent by Registered Post or by mail or by courier or by speed post or by hand delivery at their respective registered or last known addresses or by email (to those Unsecured Creditors of the Applicant / Transferor Company 2 whose email addresses are duly registered with the Applicant / Transferor Company 2 for the purpose of receiving such notices by email).

26. The Counsel for the Applicant Companies submits that as on 9th December, 2022, the Applicant/Transferee Company has 6,36,606 (Six Lakhs Thirty Six Thousand Six Hundred and Six) Equity Shareholders. Accordingly, it is directed that the meeting of the Equity Shareholders of the Applicant/Transferee Company be convened and held through video-conference/other audio visual means on 17th March, 2023 at 3 PM IST, for the purpose of considering and, if thought fit, approving, with or without modification(s) the proposed Scheme of Arrangement amongst Applicant/Transferor Company 1 and Applicant /Transferor Company 2 and Applicant / Transferee Company. The quorum for the aforesaid meeting of the Equity Shareholders of the Applicant/Transferor Company 2 shall be as prescribed under Section 103 of the Companies Act 2013, present either in person or by authorised representative. In case the

required quorum as stated above is not present at the commencement of the meeting, the meeting shall be adjourned by 30 (thirty) minutes and thereafter the persons present shall be deemed to constitute the quorum.

27. In view of provisions of Section 230(4) read with Section 108 of the Companies Act, 2013 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014 and in accordance with Regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Applicant/Transferee Company proposes to provide the facility of remote e-voting to its Equity Shareholders in respect of the resolution to be passed at the meeting of the Equity Shareholders of the Applicant/Transferee Company. The Equity Shareholders of the Applicant/Transferee Company are also allowed to avail the facility of e-voting during the aforesaid meeting to be held through video conferencing and/or other audio-visual means on 17th March, 2023 at 3 PM IST. The remote e-voting facility and the e-voting facility during the meeting for the Equity Shareholders of the Applicant/Transferee Company shall be provided in compliance with the conditions specified under the Companies (Management and

Administration) Rules, 2014, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, as applicable.

28. At least 30 clear days before the said meeting of the Equity Shareholders of the Applicant/Transferee Company to be held as aforesaid, a notice convening the said meeting at the place, day, date and time aforesaid, together with a copy of the Scheme and the Explanatory Statement required to be sent under Section 230(3) of the Companies Act 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rule, 2016 notified on 14th day of December, 2016, shall be sent by Registered Post or by mail or by courier or by speed post or by hand delivery at their respective registered or last known addresses or by email (to those Equity Shareholders of the Applicant/Transferee Company whose email addresses are duly registered with the Applicant/Transferee Company for the purpose of receiving such notices by email) as on 9th December, 2022 as per the records of the Applicant/Transferee Company .
29. At least 30 clear days before the meeting of the Equity Shareholders of the Applicant/Transferee Company, to be held as aforesaid, a notice convening

the said meeting shall be published once each in Financial Express (English Daily) and Navshakti (Marathi Daily), both widely circulated at Mumbai, notifying the place, date and time of the meeting and stating that copies of the Scheme of Amalgamation and the statement required to be furnished pursuant to Section 230 of the Companies Act, 2013 (which can be obtained free of charge at the Registered Office of the Applicant/Transferee Company as aforesaid.

30. The Applicant/Transferee Company has undertaken to:
- i. Issue Notice convening meeting of their respective Equity Shareholders as per Form No. CAA.2 (Rule 6) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;
 - ii. Issue Statement containing all the particulars as per Section 230 of the Companies Act, 2013; and
 - iii. Advertise the Notice convening meeting of their Equity Shareholders as per Form No. CAA.2 (Rule 7) the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

The undertaking is accepted.

31. Mr. Sajjan Jindal, Chairman and Managing Director of the Applicant/Transferee Company, failing whom Mr. Sheshgiri Rao, Joint Managing Director and Group CFO of the Applicant/Transferee Company, failing whom Mr. Jayant Acharya, Deputy Managing Director of the Applicant/Transferee Company is appointed as the Chairperson for the meeting of the Equity Shareholders of the Applicant/Transferee Company. The Scrutinizer for the said Meeting shall be Mr. Shreyans Jain, Practicing company Secretary (holding membership CP No. 9801) who shall be paid an all inclusive amount of Rs. 50,000 (Rupees fifty thousand only) plus taxes for the services in respect of the entire Scheme.
32. The Chairperson appointed for the meeting of the Applicant/Transferee Company is to issue the advertisement and send out the notices of the meeting referred to above. The said Chairperson shall have all powers under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the conduct of the meeting, including for deciding procedural questions that may arise at the meeting or at any adjournment thereof or any other matter including an amendment to the Scheme or resolution, if any, proposed at the meeting by any person(s).

33. The Chairperson for the meeting is to file an affidavit, not less than 7 (seven) days before the date fixed for the holding of the meeting and to report to this Tribunal that the direction regarding the issue of notices and the advertisements have been duly complied with as per Rule 12 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
34. The Chairperson for the meeting to report to this Tribunal, the result of the aforesaid meeting within 7 (seven) working days of the conclusion of the meeting, and the said report shall be verified by his/her Affidavit as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
35. The Counsel for the Applicant Companies submits that as on 30th September, 2022, the Applicant/Transferee Company has 22 (twenty two) Secured Creditors to the tune of INR 38,663 Crores. The Counsel for the Applicant Companies submits that for the purpose of considering and, if thought fit, approving, with or without modification(s) the proposed Scheme of Arrangement amongst Applicant/Transferor Company 1 and Applicant /Transferor Company 2 and Applicant / Transferee Company, the Meeting of Secured Creditors of the Applicant/Transferee Company

be dispensed with in view of the written consents given by all 22 (twenty two) Secured Creditors of the Applicant/Transferee Company which are annexed to the Company Scheme Application. Accordingly, the necessity and convening of Meeting of Secured Creditors of the Applicant/Transferee Company is dispensed with.

36. The Counsel for the Applicant Companies submits that as on 30th September, 2022, the Applicant/Transferee Company has 8,711 (eight thousand seven hundred and eleven) Unsecured Creditors to the tune of INR 45,210.86 Crores.
37. The Counsel for the Applicant Companies submits that the Scheme does not propose any compromise or arrangement with the Unsecured Creditors of the Applicant/Transferee Company under Section 230(1)(a) of the Companies Act, 2013. It is submitted that the Unsecured Creditors of the Applicant/Transferee Company are not in any manner affected by the Scheme nor is there any compromise or arrangement envisaged in the Scheme with the Unsecured Creditors. The Scheme does not contemplate any variation in the rights of the Unsecured Creditors of the Applicant/Transferee Company. Further, in terms of the Scheme, the Unsecured Creditors the Applicant/Transferee Company are not affected

as the assets of the Applicant/Transferee Company are far more than its liabilities, and as such sufficient to discharge the liability towards the Unsecured Creditors. It is submitted that the net worth of the Applicant/Transferor Company 2 as on 30th September, 2022 is INR 1089.20 crores and the net worth of Applicant/Transferee Company as on 30th September, 2022 is INR 63,295 Crores, which is far in excess of the liability of the Applicant/Transferor Company 1, Applicant/Transferor Company 2 and Applicant/Transferee Company which is INR 516.76 Crores, INR 594.11 Crores and INR 45,210.86 Crores towards their Unsecured Creditors respectively. Accordingly, the Counsel for the Applicant Companies submits that interests of the Unsecured Creditors of the Applicant Companies will not be prejudiced in any manner as a result of the Scheme being sanctioned by this Hon'ble Tribunal.

38. In view of the above, the Meetings of the Unsecured Creditors of the Applicant/Transferee Company are hereby dispensed with. However, the Applicant/Transferee Company is hereby directed to issue Notices to the Unsecured Creditors of the Applicant/Transferee Company (as on 30th September, 2022), with a direction that such Unsecured Creditors may submit their representation, if any, within a period of 30 (Thirty) days

from the date of deemed receipt of such notice to the Tribunal and copy of such representations shall simultaneously be served upon the Applicant/Transferee Company. The Notices be sent by Registered Post or by mail or by courier or by speed post or by hand delivery at their respective registered or last known addresses or by email (to those Unsecured Creditors of the Applicant/Transferee Company whose email addresses are duly registered with the Applicant/Transferee Company for the purpose of receiving such notices by email).

39. The Applicant Companies shall serve the Notice in terms of Section 230 (5) of the Companies Act, 2013 and as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, upon -

- a. The Central Government, through Regional Director, Everest, 5th Floor, 100 Marine Drive, Mumbai-400002;
- b. The Registrar of Companies, Mumbai;
- c. Securities and Exchange Board of India (“SEBI”) (for the Applicant/Transferor Company 2 and Applicant /Transferee Company);
- d. Jurisdictional Income Tax Authorities;

- e. National Stock Exchange of India Limited and BSE Limited (for the Applicant/Transferor Company 2 and Applicant /Transferee Company); and
 - f. Any other applicable sectoral regulators.
40. If no response is received by the Tribunal from the aforesaid Regulatory Authorities within 30 (thirty) days of the date of receipt of the Notice it will be presumed that the aforesaid Regulatory Authorities have no objection to the proposed Scheme as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
41. The Applicant Applicant/Transferor Company 1 and Applicant /Transferor Company 2 shall serve the Notice of hearing of Application upon the Official Liquidator, High Court, Bombay pursuant to Section 230(5) of the Companies Act, 2013. The Tribunal hereby appoints M/s V. C. Shah & Company; having address at: 22 Rajgir Chambers III Floor, 12-14 Shahid Bhagat Singh RD, Opp OLD Custom House, Mumbai - 400 023; having contact number: (+91) 9821025644/ 022- 43440123/ 022-43440102 and having email address: vcshahco@vsnl.com with remuneration of Rs. 2,00,000/- for the services. If no response is re-ceived

by the Tribunal from Official Liquidator within 30 (thirty) days it may be presumed that Official Liquidator, High Court, Bombay has no objection to the proposed Scheme as per rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

42. The Counsel for the Applicant Companies submits that the Competition Commission of India (“CCI”) vide its letter dated 18th August, 2022 has communicated that it has, at its meeting held on 18th August, 2022, considered the proposed Scheme i.e. combination (Comb. Reg. No.: C-2022/07/953) and approved the same under Section 31(1) of the Competition Act, 2002. Further, BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”) have issued letters dated 14th December, 2022 granting no objection to the filing of the Scheme with this Tribunal. The No Objection Letters received from BSE are attached to the Company Scheme Application. The No Objection Letters received from NSE are attached to the Applicant / Transferor Company 2 and the Applicant/ Transferee Company attached to the Company Scheme Application respectively.
43. The Applicant Companies shall file compliance report with the Registry in regard to the directions given in this Order in lieu of customary

Affidavit of Service proving dispatch of Notices to relevant Unsecured Creditors of the Applicant Companies and service of Notice to the Regulatory Authorities by the Applicant Companies.

44. Ordered accordingly.

Sd/-
Madhu Sinha
Member (T)

Sd/-
H.V. Subba Rao
Member(J)