

**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH (COURT- I) CHENNAI**

ATTENDANCE CUM ORDER SHEET OF THE HEARING
HELD ON **03.05.2024** THROUGH VIDEO CONFERENCING

PRESENT: HON'BLE SHRI. SANJIV JAIN, MEMBER (JUDICIAL)
HON'BLE SHRI. VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

APPLICATION NUMBER : CA(CAA)/25(CHE)/2024
PETITION NUMBER :
NAME OF THE PETITIONER(S) : TVS Automobile Solutions Pvt Ltd and
Others
NAME OF THE RESPONDENTS :
UNDER SECTION : Sec 230-232 of CA, 2013

ORDER

Present: Ld. Counsel Shri. T K Bhaskar for the Applicants.

Vide separate order announced in open court, the application is **allowed**.

Sd/-

(VENKATARAMAN SUBRAMANIAM)
MEMBER (TECHNICAL)

MG

Sd/-

(SANJIV JAIN)
MEMBER (JUDICIAL)

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

CA(CAA)/25/(CHE)/2024

(Under Sections 230 to 232 of the Companies Act, 2013)

*In the matter of Composite Scheme of Arrangement(Demerger) and Amalgamation
between TVS Automobile Solutions Private Limited, TASL Automobile Solutions
Private Limited, Ki Mobility Solutions Private Limited and their Respective
Shareholders*

TVS AUTOMOBILE SOLUTIONS PRIVATE LIMITED

CIN: U34100TN2009PTC071439

Having its registered office at,
No.10, Jawahar Road, Chokkikilam,
Madurai, Tamil Nadu, India, 625002

*...Applicant Company-1/Demerged Company/
Transferee Company*

And

TASL AUTOMOBILE SOLUTIONS PRIVATE LIMITED

CIN: U45300TN2023PTC158537

Having its registered office at
No.10, Jawahar Road, ,
Madurai, Tamil Nadu, India, 625002

... Applicant Company-2/Resulting Company

KI MOBILITY SOLUTIONS PRIVATE LIMITED

CIN: U52590TN2018PTC125028

Having its registered office at
No.10, Jawahar Road,
Madurai, Tamil Nadu, India, 625002

... Applicant Company-3/Transferor Company

Order Pronounced on 03rd May, 2024

CORAM:

SANJIV JAIN, MEMBER (JUDICIAL)

VENKAT RAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

For Applicant(s): T.K.Bhaskar, Advocate

ORDER

This is a Joint Application filed by **TVS AUTOMOBILE SOLUTIONS PRIVATE LIMITED** (hereinafter "Applicant Company-1/Demerged Company/Transferee Company"), **TASL AUTOMOBILE SOLUTIONS PRIVATE LIMITED** (hereinafter "Applicant Company-2/Resulting Company") along with **KI MOBILITY SOLUTIONS PRIVATE LIMITED** (hereinafter "Applicant Company-3/Transferor Company") and its Shareholders under section 230-232 of Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the Scheme of Composite Arrangement (hereinafter referred to as the "SCHEME") proposed by the Applicant Companies herein with its Shareholders. The said Scheme is placed in **Page 932-983** of the Application Typeset.

2. This Application is filed in relation to the Composite Scheme of Arrangement (Demerger) and Amalgamation which provides for the following steps as mentioned in the Application:

(i) Demerger, transfer and vesting of Distribution Business Undertaking (Demerged Undertaking) from TVS Automobiles Solutions Private Limited (Demerged Company) to TASL Automobile Solutions Private Limited (Resulting Company)

(ii) Amalgamation of Ki Mobility Solutions Private Limited (Transferor Company) with TVS Automobile Solutions Private Limited (Transferee Company).

3. The Applicant Companies in this Company Application have sought for the following reliefs;

	EQUITY SHAREHOLDERS	PREFERENCE SHAREHOLDERS	SECURED CREDITORS	UNSECURED CREDITORS
Transferee /Demerged Company	Convene Meeting	N.A.	Dispensation of meeting	Dispensation of meeting
Resulting Company	Dispensation of meeting	N.A.	N.A.	Dispensation of meeting
Transferor Company	Convene Meeting	Dispensation of meeting (Compulsorily Convertible Preference Shareholders)	Dispensation of meeting	Dispensation of meeting

4. It is stated that, (i) The Applicant Company 1/Demerged Company/Transferee Company is a private limited company incorporated under the provisions of Companies Act, 1956 on 24.04.2009 with CIN No.: U34100TN2009PTC071439. The authorized, issued, subscribed and paid-up capital of the Applicant Company-1 as on 30.09.2023 as averred in the Application are as follows:-

Particulars	Amount in Rs.
Authorised Share Capital	
2,00,00,000 equity shares of Rs. 10/- each	20,00,00,000/-
70,00,000 Compulsory convertible Preference Shares of Rs.10/-each	7,00,00,000/-
Total	27,00,00,000/-
Issued Subscribed and paid up share capital	
1,20,20,739 Equity Shares of Rs.10/- each	12,02,07,360/-
Total	12,02,07,360/-

(ii) The Applicant Company-2 is a Private Limited Company incorporated under the provisions of the Indian Companies Act, 2013 on 20.02.2023 with CIN: U45300TN2023PTC158537. The authorized, issued, subscribed and paid up capital of the Applicant Company-2 as on 30.09.2023 as averred in the Application are as follows:-

Particulars	Amount in Rs.
Authorised Share Capital	
1,00,000 equity shares of Rs.10/- each	10,00,000/-
Total	10,00,000/-
Issued, subscribed and paid up share capital	
10,000 equity shares of Rs. 10/- each	1,00,000/-
Total	1,00,000/-

(iii) The Applicant Company-3 is a Private Limited Company incorporated under the provisions of the Indian Companies Act, 2013 on 30.09.2018 with CIN: U52590TN2018PTC125028. The authorized, issued, subscribed and paid up capital of the Applicant Company-3 as on 30.09.2023 as averred in the Application are as follows:-

Particulars	Amount in Rs.
Authorised Share Capital	
20,00,000 equity shares of Rs.10/- each	2,00,00,000/-
8,95,65,450 Compulsory Convertible Preference Shares of Rs. 10/- each	89,56,54,500/-
Total	91,56,54,500/-
Issued, subscribed and paid up share capital	
10,33,115 equity shares of Rs. 10/- each	1,03,31,150/-
1,14,668 Compulsory Convertible Preference Shares(Series B) of 10/- each	11,46,680/-

1,34,864 Compulsory Convertible Preference Shares(Series C) of 10/-each	13,48,640/-
Total	1,28,26,470/-

5. It is stated that this Application is being filed in relation to a Scheme of Composite Agreement between Applicant Company-1(TVS Automobile Solutions Private Limited), Applicant Company-2(TASL Automobile Solutions Private Limited), Applicant Company-3(KI Mobility Solutions Private Limited) and its Shareholders.

6. Affidavit in support of the above application sworn for and on behalf of the Applicant Company-1 has been filed by 'Mr. N V Rama Krishna Rao" in the capacity of authorised signatory of Applicant Company-1. Affidavit for and on behalf of the Applicant Company-2 has been filed by 'Mr. Tharuvai Ramasubramanian Srinivasan" in the capacity of director/ authorized signatory of the Applicant Company-2. Further, an Affidavit for and on behalf of the Applicant Company-3 has been filed by 'Mr. V Balakrishnan" in the capacity of authorized signatory of the Applicant Company-3. The same are annexed along with the Application at **pages 44-49** of this Application typeset. It is also represented that the registered office of all the Applicant

Companies are situated at Madurai, Tamil Nadu and therefore they are within the jurisdiction of this Tribunal.

7. The Applicants submit the following details of prayer regarding Dispensation and Convening of Meeting in accordance with the Consent Affidavit provided for the said Scheme.

	EQUITY SHAREHOLDERS	PREFERENCE SHAREHOLDERS	SECURED CREDITORS	UNSECURED CREDITORS
TRANSFEEE / DEMERGED COMPANY	Convene Meeting	N.A.	Dispense with meeting	Dispense with meeting
RESULTING COMPANY	Dispense with meeting	N.A.	Dispense with meeting	Dispense with meeting
TRANSFEROR COMPANY	Convene Meeting	Dispense with meeting (Compulsorily Convertible Preference Shareholders)	Dispense with meeting	Dispense with meeting

8. We have perused the application and the connected documents/papers filed therewith including the Scheme contemplated by the Applicant companies.

9. The Applicant Companies have filed the Memorandum and Articles of Association *inter alia* delineating its object clauses as well as their last available Audited Financial Statements for the year ended 31.03.2023 and Provisional/ Unaudited Financial Statements as on 30.09.2023.

10. The Board of Directors of the Applicant Company-1, Applicant Company-2 and Applicant Company-3, vide meeting held on

02.09.2023, have unanimously approved the proposed Scheme as contemplated above. (Copies of the resolutions passed individually thereon have been placed on record by the Applicant Companies.)

11. The Appointed date as specified in the Scheme is **01.04.2023**.

12. The Statutory Auditors of the Applicant Companies have examined the Scheme in terms of provisions of Sec. 232 of Companies Act, 2013 and the rules made thereunder and certified that the Accounting Standards are in compliance with Section 133 of the Companies Act, 2013. The Accounting Treatment Certificates for the Applicant Companies are annexed along with this Application.

13. Taking into consideration the Application filed by the Applicant Companies and the documents filed therewith as well as the position of law, this Tribunal issues the following directions: -

**13A. TVS AUTOMOBILE SOLUTIONS PRIVATE LIMITED
(APPLICANT COMPANY-1/DEMERGED COMPANY/TRANSFEREE
COMPANY)**

I. EQUITY SHAREHOLDERS

- (i) It is represented that, there are **Seventy Four(74)** Equity Shareholders. The Certificate issued by the Chartered

Accountant certifying the list of Equity Shareholders is placed at **Page No. 202-204** of the application. The Demerged Company has sought for convening, holding and conducting the meeting.

- (ii) Meeting of the Equity Shareholders of the Applicant Company-1 is directed to be held on **24.06.2024** at **10.00 AM** in the registered office of the Applicant Company-1 or through video conferencing or at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

II. SECURED CREDITORS

- (i) It is represented that, there is **One (01) Secured Creditors** whose consent affidavit amounting to 100% of the total credit value is placed at **Pages:- 207-211**. The Certificate issued by the Chartered Accountant certifying the list of Secured Creditors is placed at **Page No. 205-206** of the application. The Applicant Company-1 has sought for dispensing with the meeting.

- (ii) Since it is represented by the Applicant Company-1 that, **One (01) Secured Creditors**, whose consent affidavit amounting to 100% of secured credit, has given consent affidavit and placed it on record, the necessity for convening, holding and conducting the meeting is *dispensed with*.

III. UNSECURED CREDITORS

- (ii) It is represented that, there are **Six Hundred and Twenty Three(623)** Unsecured Creditors for Applicant Company-1. The Consent Affidavits of Unsecured Creditors amounting to 92.02% of total credit value of Unsecured Debts of Applicant Company-1 is placed at **pages 252-377**. The Certificate issued by the Chartered Accountant certifying the list of Unsecured Creditors is placed at **Page No. 212-251** of the application. The Applicant Company-1 has sought for dispensing with the meeting.
- (ii) Since it is represented by the Applicant Company-1 that, Consent Affidavits of Unsecured Creditors amounting to 92.02% of Unsecured Debts are obtained and placed on record, the necessity for convening, holding and conducting the meeting is dispensed with.

**13(B). TASL AUTOMOBILE SOLUTIONS PRIVATE LIMITED
(APPLICANT COMPANY-2/RESULTING COMPANY)**

I. EQUITY SHAREHOLDERS

- (i) It is represented that, there are **Two (02)** Equity Shareholders, whose **consent affidavits amounting to 100%** of Equity Shares of Applicant company-2, are placed at **Page No. 415-418**. They have sought for dispensation with holding of meeting.
- (ii) Since it is represented by the Resulting Company that, there are **Two (02)** Equity Shareholders in the Company whose consent by way of Affidavits has been obtained and is placed on record, the necessity of convening, holding and conducting the meeting is *dispensed with*.

II. SECURED CREDITORS

- (i) It is represented that, there are **Nil Secured Creditors** as on date of filing the Application. The Certificate from Chartered Accountant showing Nil Secured Creditors is placed at **Page No. 419**.
- (ii) Since it is represented that there are Nil Secured Creditors, the necessity for convening, holding and conducting the meeting does not arise.

III. UNSECURED CREDITORS

- (i) It is represented that, there are **Nil Secured Creditors** as on date of filing the Application. The Certificate from Chartered Accountant showing Nil Secured Creditors is placed at **Page No. 420**.
- (ii) Since it is represented that there are Nil Secured Creditors, the necessity for convening, holding and conducting the meeting does not arise.

13(C). KI MOBILITY SOLUTIONS PRIVATE LIMITED (APPLICANT COMPANY-3/ TRANSFEROR COMPANY)

I. EQUITY SHAREHOLDERS

- (i) It is represented that, there are **Ninety Six(96)** Equity Shareholders. The Certificate issued by the Chartered Accountant certifying the list of Equity Shareholders is placed at **Page No. 553-556** of the Application. The Applicant Company-3 has sought for convening, holding and conducting the meeting.
- (ii) Meeting of the Equity Shareholders of the Applicant Company-3 is directed to be held on **24.06.2024** at **11.30 AM** in the registered office of the Applicant Company-3 or

through video conferencing or at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

II. PREFERENCE SHAREHOLDERS

- (i) It is represented that, there are **three(3) Compulsorily Convertible Preference Shareholders** whose consent affidavits amounting to 100% of the total preference shares of Applicant Company-3 are placed at **Pages:- 557-570**. The Certificate issued by the Chartered Accountant certifying the list of Secured Creditors is placed at **Page No. 553-556** of the application. The Applicant Company-3 has sought for dispensing with the meeting.
- (ii) Since it is represented by the Applicant Company-1 that, **three(3) Compulsorily Convertible Preference Shareholders**, whose consent affidavit amounting to 100% of Preference Shares, has given consent affidavit and placed it on record, the necessity for convening, holding and conducting the meeting is *dispensed with*.

III. SECURED CREDITORS

- (i) It is represented that, there is **Five (05) Secured Creditors** whose consent affidavit amounting to 100% of the total credit value is placed at **Pages:- 573-625**. The Certificate issued by the Chartered Accountant certifying the list of Secured Creditors is placed at **Page No. 571-572** of the Application. The Applicant Company-3 has sought for dispensing with the meeting.
- (ii) Since it is represented by the Applicant Company-3 that, **Five (05) Secured Creditors**, whose consent affidavit amounting to 100% of secured credit, has given consent affidavit and placed it on record, the necessity for convening, holding and conducting the meeting is *dispensed with*.

IV. UNSECURED CREDITORS

- (i) It is represented that, there are **One Thousand Four Hundred And Thirty Six** Unsecured Creditors for Applicant Company-3. The Consent Affidavits of Unsecured Creditors amounting to 91.13% of total credit value of Unsecured Debts of Applicant Company-3 is placed at **pages 724-919**. The Certificate issued by the Chartered Accountant certifying the

list of Unsecured Creditors is placed at **Page No. 626-723** of the Application. The Applicant Company-3 has sought for dispensing with the meeting.

- (ii) Since it is represented by the Applicant Company-3 that, Consent Affidavits of Unsecured Creditors amounting to 91.13% of Unsecured Debts are obtained and placed on record, the necessity for convening, holding and conducting the meeting is *dispensed with*.

14. The quorum for the meeting of the Applicant companies shall be as follows;

a) Applicant Company-1

S.No	CLASS	QUORUM
1.	EQUITY SHAREHOLDERS	15

b) Applicant Company-3

S.No	CLASS	QUORUM
1.	EQUITY SHAREHOLDERS	20

- i) The Chairperson appointed for the above said meetings shall be **Mr. P Sriram, PCS (Mob:99403 36666)**. The Fee of the Chairperson for the aforesaid meeting shall be **Rs.1,00,000(One lakh only)** in addition to meeting his incidental expenses. The Chairperson(s) will file the reports of the meeting within a week from the date of holding of the above said meetings.

- ii) **Mr. Praveen Ravichandran (Mob:89468 90403)** appointed as a Scrutinizer and would be entitled to a fee of **Rs.50,000 (Fifty Thousand Rupees)** for services in addition to meeting incidental expenses.
- iii) In case the quorum as noted above, for the above meeting of the Applicant Companies is not present at the meeting, then the meeting shall be adjourned by half an hour, and thereafter the person(s) present and voting shall be deemed to constitute the quorum. For the purpose of computing the quorum the valid proxies shall also be considered, if the proxy in the prescribed form, duly signed by the person entitled to attend and vote at the meeting, is filed with the registered office of the applicant companies at least 48 hours before the meeting. The Chairperson appointed herein along with Scrutinizer shall ensure that the proxy registers are properly maintained. However, every endeavour should be made by the applicant companies to attain at least the quorum fixed, if not more in relation to approval of the scheme.
- iv) The meetings shall be conducted as per applicable procedure prescribed under the MCA Circular MCA General Circular Nos. (i) 20/2020 dated 5th May, 2020 (AGM Circular), (ii) 14/2020, dated 08.04.2020 (EGM Circular-I) and (iii) 17/2020 dated 13.04.2020 (EGM Circular-II);
- v) That individual notices of the above said meetings shall be sent by the Applicant Companies through registered post or speed post or through courier or e-mail, 30 days in advance before the scheduled date of the meeting, indicating the day, date, the place and the time as aforesaid, together with a copy of Scheme, copy of explanatory statement, required to be sent under the Companies Act, 2013 and the prescribed form of proxy shall also be sent along and in addition to the above any other documents as may be prescribed under the Act or rules may also be duly sent with the notice.

- vi) That the Applicant Company shall publish advertisement with a gap of atleast 30 clear days before the aforesaid meetings, indicating the day, date and the place and time as aforesaid, to be published in the English Daily "*Business Line*" (*All India Edition*), and "*Makkal Mural*" *Tamil (Tamil Nadu Edition)* in Vernacular stating the copies of Scheme, the Explanatory Statement required to be furnished pursuant to Section 230 of the Companies Act, 2013 and the form of proxy shall be provided free of charge at the registered office of the respective Applicant Companies.
- vii) The Chairperson shall as aforesaid be responsible to report the result of the meeting within a period of 3 days of the conclusion of the meeting with details of voting on the proposed scheme.
- viii) The company shall individually send notice to concerned Regional Director, MCA, Registrar of Companies, Official Liquidator and the Income Tax Authorities as well as other Sectoral regulators who may have significant bearing on the operation of the applicant companies or the Scheme *per se* along with copy of required documents and disclosures required under the provisions of Companies Act, 2013 read with Companies (Compromises, Arrangements, Amalgamations) Rules, 2016.
- ix) The Applicant Company shall further furnish copy of the Scheme free of charge within 1 day of any requisition for the Scheme made by every creditor or member of the applicant companies entitled to attend the meetings as aforesaid.
- x) The Authorized Representative of the Applicant Company shall furnish an affidavit of service of notice of meetings and publication of advertisement and compliance of all directions contained herein at least a week before the proposed meetings.
- xi) All the aforesaid directions are to be complied with strictly in accordance with the applicable law including forms and formats contained in the Companies (Compromises, Arrangements, Amalgamations) Rules, 2016 as well as the provisions of the Companies Act, 2013 by the Applicants.

15. This Application stands **allowed** on the aforesaid terms.

VENKATARAMAN SUBRAMANIAM
Member (Technical)

SANJIV JAIN
Member (Judicial)

Kishore P