

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

CA(CAA)/61(CHE)/2023

&

CA(CAA)/64(CHE)/2023

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

In the matter of Scheme of Amalgamation

Between

COIMBATORE NONWOVENS PRIVATE LIMITED

“RR Landmark”, No IE-1 Nava India Road,

Coimbatore-641028, Tamil Nadu

CIN No.: U17111TZ1984PTC001384

...Applicant Company-1/Transferor Company

And

PREMIER FINE LINENS PRIVATE LIMITED

“RR Landmark”, No IE-1 Nava India Road,

Coimbatore-641028, Tamil Nadu

CIN: U17111TZ1995PTC005901

... Applicant Company-2/Transferee Company

Order Pronounced on 09th February, 2024

CORAM:

SANJIV JAIN, MEMBER (JUDICIAL)

VENKAT RAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

For Applicant(s): M R Thiagarajan, Advocate

ORDER

This is an application filed by **COIMBATORE NONWOVENS**

PRIVATE LIMITED (hereinafter “Transferor Company/Applicant

Company-1”), along with **PREMIER FINE LINENS PRIVATE LIMITED** (hereinafter Transferee Company/Applicant Company-2”) 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 Amalgamation (hereinafter referred to as the “SCHEME”) proposed by the Applicant Companies herein with its Shareholders. The said Scheme is placed in **Page 159-188** of the Transferor Company’s Application Typeset.

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

	EQUITY SHAREHOLDERS	PREFERENCE SHAREHOLDERS	SECURED CREDITORS	UNSECURED CREDITORS
Transferor Company	Dispensation of meeting	Not applicable	Not applicable	Dispensation of meeting
Transferee Company	Dispensation of meeting	Dispensation of meeting	Dispensation of meeting	Dispensation of meeting

3. It is stated that, (i) The Transferor Company is a private company incorporated under the provisions of Companies Act, 1956 on 23rd February, 1984 with CIN No.: U17111TZ1984PTC001384. The

authorized issued subscribed and paid up capital of the Transferor Company as on 31.03.2023 as averred in the Application are as follows:-

Particulars	Amount in Rs.
Authorised Share Capital	
10,000 Equity Shares of Rs.10/- each	1,00,000/-
Issued Subscribed and paid up share capital	
10,000 Equity Shares of Rs.10/- each	1,00,000/-

(ii) The Transferee Company is a Private limited company incorporated under the provisions of the Indian Companies Act, 1956 on 08.04.1995 with CIN: U17111TZ1995PTC005901. The authorized issued subscribed and paid up capital of the Transferee Company as on 31.03.2023 as averred in the Application are as follows:-

Particulars	Amount in Rs.
Authorised Share Capital	
1,00,000 Equity Shares of Rs.10/- each	1,00,00,000
22,00,000 Preference Shares of Rs 100/- each	22,00,00,000
Total	23,00,00,000
Issued, subscribed and paid up share capital	
1,40,170- Equity Shares of Rs. 10/- each	14,01,700

22,00,000 Preference Shares of Rs 100/- each	22,00,00,000
Total	22,14,01,700

4. It is stated that this Applications are being filed in relation to a Scheme of Amalgamation between a transferor company, i.e., Coimbatore Nonwovens Private Limited, with its subsidiary company, i.e., Premier Fine Linens Private Limited and their respective shareholders and creditors. It is further stated that, the Transferor Company is the holding company of Transferee Company as it holds 89.25% of the paid-up share capital of the Transferee Company.

5. Ld. Counsel for the Applicants appeared and stated that, this Tribunal may dispense with the meetings of Equity Shareholders, Preference Shareholders, Secured Creditors and Unsecured Creditors of the Transferor and Transferee Company; since, the present Scheme of Amalgamation is between the holding company and its subsidiary company. It is further stated that, in Transferor Company 100% of the Equity shareholders and 100% Unsecured Creditors have given consent to the Scheme of Amalgamation. In terms of Transferee Company, 100% of Equity Shareholders, 100% of Preferential

Shareholders, 100% of Secured Creditors and holders of 98.67% of value of Unsecured Credit have given consent to the Scheme of amalgamation.

6. Affidavits in support of the above application sworn for and on behalf of the Applicant Companies 1 & 2 have been effected by 'R Jagadish Chandran' in the capacity of director/ authorized signatory of the Applicant Companies. The same are placed along with the Applications at pages 15-16 of Applicant Company-1 typeset and pages 16-17 of Applicant Company-2 typeset. It is also represented that the registered office of both the Applicant Companies are situated in the State of Tamil Nadu and therefore it is within the jurisdiction of this Tribunal.

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

8. 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 31.08.2023.

9. The Board of Directors of the Applicant Companies vide meeting held on 05.09.2023 have unanimously approved the proposed Scheme as contemplated above. (Copies of the resolutions passed thereon have been placed on record by the Applicant Companies.)

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

11. The Statutory Auditors of the Transferor Company and Transferee Company 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 placed at Pg No's: 198-199 and Pg No's: 199-200 of the Applicant Company-1 and Applicant Company-2 typesets respectively.

12. 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: -

A. **COIMBATORE NONWOVENS PRIVATE LIMITED
(TRANSFEROR COMPANY) – CA(CAA)/61(CHE)/2023**

I. **EQUITY SHAREHOLDERS**

- (i) It is represented that, there are **four (4)** Equity Shareholders, whose consent affidavits amounting to 100% are placed at **Page No. 201-212**. The Certificate issued by the Chartered Accountant certifying the list of Equity Shareholders is placed at **Page No. 200**. They have sought for dispensation with holding of meeting.
- (ii) Since it is represented by the Transferor Company-1 that there are **four (4)** Equity Shareholders in the Company whose consent by way of an Affidavit has been obtained and is placed on record, the necessity of convening and holding 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. 213**.

- (ii) Since it is represented that there are Nil Secured Creditors, the necessity for convening and holding the meeting *does not arise*.

III. UNSECURED CREDITORS

- (i) It is represented that, there are **Two (2)** Unsecured Creditors, whose consent affidavits amounting to 100% of the total value of credit are placed at **Page No. 214-221** .The Certificate issued by the Chartered Accountant certifying the list of Unsecured Creditors is placed at **Page No. 213** of the application. They have sought for dispensation with holding of meeting.
- (ii) Since it is represented by the Transferor Company that, there are **two (02)** Unsecured Creditors in the Company whose consent by way of an Affidavit have been obtained and are placed on record, the necessity of convening and holding the meeting is *dispensed with*.

B. PREMIER FINE LINENS PRIVATE LIMITED (TRANSFEREE COMPANY) - CA(CAA)/64(CHE)/2023

I. EQUITY SHAREHOLDERS

- (i) It is represented that, there are **5 (Five)** Equity Shareholders as on date of filing the Application and whose consent affidavits amounting to 100% are placed at **Page No. 203-218**. The Certificate issued by the Chartered Accountant certifying the list of Equity Shareholders is placed at **Page No. 201-202** of the Application. They have sought for dispensation with holding of meeting.
- (ii) Since it is represented by the Transferee Company that there are five **(5)** Equity Shareholders in the Company whose consent by way of an Affidavit has been obtained and is placed on record, the necessity of convening and holding the meeting is *dispensed with*.

II. PREFERENCE SHARE HOLDERS

- (i) There is **one (1) Preference Share Holder**, whose consent affidavit amounting to 100% of the total value of preference shares are placed at **Page No. 219-222**. The Certificate issued by the Chartered Accountant certifying the list of Secured Creditors is placed at **Page No. 201-202** of the application. They have sought for dispensation with holding of meeting.

- (ii) Since it is represented by the Transferee Company that, the **one (1)** Preference Share Holder amounting to value of 100% of preferential shares has given consent affidavit and placed it on record, the necessity for convening and holding the meeting is *dispensed with*.

III. SECURED CREDITORS

- (i) There are **three (3)** Secured Creditors, whose consent affidavits amounting to 100% of the total value of credit are placed at **Page No. 224-232**. The Certificate issued by the Chartered Accountant certifying the list of Secured Creditors is placed at **Page No. 223** of the application. They have sought for dispensation with holding of meeting.
- (ii) Since it is represented by the Transferee Company that there are **three (3)** secured creditors in the Company whose consent by way of an Affidavit have been obtained and are placed on record, the necessity of convening and holding the meeting is *dispensed with*.

IV. UNSECURED CREDITORS

(i) It is represented that, there are **94 (Ninety Four)** Unsecured Creditors as on date of filing the Application. It is further represented that, out of 94 Unsecured Creditors, 52 creditors whose consent affidavit amounting to value of 98.67% of Unsecured Creditors have been placed at **Page No. 238-482**, the Certificate issued by the Chartered Accountant certifying the list of Secured Creditors is placed at **Page No. 233-237** of Applicant Company-2 typeset. They have sought to dispense with the meeting of Unsecured Creditors

(ii) Since it is represented by the Transferee Company, that 52 Unsecured Creditors whose consent affidavit amounting to 98.67% of total credit have been placed, the meeting of the Unsecured Creditors of the Transferee Company is hereby *dispensed with*.

13. Accordingly, the Application stands **allowed** and the Applicant Companies are directed to file the Application for the Second Motion

within a period of fourteen (14) days from the date of receipt of this
Order.

-Sd-

VENKATARAMAN SUBRAMANIAM
Member (Technical)

-Sd-

SANJIV JAIN
Member (Judicial)

Kishore P