

SL. No.1

**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH
COURT HALL NO: II**

Hearing Through: VC and Physical (Hybrid) Mode

CORAM: SHRI. RAJEEV BHARDWAJ, HON'BLE MEMBER (J)

CORAM: SHRI. SANJAY PURI, - HON'BLE MEMBER (T)

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF NATIONAL COMPANY LAW TRIBUNAL,
HYDERABAD BENCH, HELD ON 06.05.2024 AT 10:30 AM**

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	CA (CAA) No.08/230/2024
NAME OF THE COMPANY	RE Sustainability Ltd (Amalgamated Co.1) and Mumbai Waste Management Ltd (Amalgamated Co.2) and Ramky Sustainability Solutions Pvt Ltd (Resulting Co.)
NAME OF THE PETITIONER(S)	
NAME OF THE RESPONDENT(S)	
UNDER SECTION	230

ORDER

Orders pronounced, recorded vide separate sheets. In the result, this Application is allowed.

Sd/-
MEMBER (T)

Sd/-
MEMBER (J)

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH -II, HYDERABAD**

CA (CAA) No.08/230/HDB/2023

*Under Section 230 – 232 and other applicable
provisions of the Companies Act, 2013*

In the matter of Composite Scheme of Arrangement

Between

M/s.RE SUSTAINABILITY LIMITED

(First Applicant Company/Amalgamated Company)

And

M/s.MUMBAI WASTE MANAGEMENT LIMITED

(Second Applicant/Amalgamating Company)

And

M/s.RAMKY SUSTAINABILITY SOLUTIONS PRIVATE LIMITED

(Third Applicant/Resulting Company)

And

Their Respective Shareholders And Creditors

M/s.RE SUSTAINABILITY LIMITED,

Represented by its Authorized Representative

Mr.Shujath Bin Ali,

having its registered Office at : Level 11 B,
Aurobindo Galaxy, Hyderabad Knowledge City,
HITECH City Road, Hyderabad – 500 081,
Telangana.

First Applicant Company/Amalgamated Company

AND

M/s.MUMBAI WASTE MANAGEMENT LIMITED,

Represented by its Authorized Representative

Mr.Chaitanya Manikyala Rao Miriyali,

having its registered Office at : Level 11 B,
Aurobindo Galaxy, Hyderabad Knowledge City,
HITECH City Road,
Hyderabad – 500 081,
Telangana.

Second Applicant Company/Amalgamating Company

AND

M/s.RAMKY SUSTAINABLE SOLUTIONS PRIVATE LIMITED,

Represented by its Authorized Representative

Mr.Isaac Wesley Vijaykumar,

having its registered Office at: 15th Floor,

Ramky Grandies, Opp: APHB,

Anjaiah Nagar, Gachibowli,

Serilingampally, K.V.Rangareddy,

Telangana – 500 032.

Third Applicant Company/Resulting Company

Date of Order: 06 .05.2024

CORAM:

Shri Rajeev Bhardwaj, Hon'ble Member (Judicial)

Shri Sanjay Puri, Hon'ble Member (Technical)

Counsel present:

For the Petitioner : Mr.Sharan Kukreja, Counsel

Heard on : 04.04.2024

[P E R : B E N C H]

ORDER

1. This joint application is filed under Section 230 of the Companies Act, 2013 (hereinafter referred to as "the Act, 2013"), read with the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016, by M/s.RE sustainability Limited (hereinafter referred to as the "Amalgamated Company"), M/s.Mumbai Waste Management Limited (hereinafter referred to as the "Amalgamating Company") and M/s.Ramky Sustainability Solutions Private Limited (hereinafter referred to as the "Resulting Company") in relation to the Composite Scheme of Arrangement between the First Applicant Company, Second Applicant Company and Third Applicant Company (hereinafter referred to as the "Applicant Companies") and their respective shareholders and creditors ("Scheme") and seeking the following directions :

A) In case of the First Applicant Company/Amalgamated Company:

- a) Convene the meeting of the Equity Shareholders of the First Applicant Company.
- b) Convene the meeting of the Preference Shareholders of the First Applicant Company.
- c) Convene the meeting of the Secured and Unsecured Creditors of the First Applicant Company.

B) In case of the Second Applicant Company/Amalgamating Company:

- a) Dispense with the meeting of the Equity Shareholders of the Second Applicant Company.
- b) Convene the meeting of the Secured and Unsecured Creditors of the Second Applicant Company.

C) In case of the Third Applicant Company/Resulting Company:

- a) Dispense with the meeting of the Equity Shareholders of the Third Applicant Company.
- b) Convene the meeting of the Secured and Unsecured Creditors of the Third Applicant Company.

2. Details of the Applicant Companies :

- I) A) RE SUSTAINABILITY LIMITED** (hereinafter referred to as First Applicant Company/Amalgamated Company) was incorporated on November 28, 1994, as a public unlisted company as Ramky Enviro Engineers Limited under the provisions of the Companies Act, 1956 and later on changed to its current name M/s.RE SUSTAINABILITY LIMITED certificate of incorporation dated February 10, 2022. The Corporate Identification Number of the Amalgamated Company is U74140TG1994PLC018833.

The registered office of the Amalgamated Company is presently located at Level 116, Aurobindo Galaxy, Hyderabad Knowledge City, Hitech City Road, Hyderabad, Telangana - 500081.

The certificate for commencement of business was issued to the First Applicant Company on December 13, 1994.

B) Main Objects of the First Applicant Company:

- (a) To treat, process, purify and control Industrial pollutants like effluents, air, chemicals, noise, solid wastes including all types of hazardous wastes by establishing treatment plants in India and abroad;
- (b) To manufacture, trade, buy, sell, erect, construct, install, maintain, service, distribute, export, import and deal with package sewerage treatment plants, effluent treatment plants and all types of pollution control equipment, machinery, components, spares and stores and materials used for processing, treating, required the statutory regulations for controlling the pollutants, turnkey contracts for pollution control and civil projects,
- (c) To undertake research in establishing water and wastewater treatment plants and marketing newer Indigenous technologies for manufacturing pollution control equipment such as incinerators, dissolved air flotation systems, slow speed and high speed mixers, clarifies and clarifioculators, fixed and floating aerators, wet scrubbers ventilation systems, bag filters, cyclones, multi clones and electro-static precipitators.
- (d) To create laboratory facilities with sophisticated equipment for analysis of water, air, noise, Soil, waste-water, solid wastes and to carry out treatability studies for waste- water treatment and all other types of pollutants and also preparation of environmental impact assessment, environmental audits, risk assessment and all other works pertaining to environmental engineering and management;
- (e) To carry on the business of engineers, civil contractors, mechanical contractors, design engineers, turnkey contractors and all other engineering work as may be necessary or incidental thereto,
- (f) To undertake and carry on, in India or abroad, the business of commercial cleaning, conservancy cleaning, conventional and automated car park maintenance, public cleansing, mechanical street sweeping, external façade le., cleaning of high rise buildings, pest control, housekeeping management, facilities management, railway coaches cleaning, waste collection, land scaping and such environmental and other related activities;
- (g) To undertake and carry on, in India or abroad, the business of generation, transmission, distribution, measurement, testing, utilization, stabilization and conversion including mining of all forms of energy such as conventional energy based on fossil fuels such as oil, coal, naphtha or natural gas, atomic energy and non- conventional/renewable energy-based on hydel, solar, wind, bio-mass, biogas, begasse, hydrogen, other fuel gases, alcohol and its

derivatives, geothermal, fuel- cells, bio liquid fuels from fuel crops, wave-energy from nature directly or otherwise, and wastes such as municipal/urban, industrial, bio-medical, waste wood; and

(h) To undertake and carry on, in India or abroad, the business of execution of projects based on engineering, procurement and construction basis or build, own, operate, maintain and/or transfer basis all types of projects including both conventional and non-conventional power projects, either on its own or in collaboration, and to sell, trade, distribute such energy/products.

C) Nature Of Business:

The First Applicant Company is engaged inter-alia, in the business of treating, processing, purifying and controlling industrial pollutants like effluents, air, chemicals, noise, solid wastes including all types of hazardous wastes by establishing treatment plants in India and abroad.

(Copies of the Memorandum and Articles of Association and incorporation certificates of the First Applicant Company are at as Annexure A to Annexure D - page Nos.34-136 of the Application).

D) The authorized share capital of the Amalgamated Company, as on January 30, 2024 is as under:

S.No	Class	Number	Face value (Rs)	Authorised Share Capital (Rs)
1	Class A Equity Shares	20,25,22,450	10	2,02,52,24,500
2	Class B Equity Shares	100	10	1,000
3	Cumulative Compulsory Convertible Preference Shares	1,00,000	100	1,00,00,000
4	Redeemable Preference Shares	72,145	100	71,14,500
5	Optionally Convertible Redeemable Preference Shares ("OCRPS")	13,44,000	15	2,01,60,000
T O T A L				2,06,25,00,000

E) The issued, subscribed and paid-up share capital of the Amalgamated Company, as on January 30, 2024 is as under:

S.No	Class	Number	Face value (Rs)	Paid up Share Capital (Rs)
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1	Class A Equity Shares	42,29,575	10	4,22,95,750
2	Class B Equity Shares	100	10	1,000
3	Optionally Convertible Redeemable Preference Shares (“OCRPS”)	2,28,563	15	34,28,445
T O T A L				4,57,25,195

Subsequently, to the above date and till the date of filing the Scheme, there has been no change in the issued, subscribed and paid-up capital of the First Applicant Company.

(Copies of the latest Audited Balance Sheet and Profit and Loss Account of First Applicant Company as on March 31, 2023 and copy of unaudited balance sheet as on November 30, 2023 are at Annexure E and Annexure F - page Nos.137 - 216 of the Application).

(F) Directors of the First Applicant Company :

The First Applicant Company has 8 (eight) Directors as on January 30, 2024. Full details of the Directors are given on page 11 of the Application. Subsequent to January 30, 2024 till date, there has been no change in composition of the Board of Directors of the First Applicant Company. None of the Directors of the First Applicant Company have any material personal interest in the Scheme.

(A list of Directors of the First Applicant Company is at Annexure G - page No.217 of the Application)

(G) Shareholders of the First Applicant Company :

i) The First Applicant Company has 11 (eleven) equity shareholders as on January 20, 2004.

(The original certificate of the chartered accountant certifying the shareholding pattern of the equity shareholders of First Applicant Company as on January 30, 2024 is at Annexure H - page No.218-220 of the Application).

ii) The First Applicant Company has 1 (one) preference shareholder as on January 30, 2024.

(The original certificate of the chartered accountant certifying the shareholding pattern of the preference shareholder of First Applicant Company as on January 30, 2024 is at Annexure J - page Nos.221-222 of the Application).

iii) That the Board of Directors of the First Applicant Company has passed a resolution dated January 18, 2024 approving the Scheme.

(Copy of the Board Resolution dated January 18, 2024 passed by the Board of Directors of the First Applicant Company is at Annexure K - page Nos.223-228 of the Application).

H) Secured/Unsecured Creditors of the First Applicant Company:

The First Applicant Company has 5 (five) secured creditors and 914 (Nine hundred and fourteen) unsecured creditors as on January 27, 2024.

(Original certificates of the chartered accountant dated January 31, 2024 certifying the number of secured/unsecured creditors of the First Applicant Company are at Annexure L & Annexure M - page Nos229-248 of the Application).

- II) A) MUMBAI WASTE MANAGEMENT LIMITED** (hereinafter referred to as Second Applicant Company/Amalgamating Company) was incorporated on September 20, 2001 as a public unlisted company under the provisions of the Companies Act, 1956. The certificate for commencement of business was issued to the Amalgamating Company on October 3, 2001. The Corporate Identification Number of the Amalgamating Company Is U90001TG2001PLC037829

The Registered office of the Company is presently located at Level 118, Aurobindo Galaxy. Hyderabad Knowledge City, Hitech City Road, Hyderabad, Telangana, 500081. The certificate for commencement of business was issued to the Amalgamating Company on October 3, 2001.

B) Main Objects of the First Applicant Company:

The objects of the Amalgamating Company as stated in its memorandum of association include the following:

(a) To collect, transport, treat, store and dispose wastes generated by various industries, health care establishments and commercial establishments including solids, semi-solids, aqueous, non-aqueous liquids by establishing treatment storage disposal facilities.

(b) To store, trade, import and export industrial and commercial wastes for beneficial uses after treatment at treatment storage disposal facilities.

(c) To undertake research work in establishing hazardous waste treatment storage disposal facilities and marketing newer indigenous technologies for manufacturing pollution control equipment such as incinerators, landfill liners and other related equipment.

(d) To create laboratory facilities with sophisticated equipment for analysis of water, air, noise, soil, waste water, hazardous, solid wastes and to carry out treatability studies for wastewater treatment and all types of pollutants

and also preparation of environmental impact assessments, environmental audits, risk assessments pertaining to environmental management.

(e) To process and transport residues to landfill, recycle, re-use, storage, process, treatment and disposal of Municipal Solid Waste in Chennai city or elsewhere, conforming to the provisions of Municipal Solid Waste (Management and Handling) Rules, 2016 as amended from time to time. To undertake recycle, re-use, store, process, treatment, and disposal of municipal solid wastes; development, construction, operation & maintenance of processing facilities, landfill facilities including post closure activities of landfill facilities, improve, manage, operate, alter, carry on, control of waste processing units like Material Recycle Facility; composting; Refused Derived Fuel (RDF); Waste to Energy Power Plant; Recycling, Reuse, Recovery plants; Leachate Treatment plant and Solvent Extraction Facility.

C) Nature Of Business:

The Second Applicant Company is engaged inter-alia, in the business of collecting, transporting treating, storing and disposing wastes generated by various industrial health care establishments and commercial establishments including solids, semi-solids, aqueous, non-aqueous liquids by establishing storage disposal facilities.

(Copies of the Memorandum and Articles of Association and incorporation certificates of the Second Applicant Company are at Annexure N to Annexure P - page Nos.249-309 of the Application).

D) The authorized share capital of the Amalgamating Company as on January 30, 2034 is as under :

S.No	Class	Number	Face value (Rs)	Authorised Share Capital (Rs)
1	Equity Shares	50,00,000	10	5,00,00,000
T O T A L				5,00,00,000

(E) The issued, subscribed, and paid-up share capital of the Amalgamating Company as on January 30, 2024 is as under :

S.No	Class	Number	Face value (Rs)	Paid up Share Capital (Rs)
1	Equity Shares	49,90,000	10	4,99,00,000
T O T A L				4,99,00,000

Subsequent to the above date and till the date of filing the Scheme, there has been no change in the issued, subscribed, and paid-up capital of the Second Applicant Company

(Copies of the latest Audited Balance Sheet and Profit and Loss Account of the Second Applicant Company as on March 31, 2023 and copy of unaudited financial statements as on November 30, 2023 are at Annexure Q and Annexure R - page Nos.310 - 373 of the Application).

(F) Directors of the Second Applicant Company :

The Second Applicant Company has 4 (four) Directors as on January 30, 2024. Full details of the Directors are given on page 14 of the Application. Subsequent to January 30, 2024 till date, there has been no change in composition of the Board of Directors of the Second Applicant Company. None of the Directors of the Second Applicant Company have any material personal interest in the Scheme.

(A list of Directors of the Second Applicant Company is at Annexure S- page No.374 of the Application).

(G) Shareholders of the Second Applicant Company :

a) The Second Applicant Company has no preference shareholders and has 7 (seven) equity shareholders as on January 30, 2024.

(The original certificate of the chartered accountant certifying the shareholding pattern of the equity shareholders of Second Applicant Company as on January 30 2024 is at Annexure T - page No.275-375 of the Application).

b) The Second Applicant Company has obtained consent affidavits from 7 (seven) equity shareholders constituting 100% in value, approving the Scheme, and agreeing to waive their right to seek a meeting of the equity shareholders of Second Applicant Company in connection with the Scheme. It is submitted that in the circumstances, it would be convenient and expeditious that the holding of meeting of the equity shareholders of Second Applicant Company be dispensed with. Since the equity shareholders of Second Applicant Company have consented to the Scheme in writing, it is submitted that no useful purpose would be served by calling and/or holding any meeting of the shareholders of the Second Applicant Company.

(Consent affidavits of the shareholders of the Second Applicant Company is at Annexure U – page Nos.377- 401 of the Application).

c) The Board of Directors of the Second Applicant Company has passed a resolution dated January 18, 2024 approving the Scheme.

(Copy of the said board resolution dated January 18, 2024 passed by the Board of Directors of the Second Applicant Company is at Annexure W – page No.402-406 of the Application).

(G) Secured/Unsecured Creditors of the Second Applicant Company:

The Second Applicant Company has 1 (one) secured creditors and 337 (Three hundred and thirty seven) unsecured creditors as on January 27, 2024. (Original certificates of the chartered accountant dated January 31, 2024 certifying the number of secured/unsecured creditors of the First Applicant Company are at Annexure Y & Annexure Z - page Nos.407-415 of the Application).

III) A) RAMKY SUSTAINABILITY SOLUTIONS PRIVATE LIMITED (hereinafter referred to as Third Applicant Company/Resulting Company): was incorporated on August 16, 2023 as a private Limited company under the provisions of the Companies Act, 2013. The Corporate Identification Number of the Resulting Company is U38210752023PTC176073.

The Registered office of the Company is presently located at 15th Floor Ramky Grandios, Opp Apho, Anjaiah Nagar Gachibowli Seri Lingampally K.V. Rangareddy Telangana - 500032.

The certificate for commencement of business was issued to the Amalgamating Company on October 3, 200

B) Main Objects of the Third Applicant Company:

The objects of the Resulting Company as stated in its memorandum of association include the following:

(a) To carry on the business to develop and implement scientifically managed Integrated municipal solid waste management system, waste to energy (WTE), construction and destruction debris services, biomedical waste services and other waste management, collection and disposal related services in Delhi or any other place. including door to door collection, segregation, transfer and transportation of biodegradable, nonbiodegradable waste from generators/producers of concession area, lifting and transportation of sweeping silt, garden waste and tree branches from the concession area to processing/landfill site by using auto lifter, refuse compactors and closed tippers in India or worldwide.

(b) To establish an integrated municipal solid waste processing and engineered sanitary landfill facility (SLF) wherein the municipal solid waste

is duly processed and the residual inert/non-degradable solid wastes disposed in an engineered sanitary landfill, providing top soil cover on the closed portions of landfill and developing green cover for setting up of a engineered SLF in India or worldwide.

(c) To carry on the business, in India or worldwide, of construction, operation and maintenance of waste transfer stations in each zone/vehicle parting site(s), integrated processing facility and engineered sanitary landfill (SLF) site in compliance to. MSW (M&H) Rules, 2000, to set up control room to monitor the movement of every vehicle by using real time GPS (Global Positioning System)/ GSM (Global System for Mobile Communication), ULB (Urban Local Body Control Room) to set up ERP (Enterprise Resource Planning) system to monitor the complete enterprise set up.

(d) To develop and operate the waste processing units with a combination of technologies/ systems including material recycling facility (MRF), composting and refuse derived fuel (RDF), waste to energy power plant as well as new processing technologies, which would maximize waste recycling/treatment and would ensure that minimum quantity of insert goes to landfill and to conduct public awareness programmes for ensuring segregation / separate collection of waste in India or worldwide.

C) Nature Of Business:

The Third Applicant Company is engaged inter-alia, in the business of developing and implementing scientifically managed integrated municipal solid waste management system, waste to energy (WTEL, construction and destruction debris services, biomedical waste services and other waste management, collecting and disposal related services in Delhi or any other place including door to door collecting, segregating transferring and transportation of biodegradable, non-biodegradable waste from generators/producers of concession area, lifting and transportation of sweeping silt. garden waste and tree branches from the concession areas to processing/landfill site by using auto lifter, refuse compactors and closed tippers in India or worldwide.

(Copies of the Memorandum and Articles of Association and incorporation certificates of the Third Applicant Company are at Annexure AA to Annexure AC - page Nos.416-437 of the Application).

D) The authorized share capital of the Resulting Company as on January 30, 2024 is as under :

S.No	Class	Number	Face value (Rs)	Authorised Share Capital (Rs)
1	Equity Shares	1,00,000	10	10,00,000
T O T A L				10,00,000

(E) The issued, subscribed, and paid-up share capital of the Resulting Company as on January 30, 2024 is as under :

S.No	Class	Number	Face value (Rs)	Paid up Share Capital (Rs)
1	Equity Shares	1000	10	10,000
T O T A L				10,000

Subsequent to the above date and till the date of filing the Scheme, there has been no change in the issued, subscribed, and paid-up capital of the Third Applicant Company

(Copy of unaudited balance sheet of the Third Applicant Company as on November 30, 2023 are at Annexure AD - page Nos.438 - 444 of the Application).

(F) Directors of the Third Applicant Company :

The Third Applicant Company has 2 (Two) directors as on January 30, 2024. Full details of the Directors are given on page 17 of the Application. Subsequent to January 30, 2024 till date, there has been no change in composition of the Board of Directors of the Third Applicant Company. None of the Directors of the Third Applicant Company have any material personal interest in the Scheme

(A list of Directors of the Second Applicant Company is at Annexure S- page No.374 of the Application).

(G) Shareholders of the Third Applicant Company :

a) The Third Applicant Company has no preference shareholders and has 3 (three) equity shareholders as on January 30, 2024.

(The original certificate of the chartered accountant certifying the shareholding pattern of the equity shareholders of Third Applicant Company as on January 30, 2024, is at Annexure AF – page Nos.446-447 of the Application).

b) The Third Applicant Company has obtained consent affidavits from 3 (three) equity shareholders constituting 100% in value, approving the Scheme, and agreeing to waive their right to seek a meeting of the equity

shareholders of Third Applicant Company in connection with the Scheme. It is submitted that in the circumstances, it would be convenient and expeditious that the holding of meeting of the equity shareholders of Third Applicant Company be dispensed with. Since the equity shareholders of Third Applicant Company have consented to the Scheme in writing, it is submitted that no useful purpose would be served by calling and/or holding any meeting of the shareholders of the Third Applicant Company.

(Consent affidavits of the shareholders of the Third Applicant Company are at Annexure AG – page Nos.448-456 of the Application).

c) The Board of Directors of the Third Applicant Company has passed a resolution dated January 18, 2024, approving the Scheme.

(Copy of the said board resolution dated January 18, 2024, passed by the Board of Directors of the Third Applicant Company is at Annexure AH – page Nos.457-460 of the Application)

(H) Secured/Unsecured Creditors of the Third Applicant Company:

The Third Applicant Company has no secured creditor and 1 (one) unsecured creditor as on January 27, 2024.

(The original certificate of the chartered accountant dated January 31, 2024, certifying the number of unsecured creditors of the Third Applicant Company are at Annexure AI & AJ – page Nos.461-463 of the Application).

3. Jurisdiction of the Bench & Limitation:

The Registered offices of the Applicant Companies are situated in the state of Telangana and hence the subject matter is within the jurisdiction of this Bench.

The present Application is filed under Section 230 to 232 of the Companies Act, 2013 pursuant to the Board Resolution passed by the Board of Directors of the Applicant Companies at their respective meetings held on 18.01.2024 and hence the present application is within Limitation.

4. Rationale of the Scheme:

It is submitted that the Amalgamated Company and/or its subsidiaries are involved in four different waste management businesses, which are detailed in page Nos.19 – 20 of the Application. The benefits of Demerger and Amalgamation are spelt out in page Nos.20 -21 of the Application.

It is also submitted that the Scheme would be in the interest of the Amalgamated Company, Amalgamating Company and the Resulting Company and their respective shareholders, creditors and other stakeholders and will not be prejudicial to the interests of any concerned shareholders or creditors or general public at large.

5. **Board Resolution:**

The Board of Directors of the First Applicant Company, Second Applicant Company and Third Applicant Company considered the Scheme at their respective meetings held on January 18, 2024. The Scheme was approved by the Board of Directors at the said meetings. The certified copies of the Board Resolution passed by the respective Boards of First Applicant Company, Second Applicant Company and Third Applicant Company dated January 18, 2024 respectively approving the Scheme are produced as Annexure K, Annexure W and Annexure AH of the petition. The Board of Directors of the First Applicant Company have authorized severally Mr.Masood Alam Mallick (Chief Executive Officer and Whole time Director), Mr.Pankaj Maharaj (Chief Financial Officer), Mr.Shujath Bin Ali (General Counsel & Chief Compliance Officer), and Mr.Govind Singh, Company Secretary of the Company, the Second Applicant Company have authorized severally any of the Directors of the Company and Mr.Chaitanya Manikyala Rao Miriyala, Authorised Representative of the Company and the Third Applicant Company have authorized severally Mr.Isaac Wesley Vijayakumar, and Mr.Sanikommu Srikanth Reddy, Directors for the purpose of obtaining the approval of the Scheme.

6. **Salient/material features of the Scheme:**

Some of the salient/material features and relevant clauses of the proposed Scheme of Amalgamation are detailed in page Nos.21-25 of the Application. **(Copy of Scheme of Amalgamation between Amalgamated Company, Amalgamating Company and Resulting Company and their respective shareholders and creditors is at Annexure AK – page Nos.464-515 of the Application).**

7. **Consideration :**

a) It is submitted that upon this Scheme becoming effective and in consideration of transfer and vesting of the Demerged Undertaking in the Resulting Company in terms of this Scheme, the Resulting Company shall, without any further application, act or deed, issue and allot, credited as fully

paid-up, to the members of the Demerged Company, whose names appear in the register of member on the Record Date or to such of their respective heirs, executors, administrators or other legal representative or other successors in title as on the Record Date in the following manner:

“For Class A Equity Shareholders of Demerged Company: 89,625 (Eighty-Nine Thousand Six Hundred and Twenty-Five) Class A Compulsorily Convertible Preference Shares (Class A CCPS) of Resulting Company of Rs.10/- each, fully paid up for every 100 (One Hundred) Class A equity shares of Demerged Company of Rs.10/- each, fully paid up. For Class B Equity Shareholders of Demerged Company: 89,625 (Eighty-Nine Thousand Six Hundred and Twenty-Five) Class A Compulsorily Convertible Preference Shares (Class A CCPS) of Resulting Company of Rs.10/-each, fully paid up for every 100 (One Hundred) Class B equity shares of Demerged Company of Rs. 10/ each. fully paid up.

For Preference Shareholders of the Demerged Company: 896 (Eight Hundred and Ninety-Six) Class B Compulsorily Convertible Preference Shares (Class B CCPS) of Resulting Company each of Rs.10/-each, fully paid up for all the 2,28,563 (Two Lakh Twenty-Eight Thousand Five Hundred and Sixty-Three) Optionally Convertible Redeemable Preference Shares of Demerged Company of Rs.15/- each fully paid up." Share Entitlement Ratio").

b) That the Share Entitlement Ratio for the purpose of the Scheme was undertaken. The Share Entitlement Ratio under the Scheme has been determined in accordance with the report issued by independent chartered accountants, namely, Katla & Associates (with IBBI Registration No. IBBI/RV/06/2022/14859), dated September 30, 2023. **(The valuation report dated September 30, 2023 is at Annexure AL – page Nos.516-538 of the Application).**

8. Investigations and proceedings:

No investigations or proceedings have been instituted or are pending against First Applicant Company, Second Applicant Company and Third Applicant Company in terms of Section 210 of the Companies Act, 2013. However, there is a company petition filed against the First Applicant Company under Section 433 (E), 434 (1)(A) and 439 of the Companies Act, 1956, which has not been admitted by the High Court.

(Originals of the certificates of the chartered accountant stating that there are no investigations or proceedings instituted in terms of Section 210 of the Companies Act, 2013 are at Annexure AM to Annexure AO – page Nos.539-541 of the Application).

9. **Accounting treatment certificate:**

The Accounting Treatment Certificate obtained from Statutory Auditors of the Amalgamated Company, Amalgamating Company and the Resulting Company in relation to the accounting treatment mentioned as per Section 133 of the Companies Act, 2013 in the Scheme is at **Annexure AP – page Nos.542-554 of the Application.**

10. In view of the above factual matrix, the Applicants, therefore, pray that this Hon'ble Tribunal may be pleased to:

A) In case of the First Applicant Company/Amalgamated Company:

- a) Convene the meeting of the Equity Shareholders of the First Applicant Company.
- b) Convene the meeting of the Preference Shareholders of the First Applicant Company.
- c) Convene the meeting of the Secured and Unsecured Creditors of the First Applicant Company.

B) In case of the Second Applicant Company/Amalgamating Company:

- a) Dispense with the meeting of the Equity Shareholders of the Second Applicant Company.
- b) Convene the meeting of the Secured and Unsecured Creditors of the Second Applicant Company .

C) In case of the Third Applicant Company/Resulting Company:

- a) Dispense with the meeting of the Equity Shareholders of the Third Applicant Company.
- b) Convene the meeting of the Secured and Unsecured Creditors of the Third Applicant Company.

11. We have heard the Learned Counsel and we have seen the consent Affidavits filed by the equity shareholders of the Applicant Companies. We have also seen the certificates given by the Chartered Accountant and Company Secretaries certifying the list of Equity Shareholders, Preference

shareholders, Secured and unsecured creditors of the Applicant Companies and perused the documents.

12. All the shareholders of the Applicant Companies have given consent affidavits, agreeing to the proposed Scheme of Amalgamation. Hence, we order convening meetings of Equity Shareholders, Preference Shareholders, Secured and Unsecured Creditors of the Applicant Companies, i.e. Amalgamated Company, Amalgamating Company and Resulting Company as prayed for (**as detailed in para 12 above**).
13. **Meetings of Amalgamated Company/First Applicant Company, Amalgamating Company/Second Applicant Company and Resulting Company/ Third Applicant Company:**
 - i. We appoint **Sri.T.V.Narasimham, Advocate**, Mobile Number: 9121498238, having Email: tvnham@gmail.com as Chairperson and **CS. Gopinath Surey, PCS**, mobile number: 9849009477 having email: Gopinath_surey@yahoo.com with IBBI/IPA-002/IP-N01017/2020-2021/13332 valid upto 3rd July, 2024 as Scrutinizer for convening the meetings of the Equity Shareholders, Preference Shareholders, Secured and Unsecured Creditors of the Amalgamated Company/First Applicant Company, Amalgamating Company/Second Applicant Company and Resulting Company/Third Applicant Company (**as detailed in para 12 above**). The Fee fixed for Chairperson is Rs.1,50,000/- and Rs.1,00,000/- for Scrutinizer respectively for the above meetings.
 - ii. Meetings of the Equity Shareholders, Preference Shareholders, Secured and Unsecured Creditors of the Amalgamated Company/First Applicant Company, Amalgamating Company/Second Applicant Company and Resulting Company/Third Applicant Company (**as detailed in para 12 above**) will be held on **18/05/2023 at 11.00 AM** at the Registered Office of

the Resulting Company at 15th Floor, Ramky Grandies, Opp: APHB, Anjaiah Nagar, Gachibowli, Serilingampally, K.V.Rangareddy, Telangana – 500 032.

- iii) The Secured and Unsecured Creditors, be permitted to exercise their vote at the meeting either in person or through proxies.
14. The notice of Meetings of the Secured and Unsecured Creditors of Applicant Companies shall be published in “Business Standard” (English Daily) and in “Nava Telangana” (Telugu Daily) newspapers.
15. The Applicant Companies or its authorized Signatories are directed to issue notices to secured and unsecured creditors by ordinary post; or Air Mail or email or hand delivery to their last known address 30 clear days before the said meetings as per Form No. CAA2 (Rule 6) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ensuring convening the said meetings of the Applicant Companies. Further directed to intimate day, date and time, a copy of Explanatory Statement, pursuant to be sent under Section 230 of the Companies Act, 2013 and Proxy as per Form No. MGT-11 (Rule 19) of the Companies (Management and Administration) Rules, 2014.
16. The Resulting Company to serve notices upon the Regional Director, South-East Region, Ministry of Corporate Affairs, Hyderabad pursuant to Section 230 (5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 if no response is received by the Tribunal from the Regional Director within 30 days of the date of receipt of the notice, it will be presumed that Regional Director and/or Central Government has no objection to the proposed

Scheme as per Rule 8 of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016.

17. The Resulting Transferee Company to serve the notice upon the Registrar of Companies Hyderabad pursuant to Section 230 (5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises Arrangement and Amalgamations) Rules, 2016 and if no response is received by the Tribunal from the Registrar of Companies, Hyderabad within 30 days of the date of receipt of the notice, it will be presumed that Registrar of Companies, Hyderabad has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromise Arrangements and Amalgamations) Rules, 2016.
18. The Resulting Transferee Company to serve notice upon the Income Tax Authority, within whose jurisdiction the Applicant Company's Assessment is made, pursuant to Section 230 (5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from the Income Tax Authority within 30 days of the date of receipt of the notice, it will be presumed that Income Tax Authority has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromise, Arrangement and Amalgamation) Rules, 2016.
19. The Resulting Transferee Company to serve notice upon the Official Liquidator pursuant to Section 230 (5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from the Official Liquidator within 30 days of the date of receipt of the notice it will be presumed that Official Liquidator has no objection to the proposed Scheme

as per Rule 8 of the Companies (Compromise, Arrangement and Amalgamation) Rules, 2016.

20. The Chairpersons shall have all powers under the Companies (Compromises, Arrangement and Amalgamation) Rules, 2016 in relation to the conduct of the meetings (s) including, deciding the procedural questions that may arise before 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).
21. The voting shall be in person or by proxy or authorized representative, provided that the proxy, in the Form No. MGT-11, is duly authorized by the person entitled to attend and vote at the meeting. The form is to be filed with the Transferee Company at its Registered Office, not later than, forty eight hours before the aforesaid meeting in accordance with Rule 10 of the Companies (Compromise, Arrangement and Amalgamation) Rules, 2016.
22. The Chairpersons to file affidavit within 7 days from the date of the said meetings to this Tribunal that the direction regarding convening and issuance of notice (s) to all the necessary parties have been duly complied with in conformity with the relevant provisions of the Companies Act, 2013 r/w Companies (Compromise, Arrangement and Amalgamation) Rules, 2016. The Chairpersons shall report the conclusion of the aforesaid meetings as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

Sd/-

(Sanjay Puri)
Member (Technical)

Vinod

Sd/-

(Rajeev Bhardwaj)
Member (Judicial)