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**NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD BENCH  
AHMEDABAD**

**CP(CAA) No. 25/NCLT/AHM/2018  
CA(CAA) No. 137/NCLT/AHM/2017**

Coram: **Hon'ble Mr. BIKKI RAVEENDRA BABU, MEMBER JUDICIAL  
Hon'ble Ms. MANORAMA KUMARI, MEMBER JUDICIAL**

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF AHMEDABAD  
BENCH OF THE NATIONAL COMPANY LAW TRIBUNAL ON 20.02.2018**

Name of the Company: DLF Hotel Holdings Ltd.  
Lodhi Property Co. Ltd.  
Section of the Companies Act: Section 230-232 of the Companies Act, 2013

<u>S.NO.</u>	<u>NAME (CAPITAL LETTERS)</u>	<u>DESIGNATION</u>	<u>REPRESENTATION</u>	<u>SIGNATURE</u>
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1.

2.

**ORDER**

None present for Petitioners.

Order pronounced in open court. Vide separate sheets.

  
**MANORAMA KUMARI  
MEMBER JUDICIAL**

  
**BIKKI RAVEENDRA BABU  
MEMBER JUDICIAL**

Dated this the 20th day of February, 2018.

**NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD BENCH  
AHMEDABAD**

CP (CAA) No. 25/NCLT/AHM/2018  
Connected with  
CA (CAA) No. 137/NCLT/AHM/2017

In the matter of:

Scheme of Arrangement  
In nature of Amalgamation of  
DLF Hotel Holdings Limited  
DLF Global Hospitality Limited  
Silverlink (Mauritius) Limited with  
Lodhi Property Company Limited  
And their respective Shareholders  
and Creditors.

DLF Hotel Holdings Limited  
Having its Registered Office  
at 304, Shoppers Plaza V,  
Opposite Municipal Market,  
Government Servant Co-Operative Society,  
C.G. Road, Navrangpura,  
Ahmedabad, Gujarat - 380009

...  
Petitioner  
(Transferor Company)

And

Lodhi Property Company Limited  
Having its Registered Office  
at 304, Shoppers Plaza V,  
Opposite Municipal Market,  
Government Servant Co-Operative Society,  
C.G. Road, Navrangpura,  
Ahmedabad, Gujarat - 380009

...  
Petitioner  
(Transferee Company)

Order delivered on 20<sup>th</sup> February, 2018

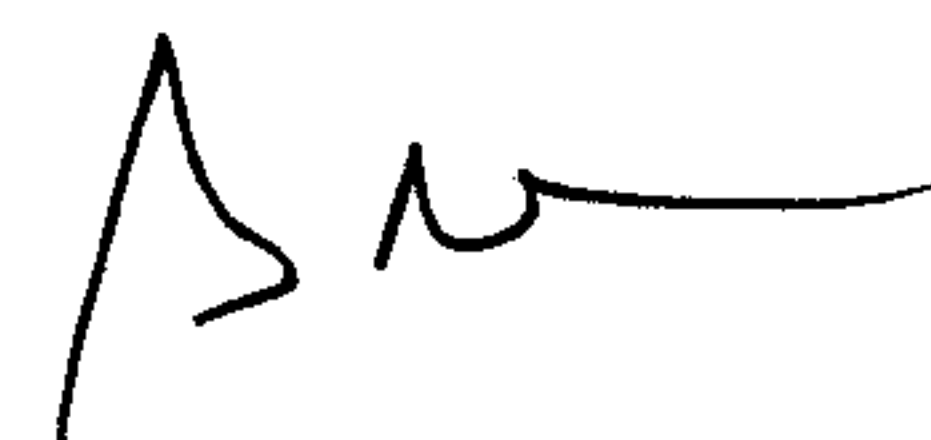
**Coram: Hon'ble Sri Bikki Raveendra Babu, Member (J)**

**And**

**Hon'ble Ms. Manorama Kumari, Member (J)**

**Appearance:**

Mr. Kiran Shah, PCA, for the Applicant Companies.



**FINAL ORDER**

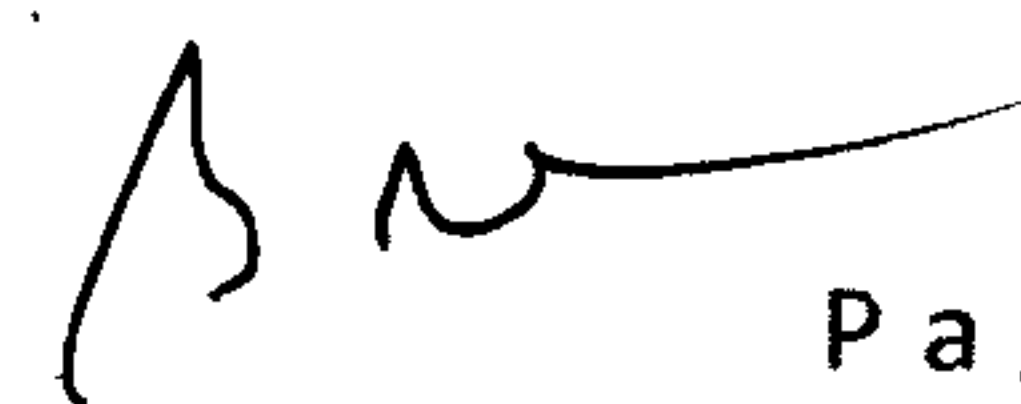
[Per: Bikki Raveendra Babu, Member(J)]

1. By the way of this petition under Section 230 to 232 read with Section 234 of the Companies Act, 2013, the petitioner companies are seeking sanction of a Scheme of Amalgamation between DLF Hotel Holdings Limited ("Petitioner Company" or "Transferor No.1 Company") and DLF Global Hospitality Limited ("Foreign Transferor No.2 /Non-Petitioner Company) and Silverlink (Mauritius) Limited ("Foreign Transferor No.3 /Non-Petitioner Company) with Lodhi Property Company Limited (Transferee Company -Petitioner No.2) and their respective shareholders and creditors, with effect from the Appointed Date ["Scheme" for short].

2. The Petitioners herein had filed Joint Company Application No. 137 of 2017, before this Tribunal seeking dispensation of meetings of shareholders and creditors of the Petitioner companies for the purpose of considering and, if thought fit, approving with or without modifications(s), the proposed Scheme of Amalgamation. This Tribunal, vide order dated 22nd November, 2017 made in Company Application No. 137 of 2017, dispensed with meetings of shareholders and secured/unsecured creditors of Petitioner Transferor Company No. 1 on the basis of the consents letters received by the Company and



also dispensed with meetings of secured and unsecured creditors of the Applicant Transferee Company on the basis of the consent letters received by the Company and ordered for holding meeting of equity shareholders of the Applicant Transferee Company on 29<sup>th</sup> December 2017 at 11.00 A.M. at the Registered Office of the company. This Tribunal also ordered that an advertisement about convening of the said meeting, indicating the day, date, place and time, shall be published in English daily "Indian Express", Ahmedabad edition and a Gujarati translation thereof in "Sandesh", Ahmedabad edition and appointed Mr. Atul Sheth, Chartered Accountant as the Chairman/Chairperson and Mr. Umesh Ved, Company Secretary as the Scrutinizer for said meeting. Accordingly, Chairman of the meeting has published an advertisement of notice for convening the meeting of the shareholders as per the order of the Hon'ble National Company Law Tribunal on 28<sup>th</sup> November, 2017 and convened the meeting of equity shareholders of the Applicant Transferee Company on 29<sup>th</sup> December, 2017. Chairman has submitted his report in Form CAA 4 i.e. the result of the meeting convened on 29<sup>th</sup> December, 2017 along with an affidavit regarding compliance of issuance of notices and advertisement of the meetings as per Rule 12 of the Companies (CAA) Rules, 2016 on 4<sup>th</sup> January, 2018. Chairman reported in his report in Form

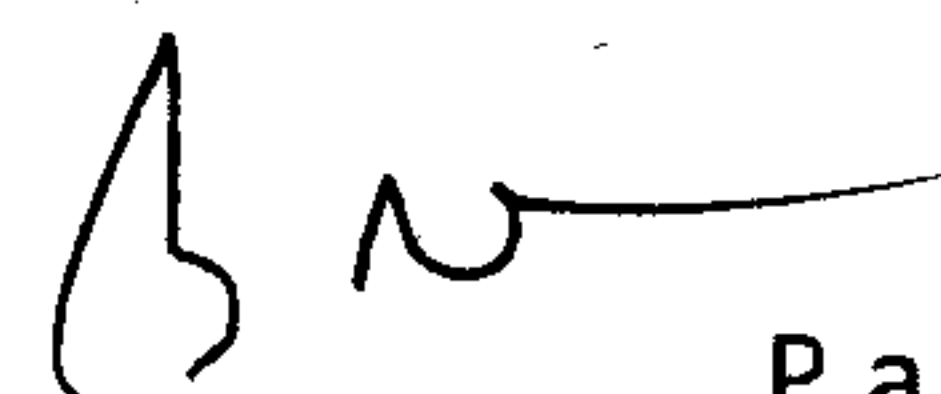




No. CAA 4 that total 7 members attended the meeting i.e. 3 members in person, 2 members present through authorised representative and 2 members present through proxies, representing 99.99% of the total share capital of the Applicant Transferee Company, voted in favour of resolution approving the scheme of amalgamation.

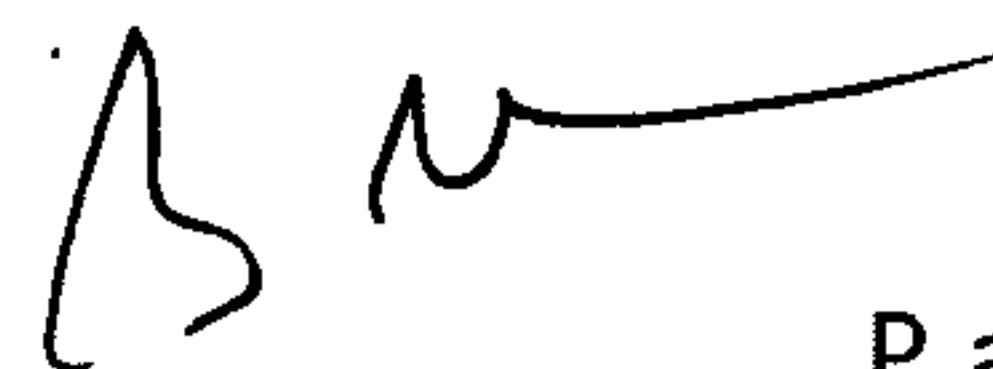
3. The petitioners, thereafter, filed the present joint petition seeking sanction of the Scheme. This Tribunal by order dated 23<sup>rd</sup> January, 2018, fixed the date of hearing of the petition as on 14th February, 2018 and directed all the petitioner companies to publish common Notice of Hearing of the Petition by way of advertisement in "Indian Express - Ahmedabad Edition" and "Sandesh Daily" - Ahmedabad Edition", not less than 10 days before the date fixed for hearing calling for objections, if any, on or before the date of hearing. This Tribunal also directed issuance of notices informing the date of hearing to (i) the Central Government through the Regional Director, (ii) Official Liquidator and (iii) Reserve Bank of India.

4. Petitioner Companies have filed affidavits in respect of publications made in the newspapers as well as affidavit of service of notices to Regulatory Authorities. Pursuant to that, Authorised Representative of the



petitioner companies has filed an affidavit dated 12.02.2018 disclosing that no objection is received from any of the stakeholders or from public at large.


5. Vide the first order dated 22<sup>nd</sup> November, 2017, the original applicant companies were also directed to serve notice of the scheme to the Regulatory Authorities viz (i)Registrar of Companies, (ii) Regional Director, North-Western region, Ahmedabad, (iii)Department of Income Tax, (iv) Reserve Bank of India and (v) Official Liquidator, Ahmedabad along with the copy of the scheme of Amalgamation and explanatory statement and disclosing therein the details as required under Rule 6 of the Companies (CAA) Rules, 2016. Accordingly, notices were duly served on all the authorities on or before November 25, 2017. Affidavit dated 12<sup>th</sup> December, 2017 confirming the compliance of the said directions for service of notice on all the above Regulatory Authorities along with the acknowledgements for the same has been filed with this Tribunal. In response to the said notice, the Regional Directors, Official Liquidator and Reserve Bank of India filed their representations in the form of affidavits dated 18.01.2018, 16.01.2018 and 15.12.2017 respectively. No representation was received from the Income Tax Authorities or any other regulatory authority. The



petitioner companies have filed their responses to the representation of the Regional Director and Official Liquidators separately in the joint petition in form an additional affidavit dated. 19.01.2018 and the response to the representation of the Reserve Bank of India has been given by the petitioner companies in para 4.4.(i) of the petition filed before this Tribunal.

6. Heard learned Mr. Kiran Shah, FCA, for the petitioner companies.

7. Vide paragraph 2(g), Regional Director observed from the Balance Sheet as at 31.03.2017 of the Petitioner Transferee Company, namely M/s. Lodhi Property Company Limited, that the aforesaid company has raised funds through securities premium account amounting to Rs. 6,20,16,75,000/- and made request to this Tribunal to direct the petitioner transferee company to undertake that there is no unaccounted money created through securities premium account during any of the previous years in the petitioner companies and that the companies have paid applicable income tax and other legal dues on the said securities premium collection. In response, the petitioner Transferee Company has undertaken that securities premium account of Transferee Company has not been credited through unaccounted money during

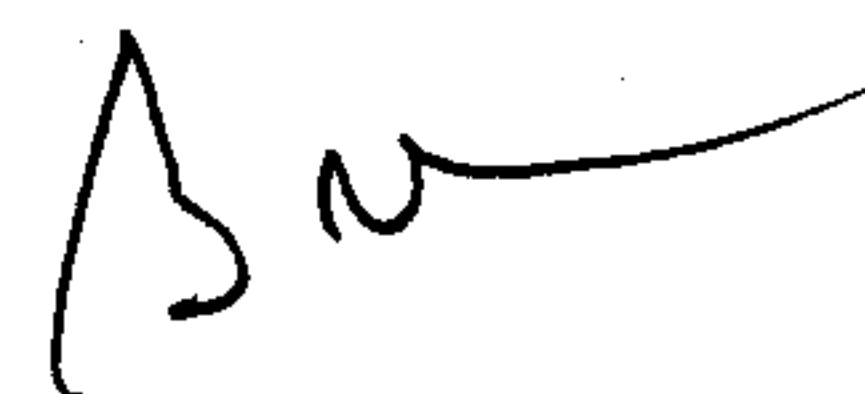




any previous financial years and the companies have paid applicable income tax and other legal dues on the said securities premium collection.

8. Vide paragraph 14 of the representation of the Official Liquidator, it has requested this Tribunal to direct the foreign transferor companies that any assets or liabilities created outside India, if created for which specific approval of RBI is required and in response, petitioner companies have confirmed by way of an affidavit that Applicant Transferor company undertakes and confirm that the company will follow the applicable procedures and applicable provisions, rules and regulations prescribed by RBI in respect to transfer of Assets and Liabilities outside India.

9. Vide Paragraph 16 of the representation, the Official Liquidator has requested this Tribunal to direct the Transferor Company to preserve its books of account, papers and records and shall not be disposed of without prior permission of Central Government as per the provisions of Section 239 of the Companies Act, 2013, and in response, petitioner companies have confirmed by way of an affidavit and petitioner Transferee Company undertakes that it shall preserve its books of account, papers and records and shall not dispose them of without



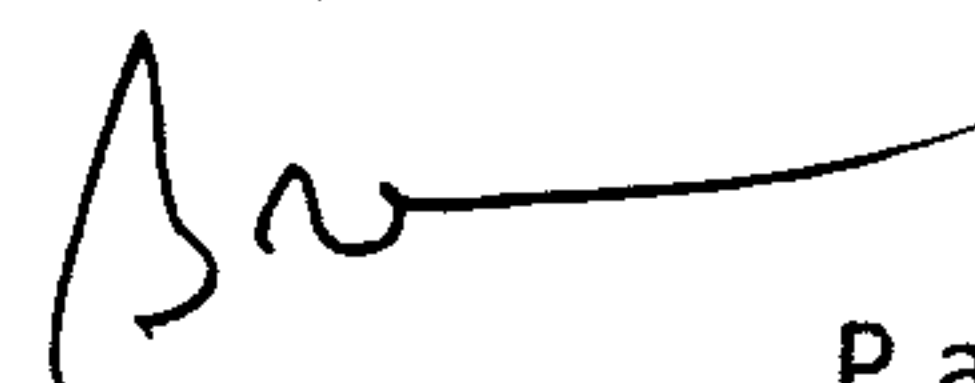


permission of Central Government as per the provisions of section 239 of the Companies Act, 2013.

10. In response to the observation made by the Official Liquidator in paragraph 17 of the Representation, the petitioner companies have undertaken to ensure statutory compliance of all applicable laws and also on sanctioning the present scheme, company shall not be absolved from any of its statutory liabilities, in any manner.

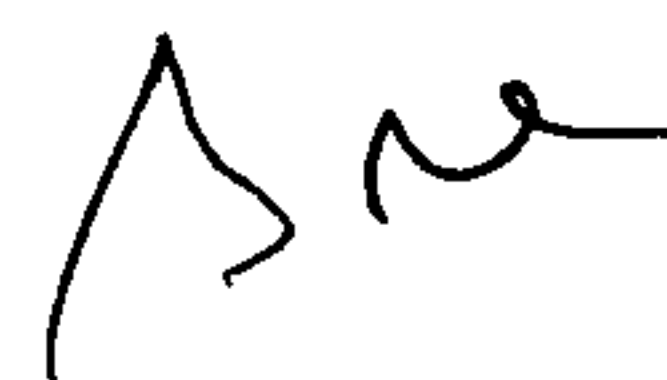
11. Vide representation of the Reserve Bank of India, it has reported that it is the duty of the companies undergoing compromise/arrangement/amalgamation to comply with the requirements of various laws including the rules, regulation and other guidelines prescribed by the RBI viz. the companies may have to comply with Foreign Exchange Management Act, 1999. In response, the petitioner Transferee Company has undertaken and confirmed to abide by the compliance of Foreign Exchange Management Act, 1999 and the rules and regulation made thereunder, if applicable, on account of transactions of the Scheme.

12. In respect of para 8 of the Scheme of Amalgamation, learned FCA, Mr. Kiran Shah has represented that



specific reduction of share capital is falling under the provisions of section 66 of the Companies Act, 2013 which provides that company limited by shares or limited by guarantee and having share capital may, by a special resolution, reduce the share capital in any manner and further represented that as per the explanation to the section 230 of the Companies Act, 2013 provisions of section 66 shall not apply to the reduction of share capital effected in pursuance of the order of the Tribunal under this section. Therefore, it is observed by this Tribunal that specific reduction of share capital of the Transferee company for an amount of Rs. 220 and embodied in the scheme of amalgamation presented is permissible under the provisions of the Act as it is not prejudicial to the interest of any creditor of the transferee company as well as public at large.

13. In compliance with the proviso to sub-section (7) of the Section 230, the petitioner companies placed on record along with Company Application No. 137 of 2017, certificates issued by Chartered Accountant dated 22<sup>nd</sup> September, 2017, confirming that the accounting treatment specified in Clause 5 & 9 of the Scheme of Arrangement is in compliance with the applicable Accounting Standards notified by the Central Government in Section 133 of the Companies Act, 2013

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read with Rule 7 of the Companies (Accounts) Rules, 2014 and other Generally Accepted Accounting Principles.

14. Considering the entire facts and circumstances of the case and on perusal of the Scheme and the documents produced on record, it appears that all the requirements of Section 230 to 232 read with Section 234 of the Companies Act, 2013 are satisfied. The Scheme appears to be genuine and bona fide and in the interest of the shareholders and creditors as well as in the public interest and the same deserves to be sanctioned.

15. In the result, this Joint Petition is allowed. This Scheme of Amalgamation is hereby sanctioned and it is declared that the same shall be binding on the petitioner companies, viz. DLF Hotel Holdings Limited and Lodhi Property Company Limited and their respective shareholders, creditors and all concerned under the Scheme. It is also declared that Transferor Company viz. DLF Hotel Holdings Limited, shall stand dissolved without winding up.

16. The fees of the Official Liquidator are quantified at Rs. 10,000/-. The said fees to the Official Liquidator shall be paid by the Transferee Company.

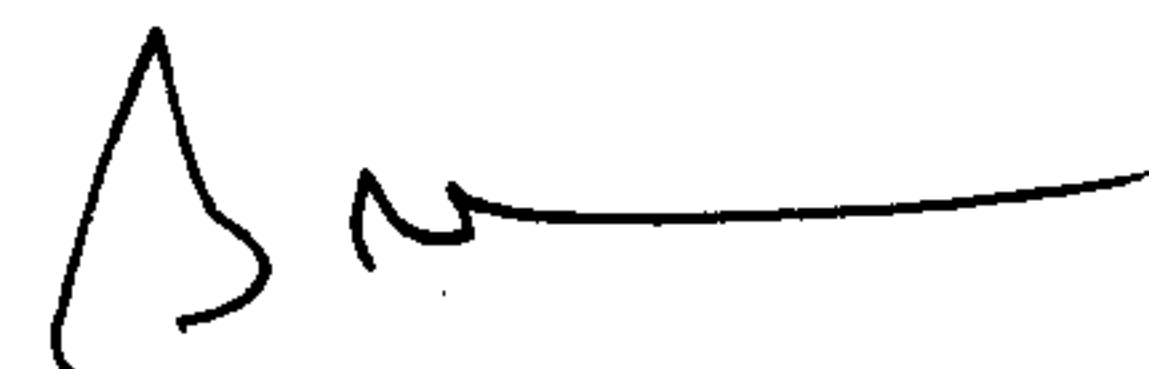
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17. Filing and issuance of drawn up orders is hereby dispensed with. All concerned authorities to act on a copy of this order along with the Scheme duly authenticated by the Registrar of this Hon'ble Tribunal. The Registrar of this Hon'ble Tribunal shall issue the authenticated copy of this order along with the Scheme immediately.

18. The petitioner transferor company is further directed to lodge a copy of this order, the schedule of immovable assets, all registration and benefits arising out of all relevant notifications of the Transferor company proposed to be transferred; as on the date of this order and the scheme duly authenticated by the Registrar of this Tribunal, with the concerned Superintendent of stamps, for the purpose of adjudication of stamp duty, if any, on the same within 60 days from the date of receipt of the order.

19. The petitioner companies are directed to file a copy of the order along with a copy of the scheme with the concerned Registrar of Companies, electronically, along with INC-28 in addition to physical copy as per the relevant provisions of the Act, within 30 days from the date of receipt of Order.





20. This company petition is disposed of accordingly.



Ms. Manorama Kumari,  
Member (J)

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Bikki Raveendra Babu,  
Member (J)