

**THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH**

CO. APPL.(CAA) 49 (ND)/2018

IN THE MATTER OF:

Motherson Sintermetal Technology Limited (MSTL)

Applicant No.2/Transferor Company

AND

Motherson Advanced Tooling Solutions Limited (MATSL)

Non- Applicant No.1/Transferor Company

WITH

Tigers Connect Travel Systems and Solutions Limited (TCTSSL)

Non-Applicant No. 2/ Transferee Company

CORAM:

MS. INA MALHOTRA, MEMBER (JUDICIAL)

MS. DEEPA KRISHAN, MEMBER (TECHNICAL)

Order Delivered on: 14.05.2018

ORDER

PER SMT. INA MALHOTRA, MEMBER (J)

This petition filed by the Applicant Motherson Sintermetal Technology Limited(MSTL) (Applicant/ Transferor Company No.2) is by way of a 1st Motion under Sections 230-232 of the Companies Act, 2013 (hereinafter referred to as 'the Act'). As per the proposed Scheme, the applicant herein, along with,

Motherson Advanced Tooling Solution Ltd(Transferor Company No.2/ Non Applicant) seeks merger with the Tigers Connect Travels Systems and Solutions Limited (TCTSSL)(Transferee Company/ Non- Applicant No. 2).

2. The registered office of the Applicant/ Transferor Company No.2 is situated in the National Capital Territory of Delhi, falling within the territorial jurisdiction of this Bench. The Registered offices of the Transferor Company No.1 and the Transferee Company, both Non- applicants, fall within the territorial jurisdiction of the Mumbai Bench and hence would seek approval for sanction of the Scheme from the concerned Bench.

3. The MSTL, Applicant Company /Transferor Company No.2 was incorporated under the Act on 22nd December, 2011 under the name and style of “Motherson Sintermetal Technology Limited” having CIN U28990 DL2011 PTC229148.

The main objects of the Applicant Company/Transferor Company No. 2 is to carry on the business as manufacturers, exporters, importers, sellers, buyers, distributors and marketing of sintered powder metal parts for automobiles and other industries.

4. It is averred by the applicant company that:-

- The entire Equity Share Capital of MSTL, Applicant Company is held by the Transferee Company and by its nominee shareholders. The Transferee Company holds 3,12,88,676 number of equity shares of the face value of Rs. 10 each, aggregating to Rs. 31,28,86,760. Further 6 individual nominee shareholders hold 600 equity share of face value of Rs. 10 each aggregating to Rs. 6,000 on behalf of the Transferee Company.
- The entire Preference Share Capital of MSTL, Applicant Company is held by the Transferee Company. The Transferee Company holds

3,53,20,000 preference shares of the face value of Rs.10/- each aggregating to Rs. 35,32,00,000.

- It is submitted that TCTSSL, the Non- Applicant No.2 accounts for the business of the MSTL, and MATSL in its books of accounts as per the Accounting Treatment set forth in the Scheme.
- That as on February 28, 2018 MSTL, Applicant Company had One Secured Creditors having outstanding balance of Rs. 6,217.20 Lakhs. The Secured Creditor has given its consent to the Scheme constituting 100% in value and in number. It is submitted that in the circumstances, it would be convenient and expeditious that the holding of meeting of the Secured Creditors of MSTL, Applicant Company may be dispensed with, since the Secured Creditors having 100% in value and 100% in number has consented to the Scheme in writing.
- That MSTL, the Applicant Company has 140 Unsecured Creditors having outstanding balance of Rs. 23,066,55 Lakhs as of February 28, 2018. The Unsecured Creditors, representing 98.74% in value have given their consent vide affidavits. Accordingly it is prayed the holding of meeting of the Unsecured Creditors of MSTL be dispensed with.
- That list of the Secured Creditors along with the Chartered Accountant's certificate certifying the status of Secured Creditors of MSTL as on February 28, 2018.

5. The management of MATSL, MSTL and TCTSSL believe that consolidation of MATSL, MSTL and TCTSSL, inter-alia, would have the following benefits for the group:-

a. Consolidation of companies within the Group;

- b. Reduction of intra- group transactions and compliance requirements under various laws;
- c. Reduction of operating and compliance costs;
- d. Achieve administrative, operational and management efficiencies.
- e. The Appointed date shall be March, 2018.
- f. Further, it has been stated that the scheme will be beneficial to the applicant companies and their respective shareholders and creditors.

6. The audited Balance Sheets as on 31.03.2017 and reports of the Statutory Auditors of the Applicant Company have been filed. Provisional Financial Statements as on 31.12.2017 have also been placed on record.

7. It has also been certified by the statutory Auditors that the Accounting Treatment as in the Scheme is in compliance with the Accounting Standards prescribed u/s 133 of the Companies Act 2013.

8. The Memorandum and Articles of Association of the Transferor Company No.2 company provides for a entering into a Scheme of such Amalgamation.

9. The Board of Directors of each of the company vide their respective meetings held on 22.03.2018 have unanimously approved the proposed Scheme of Amalgamation. Copy of the Board resolution of the applicant company has been filed.

10. It is submitted that the proposed arrangement is sought to be made under the provisions of Section 230 to 232 of the Companies Act, 2013 and the Scheme if sanctioned by this Tribunal, will take effect from the date of on

which certified copy of the order of sanctioning of proposed Scheme, passed by this Tribunal is filed with the Registrar of Companies after obtaining necessary sanctions, orders or approvals.

11. It has also been submitted that there are no proceedings pending inquiry or investigation in respect of the applicant company.

12. We have perused the application and the connected documents/papers filed with the application including the Scheme of amalgamation.

13. Vide the present petition has been filed by the Applicant company/ Transferor No.2 only as its registered office lies within the jurisdiction of this Bench. The prayer made before the Bench is for dispensation of convening meetings in respect of its shareholders and secured/unsecured creditor which is being allowed in view of the following facts:-

- That all the 7 equity shareholders and 1 Preference Shareholder have accorded their consent vide affidavits placed on record.
- The Transferor Company No. 2 has 1 Secured creditor as certified by the Auditors whose consent is on record.
- Transferor Company No. 2 has 140 Unsecured creditors, In view of the consent accorded by more than 90%, in value of the credit, the convening of their meeting be also dispensed with.

15. We also direct that notices be sent to the Central Government through the office of the Regional Director (Northern Region), the Income Tax Authorities, Registrar of Companies, NCT of Delhi & Haryana, Official Liquidator and other sectoral regulators or authorities as required under sub-section (5) of section 230 of the Companies Act, 2013 who may have significant bearing on the operation of the applicant companies along with copy of required

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documents and disclosures required under the provisions of Companies Act, 2013 read with Companies (Compromises, Arrangement, and Amalgamation) Rules, 2016. Copies of the notices along with the proof of dispatch be filed before this Bench along with the affidavit of compliance.

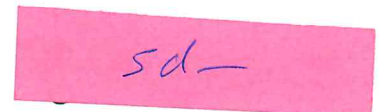
16. All the aforesaid directions are to be complied with strictly in accordance with the applicable law including forms and formats contained in the Companies (Compromises, Arrangements, Amalgamations) Rules, 2016 as well as the provisions of the Companies Act, 2013 by the Applicant.

As sequel to the above, the present application stands allowed by dispensing with the meetings of shareholders and creditors of the Applicant Company/ Transferor Company No2.

Let copy of the order be served to the parties.



Deepa Krishan
Member (T)



Ina Malhotra
Member (J)