

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

CA (CAA)/11/CHE/2021

Under Sections 230 to 232 of the Companies Act, 2013

In the matter of *Scheme of Amalgamation*

of

**M/s. ELECTRALLOY SPECIAL STEEL CASTINGS PRIVATE
LIMITED**

... Applicant / Transferor Company

and

M/s. AMSTEEL CASTINGS PRIVATE LIMITED

... Transferee Company

And

Their Respective Shareholders

Order Pronounced on 15th July 2021

CORAM

R. SUCHARITHA, MEMBER (JUDICIAL)

ANIL KUMAR B, MEMBER (TECHNICAL)

For Applicant(s): Pawan Jhabakh, Advocate

ORDER

***Per:* ANIL KUMAR B, MEMBER (TECHNICAL)**

1. This is a joint application filed by the Applicant Company, namely M/s. Electralloy Special Steel Castings Private Limited (*for brevity "Transferor Company"*) and M/s. Amsteel Castings Private Limited 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") as contemplated between the companies and annexed as "Annexure A1" to the typed set filed along with the Application.

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

	Equity Shareholders	Secured Creditors	Unsecured Creditors
TRANSFEROR COMPANY	To dispense with the meeting	NIL	To dispense with the meeting
TRANSFeree COMPANY	To dispense with the meeting	NIL	To dispense with the meeting

3. An affidavit in support of the above application is sworn for and behalf of the Transferor and Transferee Company by one Mr. Aswin M Shah and Mr. Rasesh M Shah, in the capacity as Authorized Signatory of the respective Company along with the application and it is also represented that the Registered office of the Applicant Companies are situated within the territorial jurisdiction of the Bench of this Tribunal and falling within the purview of Registrar of Companies, Chennai.

4. In relation to the Transferor Company, it is seen from the list of Equity shareholders placed at page 159 to 160 of the typed set filed along with the Application that the Transferor Company has 14 Equity Shareholders and all the 14 Equity Shareholders have given their respective consents by way of affidavits, which are placed at pages 161 to 194 of the typed set filed with the application and sought for dispensation with holding of meeting. It is further represented by the Counsel for Applicant that the Transferor Company has NIL Secured Creditors and the certificate issued by the Chartered Accountants to this effect is placed at page 233 of the typed set filed with the application. It is also represented that the Transferor Company is having 2 Unsecured Creditors and the Certificate issued by the Chartered Accountants to this effect is placed at pages 235 of the typed set filed with the application and upon the consent affidavits obtained from 1 Unsecured Creditors constituting 91.87% of the total value of credit which are placed at Page 236 to 239 of the typed set filed along with the Application and this being in excess of 90% as prescribed under Section 230 of the Companies Act, 2013 has sought for dispensation with holding of their meeting.

5. In relation to the Transferee Company, it is seen from the list of Equity shareholders placed at page 195 to 196 of

the typed set filed along with the Application that the Transferee Company has 15 Equity Shareholders and all the 15 Equity Shareholders have given their respective consents by way of affidavits, which are placed at pages 197 to 232 of the typed set filed with the application and sought for dispensation with holding of meeting. It is further represented by the Counsel for Applicant that the Transferor Company has NIL Secured Creditors and the certificate issued by the Chartered Accountants to this effect is placed at page 234 of the typed set filed with the application. It is also represented that the Transferor Company is having 2 Unsecured Creditors and the Certificate issued by the Chartered Accountants to this effect is placed at pages 240 of the typed set filed with the application and upon the consent affidavits obtained from 1 Unsecured Creditors constituting 96.15% of the total value of creditors which is placed at Page 241 to 243 of the typed set filed along with the Application and this being in excess of 90% as prescribed under Section 230 of the Companies Act, 2013 has sought for dispensation with holding of their meeting.

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



7. From the certificate of incorporation filed, it is evident that Transferor Company is a Private limited company incorporated under the provisions of Companies Act, 1956 on 05.12.1979, with Registrar of Companies, Tamil Nadu. The Authorized Share Capital of the Transferor Company is ₹17,00,000/- (Rupees Seventeen Lakh Only) consisting of 15,000 Equity Shares of ₹100/- each and 200 1% Redeemable Preference Shares of ₹1000/- each. The Issued, Subscribed and Paid-up Capital of the Transferor Company is Rs. ₹8,35,000/- (Rupees Eight Lakh Thirty Five thousand only) consisting of 8,350 Equity Shares of ₹100/- each.

8. From the certificate of incorporation filed, it is evident that Transferee Company is a Private limited company incorporated under the provisions of Companies Act, 1956 on 19.02.1993, with Registrar of Companies, Tamil Nadu. The Authorized Share Capital of the Transferee Company is ₹50,00,000/- (Rupees Fifty Lakh Only) consisting of 50,000 Equity Shares of ₹100/- each. The Issued, Subscribed and Paid-up Capital of the Transferee Company is Rs. ₹32,50,000/- (Rupees Thirty two Lakhs and Fifty thousand only) consisting of 32,500 Equity Shares of ₹100/- each.



9. The Applicant companies has filed its Memorandum and Articles of Association *inter alia* delineating its object clauses as well as their last available Audited Annual Accounts for the year ended 31.03.2020 and Unaudited Provisional statement as on 30.09.2020.

10. The Board of Directors of the Applicant Company vide meeting held on 21st December 2020 has unanimously approved the proposed Scheme as contemplated above and copies of resolutions passed thereon have been placed on record by the Transferor company.

11. The Appointed date as specified in the Scheme is 1st April 2020, subject to the directions of this Tribunal.

12. The Statutory Auditors of the Transferor 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 Certificate of the Statutory Auditors issued in this regard is placed at pages 244 to 300 of the typed set filed along with the Application.



13. Taking into consideration the application filed by the Applicant Company and the documents filed therewith as well as the position of law, this Tribunal propose to issue the following directions as follows: -

A) IN RELATION TO THE TRANSFEROR COMPANY:

(i) With respect to Equity shareholders:

It is represented by the Transferor Company that there are 14 Equity shareholders in the Company whose consents by way of affidavits have been obtained and are placed on record, the necessity of convening and holding a meeting to consider and if thought fit, the approval of the scheme is *dispensed with*.

(ii) With respect to Secured Creditors:

It is represented by the Transferor Company that there are NIL Secured and hence the necessity of convening a meeting does not arise.

(iv) With respect to Unsecured Creditors:

It is represented by the Transferor Company that there are 2 Unsecured Creditor in the Company and consent affidavits obtained by 1 Unsecured Creditors constituting 91.87% of the total value of credit is placed on record, the necessity of convening and holding a meeting to



consider and if thought fit, the approval of the scheme is *dispensed with*.

B) IN RELATION TO THE TRANSFEREE COMPANY:

(i) With respect to Equity shareholders:

It is represented by the Transferee Company that there are 15 Equity shareholders in the Company whose consents by way of affidavits have been obtained and are placed on record, the necessity of convening and holding a meeting to consider and if thought fit, the approval of the scheme is *dispensed with*.

(ii) With respect to Secured Creditors:

It is represented by the Transferee Company that there are NIL Secured Creditor and hence the necessity of convening a meeting does not arise.

(iv) With respect to Unsecured Creditors:

It is represented by the Transferee Company that there are 2 Unsecured Creditors in the Company and consent affidavits obtained by 1 Unsecured Creditors constituting 96.15% of the total value of credit is placed on record, the necessity of convening and holding a meeting to



consider and if thought fit, the approval of the scheme is *dispensed with*.

14. The Applicant Company shall submit the Company Petition(s) within seven days from the date of receipt of this order. Accordingly, the Application stands **allowed**.

-sd-
(ANIL KUMAR B)
MEMBER (TECHNICAL)

-sd-
(R. SUCHARITHA)
MEMBER (JUDICIAL)

Raymond