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**IN THE NATIONAL COMPANY LAW TRIBUNAL,
SINGLE BENCH, CHENNAI**

CPs/169 & 170/CAA/CB/2018
in
CAs/100 & 101/CAA/CB/2018

Under Sections 230 to 232 of the Companies Act, 2013

In the matter of Scheme of Arrangement (Demerger)

Between

M/s. Utility Projects and Services Private Limited.
... Demerged Company

And

**M/s. Utility & Facility Management Services
Private Limited.**
... Resulting Company

And

THEIR RESPECTIVE SHAREHOLDERS

Order delivered on 31st August, 2018

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CH. MOHD SHARIEF TARIQ, MEMBER (JUDICIAL)

For Applicant(s): Mr. I. B. Harikrishna, PCS

ORDER

Per: CH. MOHD SHARIEF TARIQ, MEMBER (JUDICIAL):

1. Under Consideration is the Company Petition Nos.169 & 170/CAA/2018 filed under Section 230 to 232 of the Companies Act, 2013 r/w the Companies (Compromises,

Arrangements and Amalgamations) Rules, 2016. The instant Petition(s) pertains to the proposed Scheme of Arrangement (Demerger) by virtue of which the demerged undertakings of M/s. Utility Projects and Services Private Limited (hereinafter referred to as '**Demerged Company**') to be demerged, transferred and vested with M/s. Utility & Facility Management Services Private Limited (hereinafter referred to as '**Resulting Company**').

2. The Demerged Company is a Private Limited Company, incorporated on 10.05.2006 under the Companies Act, 1956, having its Registered Office at New No.5, Old No.18, East Avenue, Kesavaperumalpuram, R A Puram, Chennai – 600 028. The Resulting Company is a Private Limited Company, incorporated on 05.01.2018 under the Companies Act, 2013, having its Registered Office at New No.5, Old No.18, East Avenue, Kesavaperumalpuram, R A Puram, Chennai – 600 028. Presently the Demerged Company is engaged in the business of undertaking turnkey engineering projects ✓

from concept to commissioning in the field of Heating, Cooling, Ventilation, Fire Fighting & Protection, Electrical Plumbing, Water & Waste Systems, purchase, sale, lease, hire of engineering products, etc. The details of the main objects of the Demerged Company are elaborately set out in Clause III of its Memorandum of Association. The Resulting Company is presently engaged in the business of undertaking total service contracts including maintenance & manning of complete utility service and facility management services. The main objects of the Resulting Company elaborately set out in Clause III of its Memorandum of Association.

3. This Bench vide Order dated 25.05.2018, in CAs/100 & 101/CAA/2018 dispensed with the convening, holding and conducting the meeting of the Equity Shareholders, Secured Creditor, and directed to conduct the meeting of the Unsecured Creditors of the Demerged Company. Also dispensed with the convening, holding and conducting the meeting of the Equity Shareholders of the Resulting Company. There was no Secured/Unsecured in the Resulting Company as per the certificate issued by the 

Chartered Accountant. In short the Petitioner Companies complied with all the Orders passed by this Bench.

4. The learned Counsel appearing for the Petitioner Companies submitted that the rationale and circumstances that have necessitated the proposed Scheme of Arrangement (Demerger) between the Petitioner Companies will be beneficial to all and will result in better and more efficient operation of the Petitioner Companies. The learned Counsel has further submitted that no investigation proceedings are pending against the Petitioner Companies under the provisions of the Companies Act, 1956 or corresponding provisions of the Companies Act, 2013.

5. The Regional Director, Southern Region (for short, '**RD**') in the Report Affidavit (for brevity, '**Report**') dated 16.08.2018 submitted that Para 9 of the Scheme of the Companies provide for the protection of the interest of the employees/staff of the Demerged undertaking.

6. The RD further submitted that as per the report of RoC, Chennai, the Demerged Company is regular in filing the statutory returns and as for the Resulting Company it was incorporated in the year 2018, and hence the first statutory returns are not yet due. There is no prosecution filed, no complaints pending and no inspection/investigation has been ordered and pending against the Petitioner Companies. In short, the RD has not raised any objection.

fr 7. ~~in~~ Para 13 of the Scheme provides the details with regard to the Accounting Treatment which appears to be in conformity with the Accounting Standards. The Scheme shall become effective from the Appointed Date viz., 01.04.2017.

8. The Scheme will not cast any additional burden on the stakeholders and also will not prejudicially affect the interests of any class of the creditors in any manner. There is no requirement to modify the proposed Scheme. The Scheme of Arrangement (Demerger) appears to be fair and reasonable and is not contrary to public policy *m*

and not violative of any provisions of law. All the statutory compliances have been made under Sections 230 to 232 of the Companies Act, 2013.

9. Therefore, the Scheme annexed with Petition(s) stand sanctioned. The Scheme sanctioned shall be binding on all the Equity Shareholders, the Creditors of the Demerged Company, the Resulting Company and on all their respective employees.

10. However, it is further clarified that this Order will not be construed as an order granting exemption from payment of stamp duty or taxes or any other charges, if payable, as per the relevant provisions of law or from any applicable permissions that may have to be obtained or, even compliances that may have to be made as per the mandate of law.

11. The Companies to the said Scheme or other person interested shall be at liberty to apply to this Bench for any direction that may be necessary with regard to the working of the said Scheme.

12. The Petitioner Companies shall file with the concerned Registrar of Companies the certified copy of this Order within 30 days of the receipt of the order.
13. The Order of sanction to this Scheme shall be prepared by the Registry as per the relevant format provided under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 notified on 14th December, 2016.
14. Therefore, the Scheme stands sanctioned and CPs/169 & 170/CAA/2018 stand **disposed of**.


(CH. MOHD SHARIEF TARIQ)
MEMBER (JUDICIAL)

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