

**NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH
AHMEDABAD**

T.P. No. 45/NCLT/AHM/2017 (New)
With Gujarat High Court C.P. No. 510/2016 in C.A. No. 492/2016 (Old)

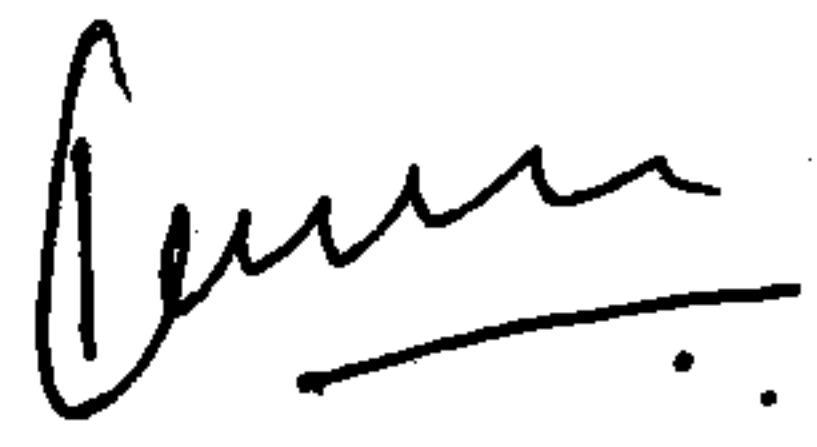
Coram:

Present: Hon'ble Mr. BIKKI RAVEENDRA BABU
MEMBER JUDICIAL

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF AHMEDABAD
BENCH OF THE NATIONAL COMPANY LAW TRIBUNAL ON 19.05.2017**

Name of the Company: Crown Decor Pvt.Ltd.

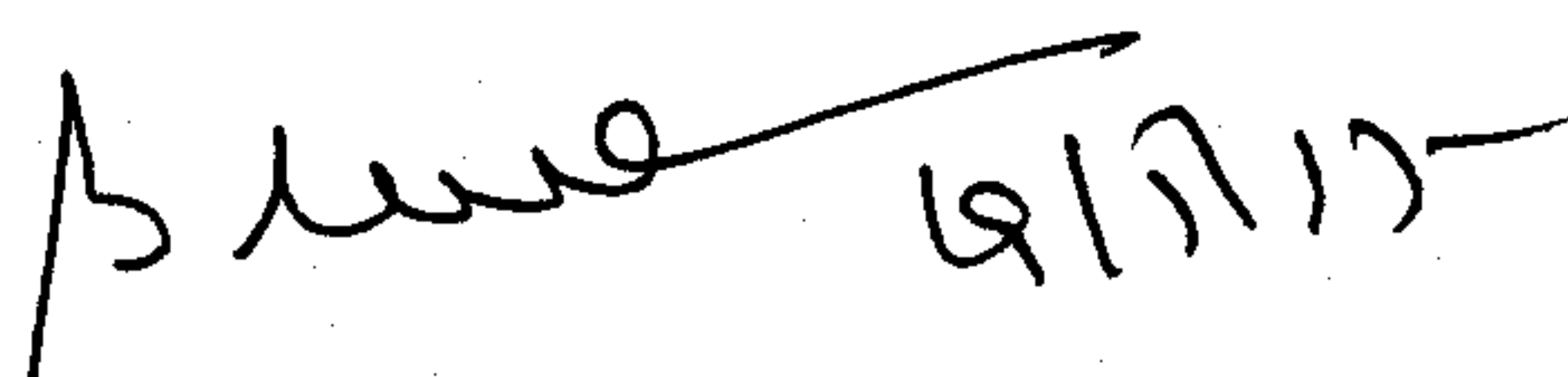
Section of the Companies Act: Section 391-394 of the Companies Act, 1956

S.NO.	NAME (CAPITAL LETTERS)	DESIGNATION	REPRESENTATION	SIGNATURE
1.	KAVANKUMAR MANKAD FOR VAIBHAVI K. PARIKH	Advocate	Petitioner	
2.				

ORDER

Learned Advocate Mr. Kavan Mankad i/b Learned Advocate Ms. Vaibhavi Parikh present for Petitioner.

Common order pronounced in open Court. Vide separate sheet.


BIKKI RAVEENDRA BABU
MEMBER JUDICIAL

Dated this the 19th day of May, 2017.

**NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH
AHMEDABAD**

T.P. No.44/NCLT/AHM/2017

With

T.P. No.45/NCLT/AHM/2017

CORAM: SRI BIKKI RAVEENDRA BABU, MEMBER JUDICIAL

Date: 19th day of May, 2017

In the matter of:

1. Crown Laminates Private Limited

A Company registered under the Companies Act, 1956 and having its Registered Office at Block No. 419/1 419/7, Radhe Industrial Estate, Tajpur Road, Changodar, Sanand, Ahmedabad - 382 213 in the State of Gujarat.

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Petitioner of T. P. No. 44/2017
(Transferor Company)

AND

2. Crown Decor Private Limited

A Company registered under the Companies Act, 1956 and having its Registered Office at Block No. 419/417, Radhe Industrial Estate, Tajpur Road, Changodar, Sanand, Ahmedabad - 382 213 in the State of Gujarat.

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Petitioner of T. P. No. 45/2017
(Transferee Company)

Appearance:

Ms. Vaibhavi Parikh, Advocate, for the applicant companies.

COMMON FINAL ORDER

(Date: 19.05.2017)

1. These petitions under Sections 230-232 of the Companies Act, 2013 have been filed seeking sanction of a proposed Scheme of Amalgamation of Crown Laminates Private Limited (Transferor Company) with Crown Decor Private Limited (Transferee Company) ('Scheme' of short).
2. The Petitioner of T.P. No. 44 of 2017, i.e. Crown Laminates Private Limited, had filed an application in the Hon'ble High Court of Gujarat, being Company Application No. 494 of 2016,

seeking dispensation of the meetings of the Equity Shareholders, sole Secured Creditor and Unsecured Creditors of the said Company. The Hon'ble High Court, vide order dated 23rd November, 2016 dispensed with the convening and holding of the meeting of the Equity Shareholders, sole Secured Creditor and Unsecured Creditors of the Petitioner Company in view of the consent letters given by the Equity Shareholders, sole Secured Creditor and Unsecured Creditors of the Petitioner Company.

3. The Petitioner of T.P. No. 45 of 2017, i.e. Crown Decor Private Limited, had filed an application in the Hon'ble High Court of Gujarat, being Company Application No. 492 of 2016, seeking dispensation of the meetings of the Equity Shareholders and Unsecured Creditors of the said Company. The Hon'ble High Court, vide order dated 22nd November, 2016 dispensed with the convening and holding of the meeting of the Equity Shareholders and Unsecured Creditors of the Petitioner Company in view of the consent letters given by the Equity Shareholders and Unsecured Creditors of the Petitioner Company. It was reported to the Hon'ble High Court that the Petitioner Company did not have any Secured Creditor.
4. The Petitioners thereafter filed Company Petition Nos. 504 and 510 of 2016 in the Hon'ble High Court of Gujarat seeking sanction of the Scheme. The Hon'ble High Court vide its orders dated 5th December, 2016 admitted the aforesaid Company Petitions and directed the issuance of notice to the Regional Director in both the aforesaid Company Petitions and the Official Liquidator in Company Petition No. 504 of 2016. The Hon'ble Court also directed publication of notice of hearing of the petitions in the English Daily Newspaper "Indian Express" and Gujarati Daily Newspaper "Jai Hind" both having circulation in Ahmedabad. The High Court also dispensed with publication of the notice in the Government Gazette.

5. Pursuant to the order dated 5th December, 2016 passed by the Hon'ble High Court, the petitioner companies published the hearing of the petitions in the English Daily Newspaper "Indian Express" and Gujarati Daily Newspaper "Jai Hind" both having circulation in Ahmedabad on 21st December, 2016. The notices in respect of hearing of both the Company Petitions were served upon the Regional Director and notice of hearing in respect of Company Petition No. 504 of 2016 was served upon the Official Liquidator on 26th December, 2016 and affidavits to that effect were also filed on behalf of the Petitioner Companies.
6. Subsequently, the Hon'ble High Court, in view of Rule 3 of the Companies (Transfer of Pending Proceedings) Rules, 2016 vide orders dated 10th February, 2017, transferred the aforesaid Company Petitions to this Tribunal and they came to be renumbered as T.P. Nos. 44 and 45 of 2017. Thereafter, this Tribunal vide orders dated 24th March, 2017 directed the Petitioner Companies to publish notice in the newspapers in which already publication had been made informing the date of hearing. The Petitioner Companies were also directed to serve notice to the following statutory authorities: -
 - a. The Central Government through the Regional Director, Gujarat;
 - b. The concerned Income Tax Authorities;
 - c. The Registrar of Companies, Gujarat.

The Petitioner Company in T.P. No. 44 of 2017 was also directed to serve notice on the Official Liquidator. Accordingly, the Petitioner Companies published notice of hearing of T.P. Nos. 44 and 45 of 2017 in English Daily, "Indian Express" and Gujarati Daily, "Jai Hind" both Ahmedabad Editions on 6th April, 2017. Notices of hearing of the petitions were also served upon the statutory authorities, namely, (i) the Central Government through the Regional Director, (ii) the concerned Income Tax Authority, (iii) the Registrar of Companies, Gujarat,

Ahmedabad, and (iv) the Official Liquidator and affidavits of service and publication dated 25th April, 2017 have been filed by the Director of the Petitioner Companies.

7. In response to the notice to the Regional Director, Ministry of Corporate Affairs, the Regional Director filed a common representation dated 8th March, 2017. The Official Liquidator filed a representation dated 21st April, 2017. However, no representation has been received from the Income Tax Authorities. Similarly, pursuant to the publication of notice of hearing of the petitions in the newspapers, no objection to the Scheme has been received from the public at large. Likewise, pursuant to the notices issued to the equity shareholders and creditors in case of the petitioner transferor company and equity shareholders and unsecured creditors in case of petitioner transferee company, no shareholder, secured and/or unsecured creditor has raised any objection to the proposed scheme.
8. In response to the common representation filed by the Regional Director and the Petitioner Companies have filed reply affidavit dated 27th April, 2017 in respective petitions. The petitioner transferor company has also given its reply to the representation filed by the Official Liquidator in the said reply affidavit dated 27th April, 2017.
9. Heard learned Advocate Ms. Vaibhavi Parikh for the Petitioner Companies.
10. In Paragraph 2(e) of the common representation filed by the Regional Director, the Regional Director has stated, that pursuant to the Circular of the Ministry of Corporate Affairs bearing No. 2/1/2014 dated 15.01.2014, he invited specific comments from the Income Tax Department giving 15 days' time to the Income Tax Department to state their objections, if

any, to the proposed Scheme. It is stated by the Regional Director in the said paragraph that in response to the same, no reply has been received from the Income Tax Department. The Regional Director has, therefore, requested this Tribunal to direct the Petitioner Companies to undertake compliance of the Income Tax Act and Rules. In the reply dated 27th April, 2017 filed by the Petitioner Companies, it is stated that the Petitioner Companies would undertake to comply with the Income Tax Act, 1961 and Income Tax Rules, 1962. In light of the aforesaid, this Tribunal is of the view that the observation made by the Regional Director in Paragraph 2(e) of the representation, stands satisfied.

11. In Paragraph 2(f) of the common representation filed by the Regional Director, it is stated that as per the report of the Registrar of Companies dated 10th February, 2017, there were no complaints against the Petitioner Companies including any complaint/ representation against the Scheme of Amalgamation of the Petitioner Companies.
12. It is also stated in Paragraph 2(g) of the common representation filed by the Regional Director that the proposed Scheme is not prejudicial to the interest of shareholders of the Petitioner Companies and the public at large.
13. In response to the notice to the Official Liquidator in Company Petition No. 504 of 2016 (T.P. No. 44 of 2017), the Official Liquidator filed his representation dated 27th April, 2017. On perusal of the said report, the Official Liquidator at Paragraph 18 has submitted that the affairs of the Transferor Company have not been conducted in a manner prejudicial to the interest of its members or to the public interest. With regard to the observation made by the Official Liquidator at Paragraph 19 of the report, in Paragraph 7(b) of the affidavit dated 27th April, 2017, it is stated that the Petitioner Transferor Company

undertakes to preserve its books of accounts, papers and records and shall not dispose of the same without the prior permission of the Central Government as per the provision of Section 239 of the Companies Act, 2013. In Paragraph 20 of the report, the Official Liquidator has requested the Tribunal to direct the Petitioner Company to ensure statutory compliance of all applicable laws and also on sanctioning of the Scheme, the Petitioner Company be not absolved from any of its statutory liability in any manner. In reply given in Paragraph 7(c) of the Affidavit, the Petitioner Transferor Company has stated that the Petitioner Transferor Company ensured statutory compliance of all applicable laws and that the Petitioner Transferor Company shall not be absolved from any of its statutory liability. However, it is observed that upon sanctioning of the Scheme, the Petitioner Transferor Company shall not be absolved from any of its statutory liability, in any manner. In respect of the observation made at Paragraph 21 of the report, it is stated at Paragraph 7(d) of the Affidavit that the accounting treatment proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013. In this regard, the Petitioner Companies in its respective affidavits have produced certificates from the auditors certifying that the proposed accounting treatment contained in the Scheme is in compliance with the applicable Accounting Standards notified by the Central Government under the Companies Act, 1956 / Companies Act, 2013. The Official Liquidator requested the Tribunal to direct the Petitioner Transferor Company to pay cost of Rs. 10,000/- to the office of the Official Liquidator. No objection has been received from the public at large pursuant to publication of notice of hearing published in newspapers.

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 the requirements of the provisions of

Sections 230 and 232 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.

15. In the result, these Petitions are allowed. The Scheme of Amalgamation which is at Annexure – C to the petitions, is hereby sanctioned and it is declared that the same shall be binding on the Petitioner Companies namely, Crown Laminates Private Limited and Crown Decor Private Limited, their equity shareholders, creditors and all concerned under the Scheme. It is also declared that the Petitioner Company, namely, Crown Laminates Private Limited, shall stand dissolved without winding up.
16. The fees of the Official Liquidator are quantified at Rs. 10,000/- in respect of T.P. No. 44 of 2017. The said fees to the Official Liquidator shall be paid by the Transferee Company.
17. Filing and issuance of drawn up orders as dispensed with. All concerned authorities to act on a copy of this order along with the Scheme duly authenticated by the Registrar of this Tribunal. The Registrar of this Tribunal shall issue the certified copy of this order along with the Scheme immediately.


BIKKI RAVEENDRA BABU
MEMBER JUDICIAL

Pronounced by me in open court
on this 19th day of May, 2017.

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