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**NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD BENCH  
AHMEDABAD**

**CA(CAA) No. 136/NCLT/AHM/2017**

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 15.11.2017**

Name of the Company: Reena Fashion Pvt. 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 Applicant.

Order pronounced in open court. Vide Separate Sheets.

  
**BIKKI RAVEENDRA BABU  
MEMBER JUDICIAL**

Dated this the 15th day of November, 2017.

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD BENCH**

**CA(CAA) No.136/NCLT/AHM/2017**

In the matter of :-

Reena Fashion Private Limited,  
P.No. 50/52,  
Bhatia Gali, Bh. Water Tank,  
Pandésara GIDC,  
Pandésara,  
Surat – 394 221.

Applicant  
(Resultant Company)

Order delivered on 15<sup>th</sup> November, 2017

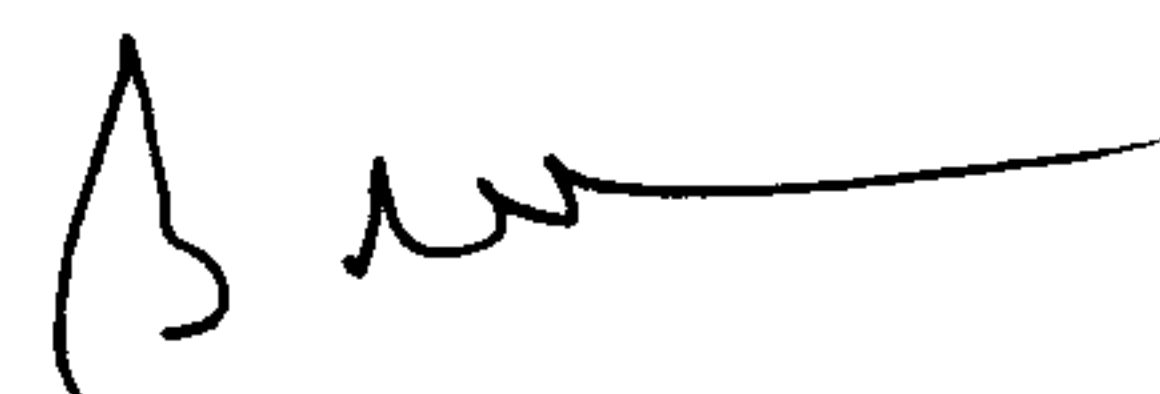
**Coram: Hon'ble Mr. Bikki Raveendra Babu, Member (J)**

**Appearance:**

Mr. S. Swaminathan, PCS, for the Applicant Company.

**ORDER**

1. Heard learned PCS, Mr. Swaminathan, for the applicant company.
2. By this application under Sections 230-232 of the Companies Act, 2013, the applicant company is seeking dispensation of meetings of equity shareholders and creditors of the applicant company in respect of a Scheme of Arrangement between Savitri Textiles (India) Private Limited (Demerged Company) and Reena Fashion Private Limited (Resultant Company) and their respective shareholders ("Scheme" for short).

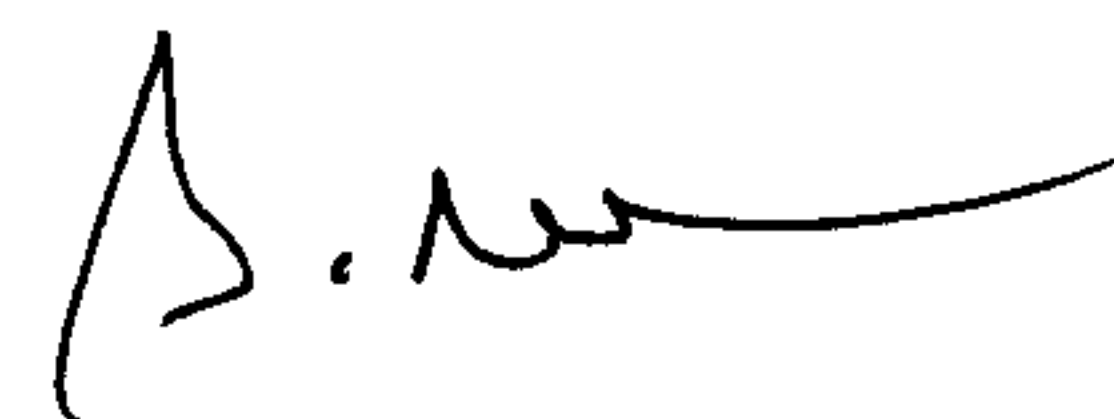


3. The Applicant is a private limited company. Issued, subscribed and paid up equity share capital of the applicant company, as on 31.3.2017, is Rs.1,00,000/- divided into 10,000 equity shares of Rs.10/- each.

4. The Board of Directors of the applicant company has approved the Schème in the meeting of the Board held on 1<sup>st</sup> September, 2017. A copy of the resolution of the Board of Directors of the applicant company is produced at Annexure-D.

5. According to the Applicant company, upon demerger of the undertaking into the Applicant Company, the benefit to the Applicant Company would be in the following manner :-

- (a) Enhanced operational, managerial, financial and technological efficiencies, improved market presence and enabling to address challenges of rising competitiveness;
- (b) Efficient utilization of capital and creation of stronger platform for the separate businesses;
- (c) Facilitating a focused strategy, direction and business planning to optimize operational, managerial, financial, technological and marketing capabilities of similar business; and



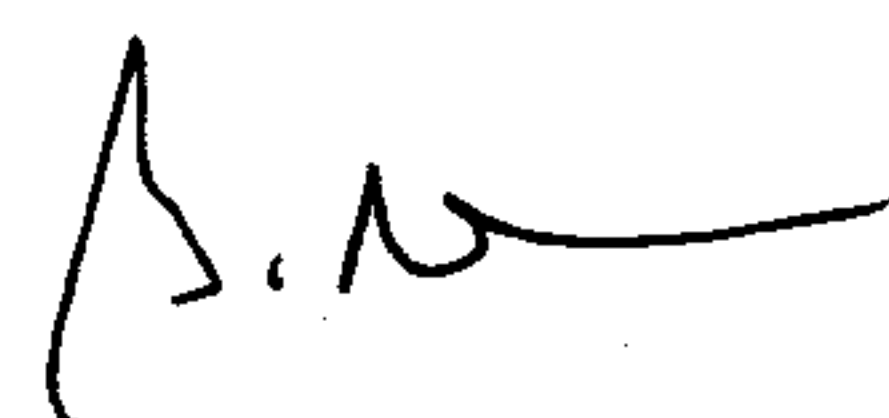
(d) Access to varied sources of funds for rapid growth.

6. The Registered Office of the Applicant Company is situated in at GIDC Pandesara, Surat, in the State of Gujarat and, hence, this Tribunal has the territorial jurisdiction to entertain the present application.

7. The applicant has stated that accounting treatment specified in the Scheme in conformity with the Accounting Standards prescribed in the Companies Act, 2013 and a certificate dated 12<sup>th</sup> September, 2017, issued by the statutory auditors of the applicant company is produced at Annexure-I.

8. It is also stated in the Application that the applicant company does not have any foreign shareholder and considering the nature of business as also the shareholding pattern of the applicant company, notice to the Reserve Bank of India, the Competition Commission of India and the Securities and Exchange Board of India is not necessary.

9. The applicant has stated that the applicant company has two equity shareholders and both the equity shareholders have given their consent in writing in approval of the Scheme. Copies of the consent affidavits of both the equity shareholders of the applicant company are produced as Annexure-F. The applicant

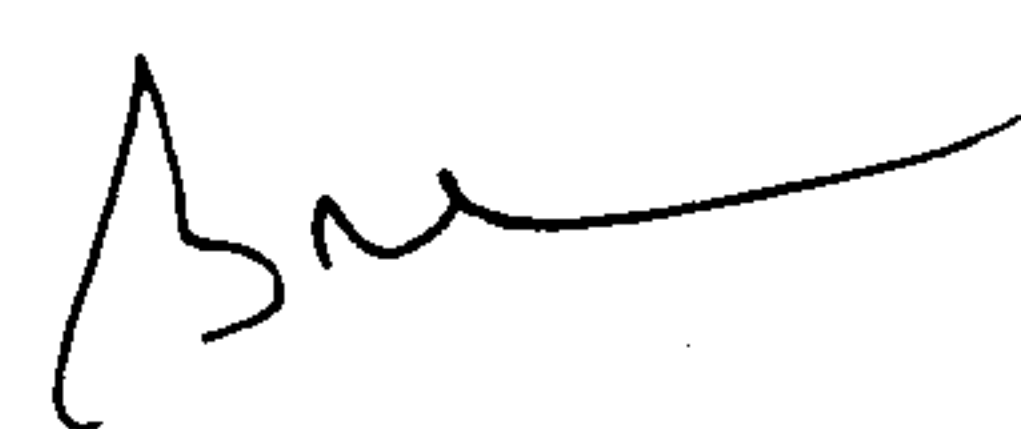


company has also produced at Annexure-G a certificate from its Chartered Accountants stating that there are only two equity shareholders of the applicant company as on 31.08.2017 and that all the equity shareholders have given their consent in writing for approval of the Scheme.

10. In view of the consent affidavits of all the Equity Shareholders, meeting of Equity Shareholders of the applicant company, for the purpose of considering and if thought fit, approving without or without modification(s) the Scheme, is dispensed with.

11. The applicant has stated that the applicant company does not have any secured creditors or unsecured creditors and, therefore, there is no need to hold meeting of secured and unsecured creditors of the applicant for the purpose of approving the Scheme with or without modification(s). The applicant company has produced a certificate issued by Chartered Accountants of the applicant company dated 11<sup>th</sup> September, 2017 at Annexure-H, certifying that the applicant company does not have any secured creditor as on 31.8.2017. However, in the said certificate the Chartered Accountant has stated that the applicant company has the following two unsecured creditors as per the provisional balance sheet as on 31.08.2017 :-

- (1) Audit fee payable amounted to Rs.4500/-
- (2) Legal fee payable amounted to Rs.1200/-



Since there are two unsecured creditors as per the certificate of the Chartered Accountants and as no material is placed on record to show that the liabilities of the said two unsecured creditors have been discharged, this Tribunal has no other go except to give a direction to the applicant company to hold meeting of unsecured creditors.

12. Considering the certificate of Chartered Accountants produced at Annexure-H, this Tribunal is of the view that the requirement of convening and holding meeting of secured creditors of the applicant company for the purpose of considering and, if thought fit, approving with or without modification(s) the Scheme does not arise.

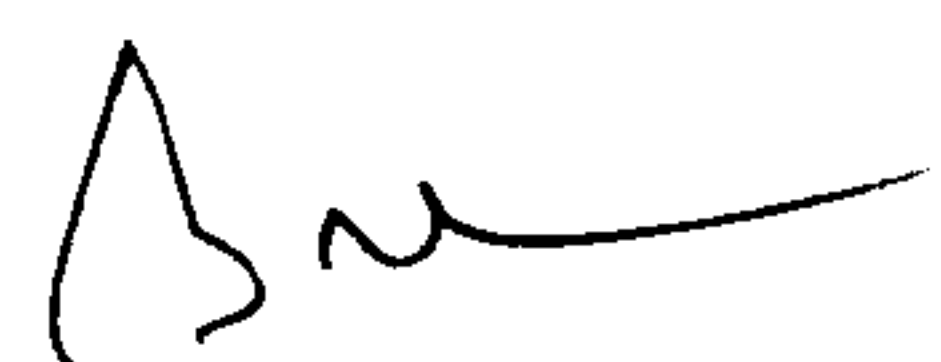
13. Having considered the facts of the matter and the entire material on record, this Tribunal passes the following order;

- i. A Meeting of the Unsecured Creditors of the Applicant Company, shall be convened and held on 29.12.2017 at the Registered Office of the Company at Plot No. 50/52, Bhatia Gali, Bh. Water Tank, G.I.D.C. Pandesara, Surat-394 221, for the purpose of considering and, if thought fit, approving with or without modifications the Proposed Scheme.
- ii. In view of Section 230(4) and Section 232 (1) of the Companies Act, 2013 read with Rules 5 and 6 of the Companies (Compromises, Arrangements and



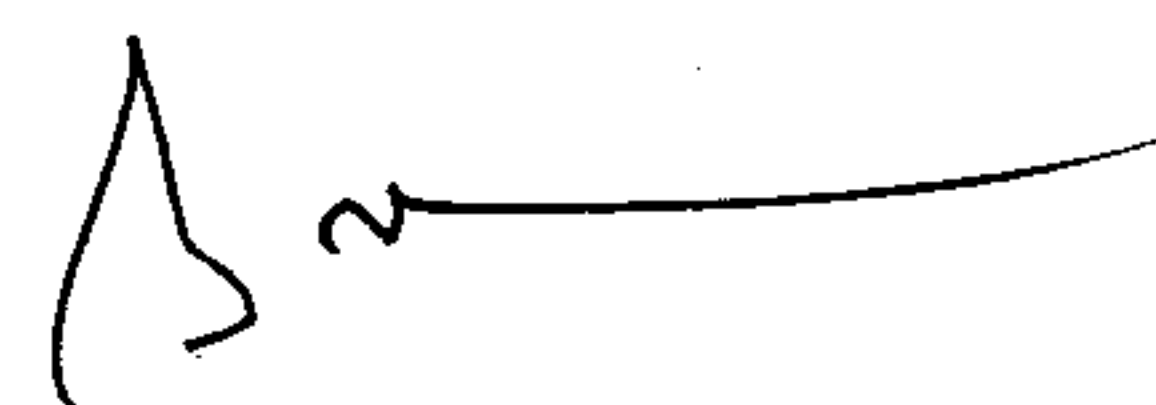
Amalgamations) Rules, 2016 and Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, the voting shall be carried out through polling paper.

- iii. At least one month before 29.12.2017, i.e. date of aforesaid meeting, an advertisement about convening of the said meeting, indicating the day, date, place and time, as aforesaid, shall be published in English daily "Indian Express" and a translation thereof in Gujarati daily "Sandesh", both Surat edition. The publication shall indicate the time within which copies of the Scheme shall be made available to the concerned persons free of charge from the Registered Office of the Applicant Company. The Publication shall also indicate that the statement required to be furnished pursuant to section 102 of the Act read with Sections 230 to 232 of the Act and the prescribed form of proxy can be obtained free of charge from the Registered Office of the Applicant Company in accordance with Second Proviso to sub-section (3) of Section 230 and Rule 7 of the Companies (CAA) Rules, 2016.
- iv. At least one month before the date of the aforesaid meeting of the unsecured creditors of the applicant company to be held as aforesaid, a notice in respect of convening of the said meeting indicating the day, date, place and time, as aforesaid, together with a copy of the Scheme, a copy of the Statement required to be furnished pursuant to section 102 of the Act read with Sections 230 to 232 and Rule 6 of



the Companies (CAA) Rules, 2016 and the prescribed form of proxy shall be sent to each of the unsecured creditors of the Applicant Company at their respective registered or last known addresses either by Registered Post or Speed Post/ Airmail or by Courier or by email or by hand with reference to the list of persons appearing on the record of the applicant company as on 01.09.2017.

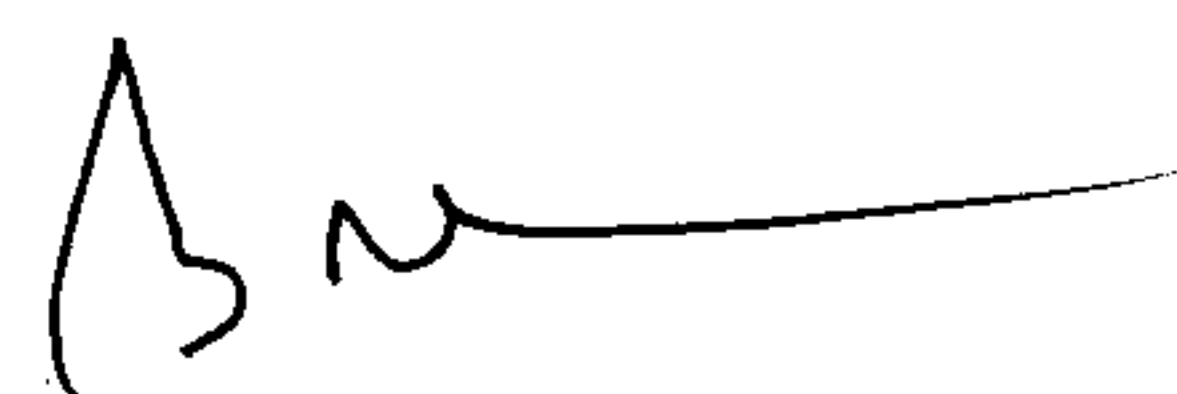
- v. Mr. A. G Shaikh, Practising Company Secretary shall be the Chairman of the meeting of unsecured creditors of the applicant company including for any adjournment or adjournments thereof.
- vi. Mr. Kunjal Dalal, Practising Company Secretary is appointed as the scrutinizer for the meeting of the of the unsecured creditors of the applicant company.
- vii. The Chairman or chairperson, appointed for the aforesaid meeting, shall issue the advertisements and send out the notices of the meeting referred to above. The Chairman/chairperson is free to avail the services of the Applicant Company or any agency for carrying out the aforesaid directions.
- viii. The Chairman or Chairperson shall have all powers under the Articles of Association of the Applicant Company and also under the Rules in relation to the conduct of meeting, including for deciding any procedural questions that may arise at the meeting or adjournment(s) thereof proposed at





the said meeting, amendment(s) to the aforesaid Scheme or resolutions, if any, proposed at the aforesaid meeting by any person(s) and to ascertain the decision of the sense of the meeting of the unsecured creditors by Polling Paper.

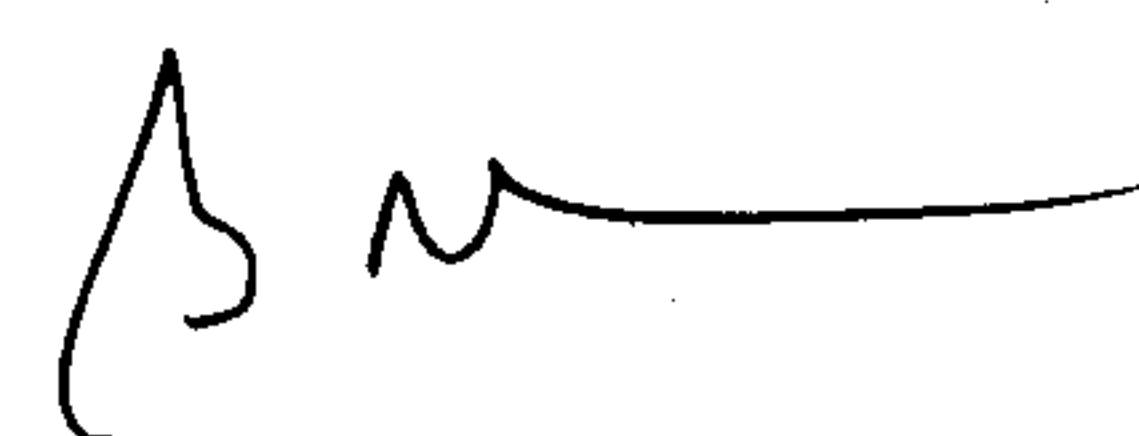
- ix. The quorum for the meeting of the unsecured creditors of the Applicant Company shall 1 person, present in person.
- x. Voting by Proxy/Authorised Representative is permitted, provided that the proxy in the prescribed Form/Authorisation duly signed by the person entitled to attend and vote at the aforesaid meeting is filed with the Applicant Company at its Registered office at Plot No. 50/52, Bhatia Gali, Bh. Water Tank, G.I.D.C. Pandesara, Surat-394 221 not later than 48 hours before the aforesaid meeting, vide Rule 10 of Companies (CAA) Rules, 2016 read with Section 105 of the Act.
- xi. The value of the debts of unsecured creditors shall be in accordance with the records or registers of the Applicant Company and where the entries in the records or registers are disputed, the Chairman of the meeting shall determine the number or value, as the case may be, for the purposes of the meetings.
- xii. The Chairman/chairperson to file an Affidavit not less than 7 (seven) days before the date fixed for the holding of the meeting and to report to this Tribunal that the directions regarding issuance of notices and advertisement of the



meeting have been duly complied with as per Rule 12 of the Companies (CAA) Rules, 2016.

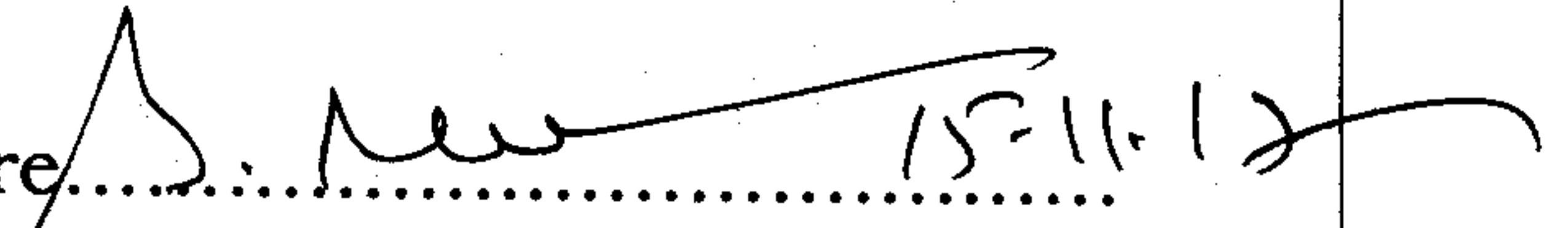
xiii. It is further ordered that the Chairman or Chairperson shall report to this Tribunal on the result of the aforesaid meeting in form No.CAA.4 verified by his Affidavit, as per Rule 14 of the Companies (CAA) Rules, 2016 in Form No. CAA. 4 within 7 (seven) days of the meetings.

xiv. In compliance of Sub-section (5) of Section 230 of the Act and Rule 8 of the Companies (CAA) Rules, 2016, the Applicant Company shall send a Notice of meeting under sub-section (3) of Section 230 read with Rule 6 of the Rules in Form No. CAA. 3 along with a copy of the Scheme of Amalgamation, the Explanatory Statement and the disclosures mentioned under Rule 6 to (1) the Central Government through the Regional Director, North Western Region, (2) the Registrar of Companies concerned and (3) the Income-Tax Authorities stating that representations, if any, to be made by them shall be made within a period of 30 days from the date of receipt of such notice, failing which it shall be presumed that they have no objection to make on the proposed Scheme. The aforesaid authorities, who desire to make any representation under sub-section (5) of Section 230 shall send the same to this Tribunal within a period of 30 (thirty) days from the date of receipt of such notice, failing which it will be deemed that they



have no representation to make on the proposed Scheme of Amalgamation.

14. This Company Application is disposed of accordingly.

Signature.....  15-11-12  
(Bikki Raveendra Babu) Member (J)

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