

IN THE NATIONAL COMPANY LAW TRIBUNAL  
BENGALURU BENCH

CA(CAA)NO.02/BB/18

Under Section 230 to 232 of Companies Act, 2013

IN THE MATTER OF SCHEME OF AMALGAMATION  
IN THE MATTER OF  
SHRIPROP HOUSING PRIVATE LIMITED

Order delivered on: 30<sup>TH</sup> January, 2018

Coram: Hon'ble Shri Ratakonda Murali, Member (Judicial)  
Hon'ble Shri Ashok Kumar Mishra, Member (Technical)

For the Petitioner (s): Uday Shankar Associates  
Advocates & Legal Counsels  
Fortune Chambers, 1<sup>st</sup> Floor,  
No.8, Lalbagh Road,  
Richmond Circle, Bangalore-560027

Per: Hon'ble Shri Ashok Kumar Mishra, Member (Technical)

Heard on:10.1.2018

**SHRIPROP HOUSING PRIVATE LIMITED**

No.40/43, 8<sup>th</sup> Main, 4<sup>th</sup> cross,  
RMV Extension, Sadashivnagar,  
Bengaluru-560080

**ORDER**

This Application is filed on behalf of the Applicant Company under Section 230 to 232 of Companies Act, 2013 read with Rule 3 Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, praying to dispense with convening of meeting of Equity Shareholders and Preference Shareholders and direct that the meeting of Unsecured Creditors of the Applicant Company be held for considering the scheme of Amalgamation, where under Shriprop Housing Private Limited (Applicant/Transferor Company) is proposed to be merged with Shriram Properties Private Limited (Transferee Company). The Scheme of Amalgamation is shown as **Annexure-A**.

The averments made in the Company Application are briefly described hereunder:-

The Applicant seeks an order to dispense with convening of meeting of Equity Shareholders and Preference Shareholders and direct that the meeting of Unsecured Creditors of the Applicant Company be held for considering the scheme of Amalgamation where under

Shriprop Housing Private Limited (Applicant/Transferor Company) is proposed to be merged with Shriram Properties Private Limited (Transferee Company) in terms of Scheme of Amalgamation shown as **Annexure-A**.

Application is filed on behalf of the applicant company alleging that the Applicant Company/Transferor Company was incorporated on 23<sup>rd</sup> January, 2008 under the name and style of Shriprop Housing Private Limited vide **CIN No.U45202KA2008PTC045031**. The Registered office of the Transferor Company is situated at No.40/43, 8<sup>th</sup> Main, 4<sup>th</sup> Cross, RMV Extension, Sadhasivanagar, Bangalore-560080.

The main objects of the Applicant Company/Transferor Company is to carry on the business of developers, maintainers, upkeepers, designers, consultants, managers and to undertake all kinds of infrastructural development projects such as turnkey projects, buildings, apartments, residential projects, group housing projects, construction projects, hotels, shopping malls, IT parks, roads, industrial complexes, industrial layouts, residential layouts, commercial development projects, holiday resort, townships, power generation and power distribution projects, transport terminals of every description, airport and the other infrastructural facilities of every description in India and abroad and/or to sell, lease, rent or transfer the title or any interest in the same or dispose it off in any other manner. The copy of Memorandum and Articles of Association of the Transferor Company is shown as **Annexure-B**.

The latest authorised share capital of the Applicant Company/Transferor Company is Rs.40,10,00,000/- divided into 10,050,000 Equity Shares of Rs.10/- each and 30,050,000 Preference shares of Rs.10/-. The issued, subscribed and paid-up capital of the Transferor Company is Rs.30,05,09,990/- divided into 20,004 Equity Shares of Rs.10/- each, 29,993,875 Compulsorily Convertible Preference Shares of Rs.10/- each and 37,120 of 0.5% redeemable cumulative preference shares of Rs.10/- each. The Audited balance sheet as on 31<sup>st</sup> March, 2017 is shown as **Annexure-C**.

It is further stated that, the Board of Directors of the Transferor Company have approved and adopted a Scheme of Amalgamation at their meeting held on 19<sup>th</sup> December, 2017 by virtue of which Shriprop Housing Private Limited (Applicant/Transferor Company) is proposed to be merged with Shriram Properties Private Limited (Transferee Company) subject to confirmation. Copy of the Board Resolution of Transferor Company dated 19<sup>th</sup>

December, 2017 approving and adopting the Scheme of Amalgamation are shown as **Annexure-A**.

It is further averred in the scheme that the Board of Directors of the Transferor Company and Transferee Company are of the opinion that the arrangement would result in following benefits:

1. Greater integration, greater financial strength and flexibility for the amalgamated entity, which would result in maximising overall shareholder value.
2. The merged company will have the benefit of synergy, optimum use of human relations, expertise and stability of operations and would help to achieve economies of scale through efficient utilization of resources and facilities.

It is further stated that the Chartered Accountant after verification of the books of accounts, other records and documents of the Applicant Company/ Transferor Company has certified that there are 2 equity shareholders and 1 Preference Shareholder in the Applicant Company/ Transferor Company **shown as Annexure-G**.

It is further stated that there are no Secured Creditors in the Applicant Company/ Transferor Company as on 19<sup>th</sup> December, 2017 as certified by the Chartered Accountant **shown as Annexure-K**.

It is further stated that there are 85 Unsecured Creditors in the Applicant Company/ Transferor Company as on 30<sup>th</sup> September, 2017 as certified by the Chartered Accountant **shown as Annexure-L**.

We have seen the consent affidavits filed by Two Equity shareholders of Applicant Company/Transferor Company i.e., (i)Shriram Properties Private Limited, holding 20,003 equity shares, constituting 99.99% of the paid-up capital,(ii)Mr.Asokan Sarangulam holding 1 equity share, constituting 0.004% of the paid-up capital shown as **Annexure-H**.

We have seen the consent affidavit filed by 1 Preference Shareholder of Applicant Company/Transferor Company i.e., (i)Shriram Properties Private Limited, holding 37120 Redeemable Preference Shares and 29,993,875 Compulsorily Convertible Preference Shares, constituting 100% of the paid-up capital shown as **Annexure-H**.

The Applicant Company is seeking an order to dispense with convening of meetings of Equity Shareholders and Preference Shareholders on the ground that, there are 2 Equity shareholders and one Preference Shareholder in the Applicant Company/Transferor Company

and all the Equity shareholders and Preference Shareholders of Applicant Company/Transferor Company have given their consent by way of affidavits for the proposed scheme of amalgamation.

The Applicant Company is seeking an order to dispense with the convening of meetings of Equity Shareholders and Preference Shareholders and direct that the meeting of Unsecured Creditors of the Applicant Company be held for approving the scheme of amalgamation of Shriprop Housing Private Limited (Applicant/Transferor Company) with Shriram Properties Private Limited (Transferee Company) shown as **Annexure-A**.

After hearing the counsel and after perusing the documents filed, we pass the following order.

The meeting of the Unsecured Creditors of the Applicant Company be convened and held at No.40/43, 8<sup>th</sup> Main, 4<sup>th</sup> Cross, RMV Extension, Sadashivnagar, Bengaluru-560080 on Thursday the 15<sup>th</sup> March, 2018 at 10:00 A.M. for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed scheme of amalgamation of Shriprop Housing Private Limited (Applicant/Transferor Company) with Shriram Properties Private Limited (Transferee Company).

Mr.Ravindra Pandey, Authorised Signatory as proposed by the Applicant Company is appointed as Chairperson and Mr.Ramesh K.R as Scrutinizer for the Meeting of Unsecured Creditors. The remuneration of Chairperson and Scrutinizer is fixed at Rs.20,000/- and Rs.10,000/- respectively for convening the meeting of Unsecured Creditors.

The quorum for the Meeting of Unsecured Creditors is ten as fixed by the Tribunal.

The Notice of the Meeting of Unsecured Creditors shall be published in an English Daily "The Hindu" and in Kannada Daily "Udayavani".

The Applicant Company or its authorized signatory is directed to issue notice(s) to Unsecured Creditors of Applicant Company by Registered or Speed Post; or Courier; or Air Mail; or email; or hand delivery to their last known address at least 30 clear days before the said meeting of the Unsecured Creditors of Applicant Company as per Form No.CAA2 (Rule 6) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ensuing convening the said Unsecured Creditors Meeting of Applicant Company at the place, day, date and time, along with a copy of scheme of amalgamation, a copy of Explanatory Statement, pursuant to be sent under Section 230 of the Companies Act, 2013 and form of

Proxy as per Form No. MGT-11 (Rule 19) of the Companies (Management and Administration) Rules, 2014.

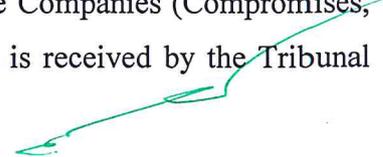
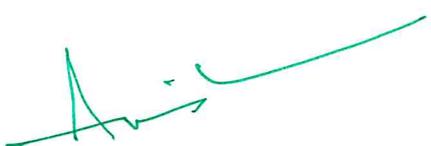
The Applicant Company is directed at least 30 clear days before the Meeting of the Unsecured Creditors of the Applicant Company to be held as aforesaid, a notice convening the said meeting, at the place, date and time aforesaid and stating that copies of the Scheme of Arrangement and the statement required to be furnished pursuant to Section 230 of the Companies Act, 2013 and that the form of proxy can be obtained free of charge at the Registered Office of the Applicant Company as aforesaid.

The Applicant Company to serve the notice upon the Regional Director, South-East Region, Ministry of Corporate Affairs, Hyderabad pursuant to Section 230(5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 if no response is received by the Tribunal from Regional Director within 30 days of the date of receipt of the notice it will be presumed that Regional Director and/or Central Government has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016.

The Applicant Company to serve the notice upon the Registrar of Companies, Karnataka pursuant to Section 230(5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 if no response is received by the Tribunal from Registrar of Companies, Karnataka within 30 days of the date of receipt of the notice it will be presumed that Registrar of Companies, Karnataka has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016.

The Applicant Company to serve the notice upon the Income Tax Authority, within whose jurisdiction that Applicant Company's Assessment are made, pursuant to Section 230(5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 if no response is received by the Tribunal from Income Tax Authority within 30 days of the date of receipt of the notice it will be presumed that Income Tax Authority has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016.

The Applicant Companies to serve the notice upon the Official Liquidator pursuant to Section 230(5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 if no response is received by the Tribunal



from Official Liquidator within 30 days of the date of receipt of the notice it will be presumed that Official Liquidator has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016.

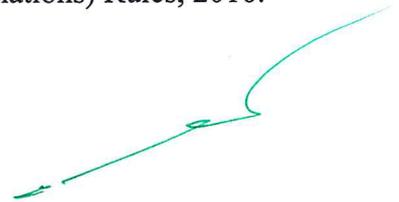
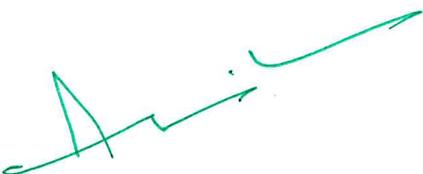
The Applicant Company to serve the notice upon the other Sectoral Regulators or Authorities if applicable, pursuant to Section 230(5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 if no response is received by the Tribunal from other Sectoral Regulators or Authorities within 30 days of the date of receipt of the notice it will be presumed that the other Sectoral Regulators or Authorities has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016.

The Chairman shall have all powers under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the conduct of the meeting(s), including for deciding procedural questions that may arise before or at any adjournment thereof or any other matter including an amendment to the scheme or resolution, if any, proposed at the meeting by any person(s).

The voting shall be in person or by proxy or authorised representative in case be permitted, provided that the proxy in the Form No. MGT-11 authorization duly signed by the person entitled to attend and vote at the meeting, is to be filed with the Applicant Company at its Registered office, not later than, forty eight hours before the aforesaid meeting in accordance with Rule 10 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016.

The said Chairman to file affidavit not less than seven days before the day fixed for holding of the meeting and do report to this tribunal that the direction regarding convening and issuance of notice(s) to all the necessary parties have been duly complied with in conformity with the relevant Provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements, Amalgamations) Rules, 2016.

The Chairman shall report the conclusion of the aforesaid meeting as per the Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.



In any eventuality when the Applicant Company approach this Tribunal for seeking approval of the scheme it would be open for any person who is interested in the scheme of Arrangement to put forth their contentions before the Tribunal.



**(ASHOK KUMAR MISHRA)**  
**MEMBER, TECHNICAL**



**(RATAKONDA MURALI)**  
**MEMBER, JUDICIAL**