

**NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH
AHMEDABAD**

CORAM: SRI BIKKI RAVEENDRA BABU, MEMBER JUDICIAL

Date: 8th day of May, 2017

C.A.(CAA) 34/NCLT/AHM/2017

In the matter of: -

Welspun Energy Private Limited. (Applicant Transferor Company No.1)

And

WS Alloy Holdng Private Limited. (Applicant Transferor Company No.2)

And

Welspun Steel Limited. (Applicant Transferee Company)

Appearance: -

Miss Dharmishta Raval with Mr. Yuvraj Thakore, Advocates, for M/s Raval and Raval, Advocates, for the Applicant Companies

FINAL ORDER

(Date: 08.05.2017)

1. Heard learned Advocates Ms. Dharmishta Raval for Raval & Raval Advocates and Mr. Yuvraj Thakore for the Applicant Companies. Perused the applications and the supporting affidavit of Mr. Abhilash Menon the authorized signatory of all the three Applicant Companies, dated 27th March, 2017, 18th April, 2017 and 20th April, 2017 and the documents annexed thereto.
2. Welspun Energy Private Limited (hereinafter known as "the First Transferor Company" or "Transferor Company 1") and WS Alloy Holding Private Limited (hereinafter known as "the Second Transferor Company" or "Transferor Company 2") and Welspun Steel Limited (hereinafter known as 'the Transferee Company') have preferred this joint application under section 230-232 of the Companies Act 2013 for dispensation of meetings of

shareholders and creditors of the applicant-companies in respect of a scheme of Amalgamation of Welspun Energy Private Limited and WS Alloy Holding Private Limited with Welspun Steel Limited ("scheme" for short).

3. Welspun Energy Private Limited (the First Transferor Company), WS Alloy Holding Private Limited (the Second Transferor Company) and Welspun Steel Limited (the Transferee Company) have their registered offices in Gujarat and have filed this joint application seeking dispensation of the meetings of the equity shareholders, preference shareholders, secured creditors and unsecured creditors of all the three Applicant Companies in respect of the Scheme of Amalgamation of Transferor Company 1 and Transferor Company 2 with the Transferee Company and their respective shareholders and creditors, in the nature of the merger of Transferor Company 1 and Transferor Company 2 with effect from the Appointed Date with the Transferee Company on the agreed terms and conditions as set out in the scheme annexed at Annexure-K in accordance with Section under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Act.
4. The Board of Directors of Welspun Energy Private Limited (First Transferor Company), in the meeting held on 8th March, 2017, passed a resolution approving the proposed Scheme placed before the Board. WS Alloy Holding Private Limited (Second Transferor Company), in the meeting held on 8th March, 2017, passed a resolution approving the proposed Scheme placed before the Board. Welspun Steel Limited (Transferee Company) in the meeting held on 8th March, 2017, passed a resolution approving the proposed Scheme placed before the Board.
5. Welspun Energy Private Limited (First Transferor Company), WS Alloy Holding Private Limited (Second Transferor Company) and Welspun Steel Limited (Transferee Company) have filed

their Annual Reports as on March 31st 2016 as well as unaudited financial statements. The Applicant Transferee Company has also filed a Certificate dated 8th March, 2017 issued by Statutory Auditor of the Transferee Company confirming that the accounting treatment contained in the Draft Scheme of Amalgamation is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013.

6. It is stated in the application that there are four equity shareholders in the First Transferor Company. The list of equity shareholders is produced at Annexure "P". The Applicant Transferor Company 1 has filed original consent affidavits of all the equity shareholders vide Annexure "O".
7. In view of the affidavits of all the equity shareholders, the meeting of equity shareholders of Welspun Energy Private Limited, the Applicant Transferor company 1, for the purpose of considering and, if thought fit, approving the proposed Scheme with or without modification(s), is hereby dispensed with.
8. In respect of the Second Transferor Company, it is stated that there are six equity shareholders in the Applicant Transferor Company 2. The list of equity shareholders is produced at Annexure "V". Original consent affidavits of all the equity shareholders of the Applicant Transferor Company 2 are produced at Annexure "U".
9. In view of the affidavits of all the equity shareholders, the meeting of equity shareholders of the WS Alloy Holding Private Limited, the Applicant Transferor Company 2, for the purpose of considering and, if thought fit, approving the proposed Scheme with or without modification(s), is dispensed with.

10. It is stated in the application that there are seven equity shareholders in the Transferee Company. The list of equity shareholders is produced at Annexure "AA". Original consent affidavits of all the equity shareholders are produced at Annexure "Z".
11. In view of the affidavits of all the equity shareholders, the meeting of equity shareholders of the Welspun Steel Limited, the Applicant Transferee Company, for the purpose of considering and, if thought fit, approving the proposed Scheme with or without modification(s), is dispensed with.
12. It is stated in the application that there is one preference shareholder in the Applicant Transferor Company 2. The list of preference shareholder is produced at Annexure "W". The Applicant Transferor Company 2 has filed original consent affidavit of the sole preference shareholder at Annexure "U".
13. In view of the affidavit of the sole preference shareholder, the meeting of preference shareholder of WS alloy Holding Private Limited, the Applicant Transferor Company 2, for the purpose of considering and, if thought fit, approving the proposed Scheme with or without modification(s), is dispensed with.
14. It is stated in the application that there is one preference shareholder in the Applicant Transferee Company. The list of preference shareholder is produced at Annexure "AB". Original consent affidavit of the sole preference shareholder is produced at Annexure "Z".
15. In view of the affidavit of the sole preference shareholder, the meeting of preference shareholder of Welspun Steel Limited, for the purpose of considering and, if thought fit, approving the

proposed Scheme with or without modification(s), is dispensed with.

16. It is stated in the application that there are no secured creditors of the Applicant Transferor Company 1. Chartered Accountant's certificate to that effect is produced at Annexure "Q". In view of the same, the meeting of secured creditors of Welspun Energy Private Limited, the Applicant Transferor Company 1, for the purpose of considering and, if thought fit, approving the proposed Scheme with or without modification(s) is not required to be convened and held.
17. It is stated in the application that there are no secured creditors of the Applicant Transferor Company 2. Certificate of Chartered Accountants to that effect is produced at Annexure "X". In view of the same, the meeting of secured creditors of WS alloy Holding Private Limited, the Applicant Transferor Company 2, for the purpose of considering and, if thought fit, approving the proposed Scheme with or without modification(s) is not required to be convened and held.
18. It is stated in the application that there are four secured creditors of the Applicant Transferee Company. Original affidavits of 3 secured creditors aggregating to 94.36% in value is produced at annexure "AD". Chartered Accountants certificate certifying the same is annexed at Annexure "AE". In view of the same, the meeting of secured creditors of Welspun Steel, the Applicant Transferee Company, for the purpose of considering and, if thought fit, approving the proposed Scheme with or without modification(s), is dispensed with.
19. It is stated in the application that there are four hundred sixty unsecured creditors of the Applicant Transferor Company 1. The list of unsecured creditors is produced at Annexure "T". Original consent affidavits of three unsecured creditors

representing 93.25% in value of the total Unsecured Creditors is produced vide Annexure "S". Certificate of Chartered Accountants certifying the said fact is produced at Annexure "T".

20. In view of the consent affidavits of more than 90% of the value of the unsecured creditors, the meeting of unsecured creditors of Welspun Energy Private Limited, the Applicant Transferor Company 1, for the purpose of considering and, if thought fit, approving the proposed Scheme with or without modification(s), is dispensed with.

21. It is stated in the application that there are no unsecured creditors of WS Alloy Holding Private Limited, Applicant Transferor Company 2. Chartered Accountant's certificate to that effect is produced at Annexure "Y". In view of the same, the meeting of unsecured creditors of WS Alloy Holding Private Limited, the Applicant Transferor Company 2, for the purpose of considering and, if thought fit, approving the proposed Scheme with or without modification(s) is not required to be convened and held.


22. It is stated in the application that there are 547 unsecured creditors of the Applicant Transferee Company. The Applicant Transferee Company has filed the original affidavits of 25 unsecured creditors aggregating to 91.98% in value at annexure "AD". Certificate of Chartered Accountant certifying the same is produced at Annexure "AH". In view of the same, the meeting of unsecured creditors of Welspun Steel Limited, the Applicant Transferee Company, for the purpose of considering and, if thought fit, approving the proposed Scheme with or without modification(s), is dispensed with.

23. The applicants have stated that there are no foreign shareholders of any of the Applicant Companies and, therefore,

no notice under section 230(5) of the Companies Act, 2013 is required to be issued to the Reserve Bank of India. It is also stated in the application that no notice under section 230(5) of the Companies Act, 2013 is required to be issued to the Competition Commission of India in the facts of the present case in respect of any of the Applicant Companies. It is further stated in the application that all the three Applicant Companies are unlisted companies and, therefore no notice under section 230(5) of the Companies Act, 2013 is required to be issued to the Securities and Exchange Board of India.

24. In compliance of sub-section (5) of Section 230 and Rule 8 of the Companies (CAA) Rules 2016, the Applicant-Companies shall send a notice in Form No. CAA.3 along with a copy of the scheme of arrangement, the explanatory statement and the disclosures mentioned under Rule 6, to (i) the Central Government through the Regional Director, North Western Region, (ii) the Registrar of Companies, Gujarat, (iii) the Income Tax authorities, in respect of the transferor companies and transferee company. (iv) Notice shall go to Official Liquidator in case of Transferor Companies only, 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 said notice shall be sent forthwith by registered post or by speed post or by courier or by hand delivery at the office of the authority as required by sub-rule (2) of Rule 8 of the Companies (CAA) Rules, 2016. The aforesaid authorities, who desire to make any representation under subsection (5) of Section 230, shall send the same to the Tribunal within a period of 30 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 arrangement.

25. This Company Application is disposed of accordingly


BIKKI RAVEENDRA BABU
MEMBER JUDICIAL

Pronounced in open Court on
this 8th day of May, 2017.

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