

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH

COMPANY SCHEME APPLICATION NO 245 OF 2017

In the matter of the Companies Act, 2013;

AND

In the matter of Sections 230 to 232 of the Companies Act,
2013 ;

AND

In the matter of Scheme of Amalgamation of Stellar Credit And
E - Trading Private Limited (Formerly known as Stellar Credit
Private Limited) CIN: U65190MH1996PTC103443,
(Transferor Company 1) and Gaji Mercantile Private Limited,
CIN: U51900MH2010PTC202821 (Transferor Company 2)
with Gyanshankar Investment And Trading Co. Private
Limited, CIN: U67120MH1992PTC066758 (Transferee
Company) and their respective shareholders.

Stellar Credit and E -Trading }
Private Limited (Formerly }
Known As Stellar Credit Private }
Limited), a Company }
Incorporated under the }
provisions of Companies Act, }
1956 having its registered office }
at 1601, Marathon Height, Jai }
Barat Oil Mills Compound, P B }
Marg, Lower Parel Mumbai, } Applicant/ Transferor
Maharashtra – 400013 } Company 1
CIN:
U65190MH1996PTC103443
Gaji Mercantile Private Limited, }
a Company Incorporated under }
the provisions of Companies Act, }
1956 having its registered office }
at 1601, Marathan Heights, Jai }
Bharat Oil Mills Compound, P. }
Budhakar Marg, Mumbai }
Maharashtra – 400013 } Applicant/ Transferor Company

CIN: 2
U51900MH2010PTC202821

Gyanshankar Investment and Trading }
Co. Private Limited, a Company }
Incorporated under the provisions of }
Companies Act, 1956 having its }
registered office at 1601, Marathon }
Height, Jai Barat Oil Mills }
Compound, P B Marg, Lower Parel }
Mumbai, Maharashtra – 400013 } ...Applicant/ Transferee
CIN: U67120MH1992PTC066758 Company

Called for Hearing

Mr. Nitin Gutka, i/b. Hemant Sethi & Co., Advocates for the Applicant Company

CORAM: M.K. Shrawat, Member (Judicial)

DATE: 21st April, 2017

MINUTES OF THE ORDER

1. The Counsel for the Applicants states that the Scheme of Amalgamation provides for the amalgamation of the Applicant/ Transferor Companies 1 and 2, with the Transferee Company pursuant to the relevant provisions of the Act.
2. The Counsel for the Applicants further submits that the Transferor Company 1 Stellar Credit and E -Trading Private Limited is engaged in the business of lending, discounting, buying, selling in shares and other securities which includes investment in securities including dealing for own account by securities dealers. The Transferor Company 2 is currently not engaged in any active business. The Transferee Company Gyanshankar Investment and Trading Co. Private Limited is engaged in the business of an investment company and to invest and deal with the movable and immovable assets, and trade and deal in goods of every description.
3. The Counsel for the Applicants further submit that rationale for Scheme is that the merger will Simplify management structure, leading to better administration and a reduction in costs from more focused operational efforts, rationalization, standardization and simplification of business process, and the elimination of duplication, and rationalization of administrative expenses; the merger will

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Simplify shareholding structure and reduce shareholding tiers; and Direct and indirect tax efficiencies. In view of the aforesaid, the Board of Directors of the Transferor Companies and the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Companies with the Transferee Company in order to benefit the stakeholders of all companies.

4. That the meeting of the Equity Shareholders of the First Applicant Company be convened and held at its registered office at 1601, Marathon Height, Jai Barat Oil Mills Compound, P B Marg, Lower Parel Mumbai, Maharashtra – 400013 on May 29, 2017 at 10.00 A.M. for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed arrangement embodied in the Scheme of Arrangement between Stellar Credit And E-Trading Private Limited (Formerly Known As Stellar Credit Private Limited) (Transferor Company 1), Gaji Mercantile Private Limited (Transferor company 2), with Gyanshankar Investment And Trading Co. Private Limited (Transferee Company) and their respective Shareholders.
5. That the meeting of the Equity Shareholders of the Second Applicant Company be convened and held at its registered office at 1601, Marathan Heights, Jai Bharat Oil Mills Compound, P. Budhakar Marg, Mumbai Maharashtra – 400013 on May 29, 2017 at 11.00 A.M. for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed arrangement embodied in the Scheme of Arrangement between Stellar Credit And E-Trading Private Limited (Formerly Known As Stellar Credit Private Limited) (Transferor Company 1), Gaji Mercantile Private Limited (Transferor company 2), with Gyanshankar Investment And Trading Co. Private Limited (Transferee Company) and their respective Shareholders.
6. That the meeting of the Equity Shareholders of the Applicant / Transferee Company be convened and held at its registered office at 1601, Marathon Height, Jai Barat Oil Mills Compound, P B Marg, Lower Parel Mumbai, Maharashtra – 400013 on May 29, 2017 at 12.00 A.M. for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed arrangement embodied in the Scheme of Arrangement between Stellar Credit And E-Trading Private Limited (Formerly Known As Stellar Credit Private Limited) (Transferor Company 1), Gaji Mercantile Private Limited (Transferor company 2), with Gyanshankar Investment And Trading Co. Private Limited (Transferee Company) and their respective Shareholders.

7. That at least one month before the said Meetings of the Equity Shareholders of the First, Second, and Transferee Company to be held as aforesaid, a notice convening the said Meeting at the place date and time as aforesaid, together with a copy of the Scheme, a copy of statement disclosing all material facts as required under Section 230(3) of the Companies Act 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rule, 2016 notified on 14th December 2016 and the prescribed Form of Proxy, shall be sent by Courier / Registered Post / Speed Post or through Email (to those shareholders whose email addresses are duly registered with the First and the Second Applicant Company for the purpose of receiving such notices by email), or by hand delivery addressed to each of the Equity Shareholders of the First and Second Applicant Company and Transferee Company, at their last known address or email addresses as per the records of the Applicant Company.
8. That at least one month before the meetings of the Equity Shareholders of the First and Second, Applicant Company and Transferee Company to be held as aforesaid, a notice convening the said Meetings, indicating the place, date and time of meeting as aforesaid be published and stating that copies of the Scheme and the statement required to be furnished pursuant to Section 230(3) of the Companies Act 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rule, 2016 and the Form of Proxy can be obtained free of charge at the Registered Office of the First and Second Applicant Company as aforesaid and / or at the office of its Advocates, M/s Hemant Sethi & Co., 1602 Nav Parmanu, Behind Amar Cinema, chembur, Mumbai – 400071.
9. That the Composite Notice of the Meetings of the Equity Shareholders shall be advertised in two local newspapers viz. “Free Press Journal” in English and “Navshakti” in Marathi, both circulated in Mumbai not less 30 days before the date fixed for the meeting.
10. That Mr. Murarilal Mittal, Director of the First Applicant Company, and failing him, Mrs. Usha Murarilal Mittal, also Director of the First Applicant Company and Transferee Company, shall be the Chairman of the aforesaid meeting of the Equity Shareholders of the First Applicant to be held its registered office at 1601, Marathon Height, Jai Barat Oil Mills Compound, P B Marg, Lower Parel Mumbai,

Maharashtra – 400013 on May 29, 2017 at 10.00 A.M. or any adjournment or adjournments thereof.

11. That Mr. Murarilal Mittal, Director of the Second Applicant Company, and failing him, Mrs. Usha Murarilal Mittal, also Director of the Second Applicant, shall be the Chairman of the aforesaid meeting of the Equity Shareholders of the Second Applicant to be held its registered office at 1601, Marathon Height, Jai Barat Oil Mills Compound, P B Marg, Lower Parel Mumbai, Maharashtra – 400013 on May 29, 2017 at 11.00 A.M. or any adjournment or adjournments thereof.
12. That Mr. Murarilal Mittal, Director of the Transferee Company, and failing him, Mrs. Usha Murarilal Mittal, also Director of the Transferee, shall be the Chairman of the aforesaid meeting of the Equity Shareholders of the Transferee to be held its registered office at 1601, Marathon Height, Jai Barat Oil Mills Compound, P B Marg, Lower Parel Mumbai, Maharashtra – 400013 on May 29, 2017 at 12.00 A.M. or any adjournment or adjournments thereof.
13. That the Chairman appointed for the aforesaid Meetings to issue the advertisement and send out the notices of the Meetings referred to above. The said Chairman shall have all powers as per Articles of Association and also under the Companies Act 2013 in relation to the conduct of the meetings, including for deciding procedural questions that may arise or at any adjournment thereof or resolution, if any, proposed at the meetings by any person(s).
14. That Mr. C.S. Mangal partner of M/s. C.S. Mangal & Co. Practicing Chartered Accountant is hereby appointed as Scrutinizer of the meeting of the Equity shareholders of the Transferor Companies and the Transferee Company proposed to be held on to be held at 1601, Marathon Height, Jai Barat Oil Mills Compound, P B Marg, Lower Parel Mumbai, Maharashtra – 400013 on May 29, 2017 or any adjournments thereof and his remuneration is fixed as Rs. 3000/- per company.
15. That the quorum of the aforesaid meetings of the Equity Shareholders shall be as prescribed under Section 103 of the Companies Act, 2013.
16. That voting by proxy or authorized representative in case of body corporate be permitted, provided that a proxy in the prescribed form/ authorisation duly signed by the person entitled to attend and vote at the meetings, are filed with the First Applicant Company at its Registered Office at 1601, Marathon Height, Jai Barat

Oil Mills Compound, P B Marg, Lower Parel Mumbai, Maharashtra – 400013 not later than 48 hours before the aforesaid meeting.

17. That voting by proxy or authorized representative in case of body corporate be permitted, provided that a proxy in the prescribed form/ authorisation duly signed by the person entitled to attend and vote at the meetings, are filed with the Second Applicant Company at its Registered Office 1601, Marathon Height, Jai Barat Oil Mills Compound, P B Marg, Lower Parel Mumbai, Maharashtra – 400013 not later than 48 hours before the aforesaid meeting.
18. That voting by proxy or authorized representative in case of body corporate be permitted, provided that a proxy in the prescribed form/ authorisation duly signed by the person entitled to attend and vote at the meetings, are filed with the Transferee Company at its Registered Office at 1601, Marathon Height, Jai Barat Oil Mills Compound, P B Marg, Lower Parel Mumbai, Maharashtra – 400013 not later than 48 hours before the aforesaid meeting.
19. That the value and number of the shares of each Equity Shareholder shall be in accordance with the books / register of the First and Second, Applicant Companies and the Transferee Company or depository records and where the entries in the books / register / depository records are disputed, the Chairmen of the Meetings shall determine the value for the purpose of the aforesaid meetings and his decision in that behalf would be final.
20. That the Chairman to file an affidavit not less than seven (7) days before the date fixed for the holding of the meetings and do report this Tribunal that the direction regarding the issue of notices and the advertisement have been duly complied with.
21. That the Chairman of the meetings to report to this Tribunal, the results of the aforesaid meetings within thirty days of the conclusion of the meetings.
22. The Transferor Companies and the Transferee Company are directed to serve notices along with copy of scheme upon:- (i) concerned Income Tax Authority with in whose jurisdiction the Transferor Companies' assessments are made, (ii) the Central Government through the office of Regional Director, Western region, Mumbai (iii) Registrar of Companies with a direction that they may submit their representations, if any, within a period of thirty days from the date of receipt of such notice to the Tribunal with copy of such representations shall simultaneously

be served upon the respective Company, failing which, it shall be presumed that the authorities have no representations to make on the proposals.

23. The Counsel for the Applicants submit that there are no Secured Creditors in the Transferor Companies and the Transferee Company therefore the question of sending notices does not arise. The Counsel for the Transferor Companies and the Transferee Company further submits that since the Scheme is an Arrangement between the First, Second Applicant and the Transferee Company and their respective shareholders only a meeting of the Equity Shareholders is proposed to be held in accordance with the provisions of Section 230(1)(b) of the Companies Act 2013. This bench hereby directs the First, Second Applicant Company and the Transferee Company to issue notice to all its Unsecured Creditors as on 31st March 2017 under section 230(3) of the Companies Act, 2013 with a direction that they may submit their representations, if any, to the Tribunal and copy of such representations shall simultaneously be served upon the First Applicant Company.
24. The First and Second Applicant Company are also directed to serve notice along with copy of scheme upon Official Liquidator. M/s Chhajad Kedia & Associates, Chartered Accountants are appointed to assist the Official Liquidator to scrutinize books of accounts of the First and Second Applicant Company for the last 5 years. The fees of the Chartered Accountants is fixed at Rs. 50,000/-.
25. The Transferor Companies and the Transferee Company to file affidavit of service in the Registry proving dispatch of notices to the regulatory authorities as stated in clause 22 & 23 above, and notices to shareholders, creditors and publication of the notices in newspaper and do report to this Tribunal that the directions regarding the issue of notices have been duly complied with.

Sd/-

M.K. Shrawat, Member (Judicial)