

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH

CSA No.: 730/230-232/NCLT/MB/MAH/2017

Under section 230-232 of the Companies Act, 2013

In the matter of  
The Dharamsi Morarji Chemical Co. Ltd.  
Prospect Chambers, 317/21, D.N. Road,  
Fort, Mumbai – 400 001

..... Applicant

Judgement delivered on: 10.07.2017

Coram:

Hon'ble M.K. Shrawat, Member (J)  
Hon'ble Dr. Ashok Kumar Mishra, Member, (T)

For the Petitioner: Mr. Hemant Sethi, Advocate

*Per: M.K. Shrawat, Member (J) & Dr. Ashok Kumar Mishra, Member, (T)*

ORDER

The Petitioner Counsel has sought following reliefs:

1. Convening the meeting of the equity shareholders.
2. Convening meeting of Preference shareholders.
3. Exempting the meeting of secured creditors.
4. Convening the meeting of limited unsecured creditors.

The averment made in the Petition are as follows:

1. The Authorized Share Capital of the Petitioner Company is Rs. 40 crores comprising of equity shares and preference shares and issued, subscribed and paid-up share capital is Rs. 24,64,67,510/- The shares of the Petitioner Company are listed on BSE Ltd.
2. The Board of Directors of the Petitioner company on 2<sup>nd</sup> March 2017 has approved the scheme and so approved by the Board be submitted before the



NCLT for amalgamation of Transferor Company Borax Morarji Ltd. with the Petitioner Company i.e. Dharamsi Morarji Chemical Co. Ltd.

3. The statutory Auditor has certified the accounting statement proposed in the scheme.
4. The proposed amalgamation would enable the company to focus and create more competitive business both in skill and operation.

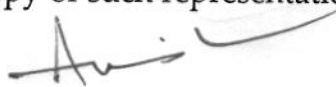
The Petitioner Counsel has submitted that reduction of security premium account will be met in line with the provisions of section 66 read with section 52 of the Companies Act, 2013. The Petitioner Counsel has also mentioned that the observation of BSE has communicated vide their letter dated 31.05.2017 will be complied with by the Petitioner Company.

After going through the submissions made by the Counsel and averment made in the Petition and without commenting on the proposed scheme the following directions are issued to the Petitioner Company:

1. The meeting of secured creditors has to be convened by the Petitioner company as the secured creditors should know the financial health of the company post-amalgamation. Otherwise, the company must submit through an affidavit the consent of the secured creditors in line with provisions of Section 230(9)/230(b) of the Companies Act, 2013.
2. The meeting of unsecured creditors as desired by Petitioner's Counsel needs to be convened since the number of creditors are very large in numbers; 1614 numbers as of 31<sup>st</sup> March 2017, and the value is over Rs. 17 crores. So, as submitted by Petitioner Counsel that unsecured creditors having a balance of more than Rs. 10,000/- per creditors be convened on 28.08.2017 at 11.00 a.m. at the Petitioner Company Conference hall at Indian Merchant Chamber, (Walchand Hirachand Hall), IMC Marg, Churchgate, Mumbai – 400 020 under the Chairmanship of Mr. Laxmikumar Narottam Goculdas, Director of Petitioner Company failing whom Mr. Bimal Lalitsingh Goculdas, CEO of the Petitioner Company and submit their approval or disapproval or modification to the NCLT, Mumbai. The Scrutinizer for the meeting shall be Mr. Jatin Popat, Practicing Company Secretary, of JSP Associates.



3. A meeting of the Equity Shareholders of the Applicant Company be convened and held at Indian Merchant's Chamber, Conference Hall (Walchand Hirachand Hall), IMC Marg, Churchgate, Mumbai 400 020, on Monday, 28<sup>th</sup> August, 2017 at 1:00 p.m. for the purpose of considering and, if thought fit, approving, with or without modifications(s), the proposed Scheme of Arrangement between Borax Morarji Ltd. ("the transferor Company") and the Dharamsi Morarji Chemical Company Limited (the Transferee Company") and their respective Shareholders. Mr. Laxmikumar Narottam Goculdas, failing whom Mr. Bimal Lalitsingh Goculdas, failing whom Ms. Mitika Laxmikumar Goculdas, failing whom Mr. Dilip Trimbak Gokhale is appointed as the Chairperson for the meeting of Equity Shareholders. The Scrutinizer for the meeting shall be Mr. Jatin Popat, Practicing Company Secretary, of JSP Associates.
4. A meeting of the Preference Shareholders of the Applicant Company be convened and held at the Applicant company at Indian Merchants' Chamber, Conference Hall (Walchand Hirachand Hall), IMC Marg, Churchgate, Mumbai 400 020, on Monday, 28<sup>th</sup> August, 2017 at 2:00 p.m. for the purpose of considering and, if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement between Borax Morarji Limited ("the Transferor Company") and The Dharamsi Morarji Chemical Company Limited ("the Transferee Company") and their respective Shareholders. Mr. Laxmikumar Narottam Goculdas (Director) failing whom Mr. Bimal Lalitsingh Goculdas (CEO), failing whom Ms. Mitika Laxmikumar Goculdas (Director) failing whom Mr. Dilip Trimbak Gokhale (Company Secretary), is appointed as the Chairperson for the meeting of Preference Shareholders. The Scrutinizer for the meeting shall be Mr. Jatin Popat, Practicing Company Secretary of JSP Associates.
5. The Applicant Company is directed to serve notices along with copy of Scheme upon:- (i) concerned Income Tax Authority with in whose jurisdiction the Applicant Company's assessments are made, (ii) to the Central Government through the office of Regional Director, Western Region, Mumbai, (iii) Registrar of Companies, (iv) BSE, (v) SEBI and (vi) other Regulators, if applicable as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 with the direction that they may submit their representations, if any, within a period of thirty days from the date of the receipt of such notice to the Tribunal with copy of such representations shall simultaneously be served to the



Applicant Company, failing which, it shall be presumed that the authorities have no representations to make on the proposed Scheme as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

Sd/-

DR. ASHOK KUMAR MISHRA  
Member (Technical)

Sd/-

M.K. SHRAWAT  
Member (Judicial)