

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

BENCH, AT MUMBAI

COMPANY SCHEME APPLICATION NO 191 OF 2017

In the matter of the Companies Act, 2013

AND

In the matter of Scheme of Amalgamation of Patel Realty (India) Limited ('the Transferor Company') with Patel Engineering Limited ('the Transferee Company') and their respective Shareholders and Creditors

AND

In the matter of Sections 230 read with Section 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013

Patel Engineering Limited, a Company incorporated }  
under the Companies Act, 1913 and having its }  
registered office at Patel Estate, S.V, Road, }  
Jogeshwari West, Mumbai – 400 102, Maharashtra. }  
CIN: L99999MH1949PLC007039 }..... First Applicant Company

Patel Realty (India) Limited, a Company incorporated }  
under the Companies Act, 1956 and having its }  
registered office at Patel Engineering Compound, }  
Patel Estate Road, Jogeshwari West, }  
Mumbai – 400 102, Maharashtra. }  
CIN: U70200MH2007PLC167118 }..... Second Applicant Company

Mr. Hemant Sethi i/b. Hemant Sethi & Co., Advocates for the First Applicant Company and the Second Applicant Company

**CORAM: B.S.V. PrakashKumar, Member (Judicial)**

**DATE: 1<sup>st</sup> March, 2017**

**MINUTES OF THE ORDER**

1. The present Scheme is an arrangement for amalgamation of Patel Realty (India) Limited ('the Transferor Company' or 'the Second Applicant Company') with Patel Engineering Limited ('the Transferee Company' or 'the First Applicant Company') and various other matters consequential to amalgamation or otherwise integrally connected therewith. The learned Counsel for the Applicant Companies states that the First Applicant Company is engaged in the business of Civil Engineering and Construction and the Second Applicant Company is into the business of developing commercial and residential projects.
2. The rationale for the Scheme is to achieve the following benefits:
  - a) To consolidate and integrate the Transferor Company's operation with the Transferee Company;
  - b) Avoid multi-layer structure; and
  - c) Rationalization of administrative and operative costs.
3. The meeting of the Equity Shareholders of the First Applicant Company be convened and held at Shri Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai – 400 102 on 18<sup>th</sup> day of April, 2017 at 03:00 p.m. for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed arrangement embodied in the Scheme of Amalgamation between Patel Realty (India) Limited (Transferor Company) and Patel Engineering Limited (Transferee Company) and their respective Shareholders and Creditors.

4. In compliance of provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration Rules), 2014 as amended from time to time and as per the provisions of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Rules, 2015 -, the First Applicant Company will also obtain the approval of shareholders to the said Scheme of Arrangement through e-voting.
5. The meeting of the debenture holders of the First Applicant Company be convened and held at Shri Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai – 400 102 on 18<sup>th</sup> day of April, 2017 at 12:30 p.m. for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed arrangement embodied in the Scheme of Amalgamation between Patel Realty (India) Limited (Transferor Company) and Patel Engineering Limited (Transferee Company) and their respective Shareholders and Creditors.
6. The meeting of the Secured Creditors of the First Applicant Company be convened and held at Shri Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai – 400 102 on 18<sup>th</sup> day of April, 2017 at 11:30 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 Amalgamation between Patel Realty (India) Limited (Transferor Company) and Patel Engineering Limited (Transferee Company) and their respective Shareholders and Creditors.
7. The meeting of the Unsecured Creditors of the First Applicant Company be convened and held at Shri Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai – 400 102 on 18<sup>th</sup> day of April, 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 Amalgamation between Patel Realty (India) Limited (Transferor Company) and Patel Engineering Limited (Transferee Company) and their respective Shareholders and Creditors.

8. That at least 30 clear days before the said meeting of the Equity Shareholders, Debenture Holders, Secured Creditors and Unsecured Creditors of the First Applicant 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 14<sup>th</sup> December 2016 and the prescribed Form of Proxy, shall be sent by Courier / Registered Post / Speed Post or through Email (to those Equity Shareholders, Debenture Holders, Secured Creditors and Unsecured Creditors whose email addresses are duly registered with the First Applicant Company for the purpose of receiving such notices by email), addressed to each of the Equity Shareholders, Debenture Holders, Secured Creditors and Unsecured Creditors of the First Applicant Company, at their last known address or email addresses as per the records of the First Applicant Company.
9. That at least 30 clear days before the meeting of the Equity Shareholders, Debenture Holders, Secured Creditors and Unsecured Creditors of the First Applicant Company to be held as aforesaid, a notice convening the said meeting, 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 Applicant Company as aforesaid and / or at the office of its Advocates, M/s Hemant Sethi & Co., 1602, A Wing, Nav Parmanu, Behind Amar Cinema, Chembur, Mumbai – 400071.
10. That the Notice of the meeting of the Equity Shareholders, Debenture Holders, Secured Creditors and Unsecured Creditors shall be advertised in two local newspapers viz. in “Free Press Journal” in English and “Navshakti” in Marathi, both circulated in Mumbai, not less than 30 days before the date fixed for the meeting.

11. That Mr. Rupen Patel, Managing Director of the First Applicant Company, and failing him, Mr. Ramasubramanian Kuppusubramanian, Director of the First Applicant Company shall be the Chairman / Chairperson of the aforesaid meeting of the Equity Shareholders to be held at Shri Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai – 400 102 on 18<sup>th</sup> day of April, 2017 at 03:00 p.m. or any adjournment or adjournments thereof.
12. That Mr. Rupen Patel, Managing Director of the First Applicant Company, and failing him, Mr. Ramasubramanian Kuppusubramanian, Director of the First Applicant Company shall be the Chairman / Chairperson of the aforesaid meeting of the Debenture Holders to be held at Shri Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai – 400 102 on 18<sup>th</sup> day of April, 2017 at 12:30 p.m. or any adjournment or adjournments thereof.
13. That Mr. Rupen Patel, Managing Director of the First Applicant Company, and failing him, Mr. Ramasubramanian Kuppusubramanian, Director of the First Applicant Company shall be the Chairman / Chairperson of the aforesaid meeting of the Secured Creditors to be held at Shri Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai – 400 102 on 18<sup>th</sup> day of April, 2017 at 11:30 a.m. or any adjournment or adjournments thereof.
14. That Mr. Rupen Patel, Managing Director of the First Applicant Company, and failing him, Mr. Ramasubramanian Kuppusubramanian, Director of the First Applicant Company shall be the Chairman / Chairperson of the aforesaid meeting of the Unsecured Creditors to be held at Shri Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai – 400 102 on 18<sup>th</sup> day of April, 2017 at 10:00 a.m. or any adjournment or adjournments thereof.
15. That M/s. Sanjay Dholokia & Associates, Practicing Company Secretary is hereby appointed as Scrutinizers of the meeting of Equity Shareholders of the First Applicant Company to be held at Shri Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari

(West), Mumbai – 400 102 on 18<sup>th</sup> day of April, 2017 at -03:00 p.m. or any adjournment or adjournments thereof and his remuneration is fixed as Rs. 10,000/-

16. That M/s. Sanjay Dholokia & Associates, Practicing Company Secretary is hereby appointed as Scrutinizers of the meeting of Debenture Holders of the First Applicant Company to be held at Shri Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai – 400 102 on 18<sup>th</sup> day of April, 2017 at -12:30 p.m. or any adjournment or adjournments thereof and his remuneration is fixed as Rs. 5,000/-.

17. That M/s. Sanjay Dholokia & Associates, Practicing Company Secretary is hereby appointed as Scrutinizers of the meeting of Secured Creditors of the First Applicant Company to be held at Shri Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai – 400 102 on 18<sup>th</sup> day of April, 2017 at 11:30 a.m. or any adjournment or adjournments thereof and his remuneration is fixed as Rs. 10,000/-

18. That M/s. Sanjay Dholokia & Associates, Practicing Company Secretary is hereby appointed as Scrutinizers of the meeting of Unsecured Creditors of the First Applicant Company to be held at Shri Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai – 400 102 on 18<sup>th</sup> day of April, 2017 at 10:00 a.m. or any adjournment or adjournments thereof and his remuneration is fixed as Rs. 10,000/-.

19. That the Chairman appointed for the aforesaid meeting of the Equity Shareholders, Debenture Holders, Secured Creditors and Unsecured Creditors to issue the advertisement and send out the notices of the meeting 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 meeting, including for deciding procedural questions that may arise 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).

20. That the quorum of the aforesaid meeting of the Equity Shareholders shall be as prescribed under Section 103 of the Companies Act, 2013.

21. That the quorum of the aforesaid meeting of the Debenture Holders shall be Three (3) number of Debenture Holders present in person and entitled to vote.
22. That the quorum of the aforesaid meeting of the Secured Creditors shall be Five (5) number of Secured Creditors present in person and entitled to vote.
23. That the quorum of the aforesaid meeting of the Unsecured Creditors shall be Twenty Five (25) number of Unsecured Creditors present in person and entitled to vote.
24. 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 meeting, is filed with the First Applicant Company at its Registered Office at Patel Estate, S.V, Road, Jogeshwari West, Mumbai – 400 102, Maharashtra not later than 48 hours before the aforesaid meeting.
25. That the value and number of the shares of each Equity Shareholder shall be in accordance with the books/ register of the First Applicant Company or depository records and where the entries in the books / register / depository records are disputed, the Chairman of the meeting shall determine the value for the purpose of the aforesaid meeting and his decision in that behalf would be final.
26. That the Chairman to file an affidavit not less than seven (7) days before the date fixed for the holding of the meeting of the Equity Shareholders, Debenture Holders, Secured Creditors and Unsecured Creditors and do report to this Tribunal that the direction regarding the issue of notices and the advertisement have been duly complied with.
27. That the Chairman of the meeting of the Equity Shareholders, Debenture Holders, Secured Creditors and Unsecured Creditors to report to this Tribunal, the results of the aforesaid meetings within thirty days of the conclusion of the meeting.
28. The meeting of the Equity Shareholders of the Second Applicant Company be convened and held at Shri Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai – 400 102 on 18<sup>th</sup> day of April, 2017 at 04:30 p.m. for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed

arrangement embodied in the Scheme of Amalgamation between Patel Realty (India) Limited (Transferor Company) and Patel Engineering Limited (Transferee Company) and their respective Shareholders and Creditors.

29. Since as on date, there are no Secured Creditors in the Second Applicant Company, the question of convening and holding of the meeting of Secured Creditors of the Second Applicant Company does not arise.

30. The meeting of the Unsecured Creditors of the Second Applicant Company be convened and held at Shri Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai – 400 102 on 18<sup>th</sup> day of April, 2017 at 05:00 p.m. for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed arrangement embodied in the Scheme of Amalgamation between Patel Realty (India) Limited (Transferor Company) and Patel Engineering Limited (Transferee Company) and their respective Shareholders and Creditors.

31. That at least 30 clear days before the said meeting of the Equity Shareholders and Unsecured Creditors of the Second Applicant 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 14<sup>th</sup> December 2016 and the prescribed Form of Proxy, shall be sent by Courier / Registered Post / Speed Post or through Email (to those Equity Shareholders and Unsecured Creditors whose email addresses are duly registered with the Second Applicant Company for the purpose of receiving such notices by email), addressed to each of the Equity Shareholders and Unsecured Creditors of the Second Applicant Company, at their last known address or email addresses as per the records of the Second Applicant Company.

32. That at least 30 clear days before the meeting of the Equity Shareholders and Unsecured Creditors of the Second Applicant Company to be held as aforesaid, a notice



convening the said meeting, 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 Second Applicant Company as aforesaid and / or at the office of its Advocates, M/s Hemant Sethi & Co., 1602, A Wing, Nav Parmanu, Behind Amar Cinema, Chembur, Mumbai – 400071.

33. That the Notice of the meeting of the Equity Shareholders and Unsecured Creditors shall be advertised in two local newspapers viz. in “Free Press Journal” in English and “Navshakti” in Marathi, both circulated in Mumbai, not less than 30 days before the date fixed for the meeting.

34. That Mr. Rupen Patel, Managing Director of the Second Applicant Company, and failing him, Mr. Ramasubramanian Kuppusubramanian, Director of the Second Applicant Company shall be the Chairman / Chairperson of the aforesaid meeting of the Equity Shareholders to be held at Shri Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai – 400 102 on 18<sup>th</sup> day of April, 2017 at - 04:30 p.m. or any adjournment or adjournments thereof.

35. That Mr. Rupen Patel, Managing Director of the Second Applicant Company, and failing him, Mr. Ramasubramanian Kuppusubramanian, Director of the Second Applicant Company shall be the Chairman / Chairperson of the aforesaid meeting of the Unsecured Creditors to be held at Shri Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai – 400 102 on 18<sup>th</sup> day of April, 2017 at -05:00 p.m. or any adjournment or adjournments thereof.

36. That M/s. Sanjay Dholokia & Associates Practicing Company Secretary is hereby appointed as Scrutinizers of the meeting of Equity Shareholders of the Second Applicant Company to be held at Shri Saurashtra Patel Samaj, Patel Estate Road,

Jogeshwari (West), Mumbai – 400 102 on 18<sup>th</sup> day of April, 2017 at - 04:30 p.m. or any adjournment or adjournments thereof and his remuneration is fixed as Rs. 2,500/-

37. That M/s. Sanjay Dholokia & Associates Practicing Company Secretary is hereby appointed as Scrutinizers of the meeting of Unsecured Creditors of the Second Applicant Company to be held at Shri Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai – 400 102 on 18<sup>th</sup> day of April, 2017 at 05:00 p.m. or any adjournment or adjournments thereof and his remuneration is fixed as Rs. 10,000/-

38. That the Chairman appointed for the aforesaid meeting of the Equity Shareholders and Unsecured Creditors to issue the advertisement and send out the notices of the meeting 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 meeting, including for deciding procedural questions that may arise 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).

39. That the quorum of the aforesaid meeting of the Equity Shareholders shall be as prescribed under Section 103 of the Companies Act, 2013.

40. That the quorum of the aforesaid meeting of the Unsecured Creditors shall be Twenty Five (25) number of Unsecured Creditors present in person and entitled to vote.

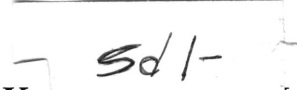
41. That voting by proxy or authorized representative in case of body corporate be permitted, provided that a proxy in the prescribed form/ authorisation duly signed by the person entitled to attend and vote at the meeting, is filed with the Second Applicant Company at its Registered Office at Patel Engineering Compound, Patel Estate Road, Jogeshwari West, Mumbai – 400 102, Maharashtra not later than 48 hours before the aforesaid meeting.

42. That the value and number of the shares of each Equity Shareholder shall be in accordance with the books/ register of the Second Applicant Company and where the entries in the books / register are disputed, the Chairman of the meeting shall determine

the value for the purpose of the aforesaid meeting and his decision in that behalf would be final.

43. That the Chairman to file an affidavit not less than seven (7) days before the date fixed for the holding of the meeting of the Equity Shareholders and Unsecured Creditors of the Second Applicant Company and do report to this Tribunal that the direction regarding the issue of notices and the advertisement have been duly complied with.
44. That the Chairman of the meeting of the Equity Shareholders and Unsecured Creditors of the Second Applicant Company to report to this Tribunal, the results of the aforesaid meetings within thirty days of the conclusion of the meeting.
45. The First Applicant Company is directed to serve notices along with copy of scheme upon:- (i) concerned Income Tax Authority with in whose jurisdiction the First Applicant Company's assessments are made,(ii) to Securities and Exchange Board of India(iii) the Central Government through the office of Regional Director, Western region, Mumbai (iv) the Registrar of Companies (v) BSE Limited and (vi) National Stock Exchange of India Limited (NSE),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 First Applicant Company, failing which, it shall be presumed that the authorities have no representations to make on the proposals.
46. The Second Applicant Company is directed to serve notices along with copy of scheme upon:- (i) concerned Income Tax Authority with in whose jurisdiction the Second Applicant Company's assessments are made, (ii) the Central Government through the office of Regional Director, Western region, Mumbai and (iii) the 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 Second Applicant Company, failing which, it shall be presumed that the authorities have no representations to make on the proposals.

47. The Second Applicant Company is also directed to serve notice along with copy of scheme upon Official Liquidator. M/s Sandeep Rathi & Associates, Chartered Accountants are appointed to assist the Official Liquidator to scrutinize books of accounts of the Second Applicant Company for the last 3 years. The Second Applicant Company to pay fees of Rs 2,00,000/- within a period one week from today.



**B.S.V. Prakash Kumar, member (Judicial)**