

**In the National Company Law Tribunal  
Single Bench, Chennai**

TP (HC)/108/CAA/2017  
TP (HC)/109/CAA/2017  
TP (HC)/110/CAA/2017  
TP (HC)/111/CAA/2017  
TP (HC)/112/CAA/2017

**In the matter of Scheme of Amalgamation of**

M/s. Premier Textile Traders Private Limited (Transferor Company 1)  
And  
M/s. Bagalur Investments Private Limited (Transferor Company 2)  
And  
M/s. Belathur Investments Private Limited (Transferor Company 3)  
And  
M/s. Othakkalmandapam Investments & Finance Private Limited  
(Transferor Company 4)  
And  
M/s. Primera Investments Private Limited (Transferor Company 5)  
**With**  
M/s. Premier Texturisers Private Limited  
(Transferee Company)

Order delivered on: 28.08.2017

For the Petitioners: Pawan Jhabakh, Advocate

**Per: K. Anantha Padmanabha Swamy, Member (J)**

**ORDER**

1. Under consideration are five Company Petition nos. CP/371&372&373&374&375/2016 originally filed before the Hon'ble High Court of Madras which stood transferred to this Tribunal pursuant to the Companies (Transfer of proceedings) Rules, 2016 and renumbered as TP(HC)/108&109&110&111&112/CAA/2017. The Petitioner Companies have prayed for the sanction to the Scheme of Amalgamation (hereinafter referred to as 'Scheme') by virtue of which M/s. Premier

Textile Traders Private Limited (hereinafter referred as '**Transferor Company 1**'), M/s. Bagalur Investments Private Limited ('**Transferor Company 2**'), M/s. Belathur Investments Private Limited ('**Transferor Company 3**'), M/s. Othakkalmandapam Investments & Finance Private Limited ('**Transferor Company 4**') and M/s. Primera Investments Private Limited ('**Transferor Company 5**') are proposed to be amalgamated, merged and vested with M/s. Premier Texturisers Private Limited (hereinafter referred as '**Transferee Company**') having registered office ATD Street, Race Course, Coimbatore- 641018 as a going concern. Since all petitioner companies pertain to the same scheme of amalgamation, I take them together to pass a common final order.

2. The details of share capitals, equity shareholders and creditors are as under:

Particulars	Authorized Capital	Issued, Subscribed & Paid up capital	Equity Share-holders	Secured Creditors	Unsecured Creditors
Transferor Company 1	Rs. 10,000,000/-	Rs. 1,00,000/-	2	Nil	2
Transferor Company 2	Rs. 1,45,000/-	Rs. 1,00,000/-	2	Nil	Nil
Transferor Company 3	Rs. 1,45,000/-	Rs. 1,00,000/-	2	Nil	1
Transferor Company 4	Rs. 1,05,000/-	Rs. 1,00,000/-	2	Nil	Nil
Transferor Company 5	Rs. 25,00,000/-	Rs. 25,00,000/-	2	Nil	3

3. At the outset, it is necessary to know the details of the scheme which needs determination. All the Transferor Companies and the Transferee Company are Private Limited Companies and the Board of Directors of the Transferor Companies and the Transferee Company in their board resolutions dated 15<sup>th</sup> February 2016 have approved the said Scheme of Amalgamation. The Hon'ble Madras High Court vide its order dated 12.08.2016, in CA Nos. 694 to 698 of 2016 dispensed with holding and convening the meeting of the equity shareholders of all five transferor companies. The Petitioner Companies complied with all the orders passed by the Hon'ble Madras High Court and this Bench. There are no secured creditors in all the companies.
4. Shri Pawan Jhabakh, the learned Counsel appearing for the Petitioner Companies submitted that the Transferor Companies are together engaged in the business of textiles processing and the main objects of all companies are common.
5. Learned counsel further submitted that the said scheme is a composite scheme of amalgamation between group companies of the Premier group and the circumstances and rationale of the Scheme are that the scheme is expected to enable better realisation of potential of the business of Transferor companies after amalgamation which will yield beneficial results and enhanced value creation for their respective shareholders and better security and protection for their lenders and employees. The



companies would benefit from the said Scheme due to the administrative and operational costs that will considerably be reduced; also it will strengthen, consolidate and stabilize the business of these companies and will facilitate further expansion and growth of their business. These combined resources will enhance its capability to expand and improve its efficiency of operations. The learned counsel further submits that no investigation proceedings are pending against the Petitioner Companies under section 235 to 251 or any other provisions of the Companies Act, 1956 or corresponding provisions of the Companies Act, 2013.

6. To dispose of this petition as per the provisions of the Companies Act, 2013, notices were issued to the statutory authorities as per the procedure prescribed. However, there were no objection to the scheme under reference.
7. The Regional Director, Southern Region (In short, 'RD') in its report affidavit dated 01.03.2017 submitted that the Transferor Companies are regular in filing its statutory returns and no investigation is pending against them, therefore RD decided not to make any objection to the Scheme and submitted that the petition may be disposed of on merits.
8. The Official Liquidator (In short, 'OL') in a common report dated 27<sup>th</sup> April, 2017 submitted that M/s. Sundaresan Lakshmanan & Co., Chartered Accountants, the Auditors appointed on the order of the Hon'ble Madras High Court has scrutinized the books and accounts of

all the Transferor Companies. The Auditors have observed that the said five Transferor Companies have maintained and written up all the statutory books in accordance with normally accepted accounting principle and policies in accordance with the requirements of the Companies Act, 2013 and also the affairs of the company have not been conducted in a manner prejudicial to the interest of its members, creditors or to public interest and submitted that the petition may be decided appropriately.

9. The OL further submits that as per Clause 6.1 of the proposed scheme, the interests of all the employees in the services of the Transferor Companies are safeguarded. As per Clause 10.1 of the scheme, upon this scheme coming into effect, the shares of all five Transferor companies held by the Transferee Company directly and/or through its nominees, constituting the entire paid up share capital of the Transferor Companies will stand cancelled.

10. Further perusal of the scheme shows that the accounting treatment is in conformity with the established accounting standards. In short, there is no apprehension that any creditors would lose or be prejudiced if the proposed scheme is sanctioned. The said Scheme of amalgamation will not cost any additional burden on the stakeholders and also will not

prejudicially affect the interests of any class of the creditors in any manner. The Appointed date of the said Scheme is 1<sup>st</sup> April, 2015.

11. This Bench does not feel that any modification is required in the said Scheme as the same appears to be fair and reasonable, not contrary to public policy and also not violative of any provisions of law. All the statutory compliances have been made. Taking into consideration all the above, the Company Petitions are allowed and the scheme of amalgamation annexed with the petition is hereby sanctioned which shall be binding on the Transferor Companies, the Transferee Company and all creditors.
12. While approving the scheme as above, it is further clarified that this order will not be construed as an order granting exemption from payment of stamp duty or taxes or any other charges, if payable, as per the relevant provisions of law or from any applicable permissions that may have to be obtained or, even compliances that may have to be made as per the mandate of law.
13. The Companies to the said Scheme or other person interested, shall be at liberty to apply to this Bench for any direction that may be necessary with regard to the working of the said Scheme.

14. The Companies do file with the Registrar of Companies the certified copy of this Order within 30 days of the receipt of the order.
15. The Order of sanction to this Scheme shall be prepared by the Registry as per the format provided under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 as has been notified on 14<sup>th</sup> December, 2016.
16. Accordingly, the Scheme stands sanctioned and the Company Petitions stand disposed of.



**K. Anantha Padmanabha Swamy, Member (J)**

RLS