

**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH CHENNAI**

TP(HC)/82/CAA/2017
(In CP/297/2016 connected with CA/434/2016)

**In the matter of the Companies Act, 2013
And
In the matter of Sections 391 to 394 of the Companies Act, 1956
And
In the matter of Scheme of Amalgamation of

ITI WEALTH MANAGEMENT PRIVATE LIMITED
(Transferor Company)
And
FORTUNE FINANCIAL SERVICES (INDIA) LIMITED
(Transferee Company)
And
Their respective shareholders and creditors**

Order delivered on: 13.12.2017

CORAM

**K. ANANTHA PADMANABHA SWAMY, MEMBER (J)
S.VIJAYARAGHAVAN, MEMBER (TECHNICAL)**

*For the Petitioners: Mr.A.Ramesh Kumar, Advocate
Mr.K. Manivannan AR for OL*

Per: S.VIJAYARAGHAVAN, MEMBER (TECHNICAL)

ORDER

This is an application under Section 391(2) and Section 394 of the Companies Act, 1956 praying for dissolution without winding up of the Transferor Company namely, **ITI WEALTH MANAGEMENT PRIVATE LIMITED** situated at 1st Floor, “Alsa Samar”, No.7 B Block, 2nd Avenue, Anna Nagar, Chennai 600 102 (within the aforesaid jurisdiction).

The Transferee Company **FORTUNE FINANCIAL SERVICES (INDIA) LIMITED** is situated in the State of Maharastra and hence necessary orders in this regard have been passed by Hon'ble High Court of Bombay. Hence this Tribunal will only deal with the application of the Transferor Company **ITI WEALTH MANAGEMENT PRIVATE LIMITED**.

It is seen from the records that on 18.08.2016 Hon'ble High Court has passed an order regarding the scheme of amalgamation of Transferor Company namely, **ITI WEALTH MANAGEMENT PRIVATE LIMITED** with Transferee Company **FORTUNE FINANCIAL SERVICES (INDIA) LIMITED**. In this case pursuant to the Hon'ble High Court of Madras's order, a shareholders meeting was conducted wherein the scheme of amalgamation was unanimously approved by the shareholders. There is no secured creditor as per the certificate furnished by this Chartered Accountant. With respect to the preference shareholders a meeting was conducted based on the order of this Tribunal and 4 preference shareholders representing 76.67% of the total preference shareholding had approved the scheme of amalgamation. The Official Liquidator attached to the Hon'ble High Court, Chennai was directed to file a report under the second proviso to Sub-section (1) of Section 394 of

Companies Act, 1956 about the affairs of the transferor company.

Pursuant to the said direction dated 18.08.2016, the Official Liquidator appointed M/s.S.D.Raj Associates, Chartered Accountants, No.9, IInd Main Road, C.I.T.Colony, Mylapore, Chennai 600 004 for the purpose of thoroughly scrutinizing the books records and other papers in accordance with provisions of the Companies Act relating to transferor company. The said Chartered Accountant has submitted his report and on the basis of the same the Official Liquidator has duly filed his report dated 24/04/2017 before this Tribunal and has come to the conclusion that the affairs of the transferor company, namely, ITI Wealth Management Private Limited have not been conducted in a manner prejudicial to the interest of their members or to public.

It is seen that amount of the unsecured credit, in the books of accounts of the transferor company as on 31.12.2016 is Rs.3,32,375/- as against the net worth of the transferor company amounting to Rs.444.49 lakhs. In view of this the Tribunal is of the opinion that the combined entity will have adequate resources to meet the liabilities on account of unsecured credit.

The Official Liquidator has further submitted that the Independent Auditors have not made any observations regarding the share exchange ratio in the scheme of amalgamation. The Transferor Company has no unpaid or unclaimed dividends and hence the question of commenting on compliance of Sec.205A of the Companies Act, 1956 does not arise.

ORDER

We have perused the documents annexed to the application and have heard the submissions made on behalf of the applicant. The Tribunal is of the opinion that the interest of the stakeholders (Members, employees and creditors) and the interest of public at large will not be adversely affected by the sanctioning this scheme of amalgamation and hence pass the following orders :

- a) ITI Wealth Management Private Limited (the Transferor Companies) be dissolved without winding up from the date of the filing of the certified copy of this order with the Registrar of Companies, Chennai by the Transferor Company and with Fortune Financial Services (India) Limited the Applicant herein;

- b) The Transferor Company and the Applicant herein respectively do file a certified copy of this order with the Registrar of Companies, Chennai within 30 days from the date of the order to be made herein;
- c) The Registrar of Companies Chennai upon receiving such certified copy of this order be directed to place all documents relating to the Transferor Companies and registered with him on the file kept by him in relation to the Applicant Company and the files relating to the Transferor Companies and the Applicant Company shall be consolidated accordingly.

There shall be no orders as to costs.

TP(HC)/82/CAA/2017 in CP No.297/2016

connected with CA No.434/2016 is hereby **disposed of**.

S. Vijayaraghavan

(S.VIJAYARAGHAVAN)
MEMBER (TECHNICAL)

K. Anantha Padmanabha Swamy

(K.ANANTHA PADMANABHA SWAMY)
MEMBER (JUDICIAL)