

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH, CHENNAI

Arguments heard on 15.03.2017
Orders passed on 15.03.2017

TP (HC)/CAA/5/2017

Under Sections 230 of the Companies Act, 2013

And

In the matter of Scheme of Arrangement of Amalgamation

Of

M/s.NSL Power Equipment Trading Private Ltd. (Transferor)

With

M/s.Regen Powertech Private Ltd (Transferee)

And

Their Respective Shareholders and creditors.

Representative : Counsel for the Applicant Shri S.Aravindan

CORUM

ANANTHA PADMANABHA SWAMY & CH MOHD SHARIEF TARIQ,
MEMBERS (JUDICIAL)

ORDER

CH MOHD SHARIEF TARIQ, MEMBER(JUDICIAL) :- (ORAL)

1. At the outset, we would like to mention that the Ministry of Corporate Affairs vide S.O.3676(E) dated 7.12.2016 has clarified under Order called, the Companies (Removal of Difficulties) Fourth Order, 2016 which has been brought into force w.e.f.15.12.2016 that all proceedings under the Companies Act, 1956 other than the cases relating to winding up of companies that are reserved for orders for allowing or otherwise

such proceedings or proceedings relating to winding up of companies which have not been transferred from the High Courts shall be dealt with in accordance with the provisions of the Companies Act, 1956 and the Companies (Court) Rules, 1959. The application under consideration has been filed before the High Court of Madras under Sections 391 to 394 of the Companies Act, 1956, seeking an order for dispensing with the meeting of the equity shareholders and the creditors that has been transferred to NCLT, Chennai.

2. The Applicant company in the Scheme of Arrangement of Amalgamation is the Transferor Company, viz. NSL Power Equipment Trading Private Limited, which is going to be amalgamated with the Transferee Company, viz. Regen Powertech Private Ltd. The application is filed for seeking an order for dispensing with the meeting of the equity shareholders who are five in number and they have given no objection to the Scheme of Arrangement of Amalgamation by way of affidavits placed at Pages 100 to 110 of the Application. Therefore, we are satisfied that the requirement of law is fulfilled and order for dispensing with the meeting of the equity shareholders of the Transferor company.

3. There are no secured creditors. In relation to applicant company, there are only **three** unsecured creditors. The first creditor is M/s. Kumar & Raj Associates. The

outstanding value of credit is Rs.34,350/-. The second creditor is 'other small vendors'. The outstanding value of credit is Rs.50,000/-.

4. One of the Unsecured creditors is the Transferee company. The value of the outstanding credit of the Transferee company which is subsidiary of the Transferor company is more than 90%. Since the Transferee company is going to take over the transferor company, there is no requirement of the consent of the Transferee company as the same is part of the Scheme of Arrangement of Amalgamation. As far as the left over unsecured creditors are concerned, they constitute only 6% of the outstanding value of the credit and there is no requirement of their consent. However, in case the Unsecured creditors mentioned under Para 3 above, approach the Transferor company during the pendency of the Scheme, then the Transferor company shall settle the credit of the said unsecured creditors.

4. Now, the applicant company is directed to present the Company Petition on or before 24.03.2017 for sanction of the proposed scheme of Arrangement of Amalgamation.



ANANTHA PADMANABHA SWAMY
MEMBER (JUDICIAL)



CH. MOHD SHARIEF TARIQ
MEMBER (JUDICIAL)