

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH, HYDERABAD**

CA (CAA) No 59/230/HDB/2017
U/s 230 & 232 of the Companies Act, 2013

In the matter of

Maheshwari Infrastructure & Skyscrapers
Private Limited, 4-1-833, 3rd Floor,
MPM Mall, Abids, Hyderabad - 500001,
Telangana, India

... Applicant/
Transferor -2 Company

Date of order: 27.10.2017

CORAM

Hon'ble Shri Rajeswara Rao Vittanala, Member (Judicial)

Parties / Counsels Present

For the Applicant:

Mr. Kritika Sharma, PCS &
Mr. Vinod Pasala, Advocate

Per: Rajeswara Rao Vittanala, Member (Judicial)

ORDER

1. The present Company Application bearing CA (CAA) No.59/230/HDB/2017 is filed by Maheshwari Infrastructure & Skyscrapers Private Limited (Applicant/ Transferor-2 Company) under section 230 & 232 of the Companies Act, 2013, by inter-alia seeking to dispense with the meeting of the members/ creditors of the Applicant/transferor-2 company as the members have given their consent to the Scheme of Amalgamation, to dispense with the Publication of notice in newspapers as there is no public interest involved.
2. Brief facts, leading to filing of present Company Application, are as follows:-
 - (A) MAHESHWARI INFRASTRUCTURE & SKYSCRAPERS PRIVATE LIMITED (TRANSFEROR COMPANY - 2)



- (a) The Transferor-2 Company was incorporated as a Private Limited Company under the provisions of the Companies Act, 1956 in the erstwhile State of Andhra Pradesh on 14/10/1987. Its registered office is situated at 4-1-833, 3rd Floor, MPM Mall, Abids, Hyderabad-500001, Telangana, India and its Authorized Share Capital is Rs. 25,00,000/- divided into 25,000 Equity Shares of Rs. 100/- each and the Issued, Subscribed and Paid up Share Capital is Rs. 15,91,600/- divided into 15,916 Equity Shares of Rs. 100/- each fully paid up.
- (b) The main objects of the Transferor company-2 are to carry on the business of contractors for construction of roads, buildings, houses, rebuild, enlarge, alter, pull down, improve, re-model existing works and to convert and appropriate land for roads, purchase or otherwise acquire or construct Multi-storey flats, houses, act as consultants, advisers, architects, civil engineers, designers town planners, valuers, surveyors and supervisors for all sorts of building activities and allied jobs and works, which may be usefully or conveniently combined by research, development improvement with the business of the company, etc.
- (c) The audited financial summary of the transferor company-2 as on March 31, 2016 is given below:-

Balance Sheet for Year Ended as at 31st March, 2016

Sl. No	EQUITY AND LIABILITIES	As at 31.03.2016	As at 31.03.2015
(1)	Shareholder's Funds		
	(a) Share Capital	15,91,600	15,91,600
	(b) Reserves & Surplus	15,40,701.17	16,94,382
(2)	Non-Current Liabilities		
	(a) Long Term Borrowings	3,40,18,008	3,43,90,758
	(b) Other Long Term Borrowings	-	-



(3)	Current Liabilities		
	(a) Trade Payables	12,21,38,765	12,71,17,765
	(b) Other Current Liabilities	37,00,084	20,00,000
	(c) Short Term Provisions	1,31,430	15,000
	TOTAL	16,31,20,588	16,68,09,505
II.	ASSETS		
(1)	Non-Current Assets		
	(a) Fixed Assets	-	-
	(i) Tangible Assets	-	-
	(ii) Capital Work in Progress	-	-
	(b) Non-Current Investments	16,22,88,000	16,22,88,000
	(c) Deferred Tax Asset	-	-
	(d) Long term loans and advances	-	-
	(e) Other non-Current assets	-	-
(2)	Current Assets		
	(a) Inventories	1,27,840	1,27,840
	(b) Trade Receivables	-	-
	(c) Cash and Cash Equivalentents	7,04,748	6,68,894
	(d) Short Term Loans & Advances	0	37,24,771
	(e) Other Current Assets	-	-
	TOTAL	16,31,20,588	16,68,09,505

Statement of Profit and Loss for the Year Ended as at 31st March, 2016

		Current Year	Previous Year
I.	Revenue from operations	-	-
II.	Other Income	-	-
III.	Total Revenue (I+II)	-	-



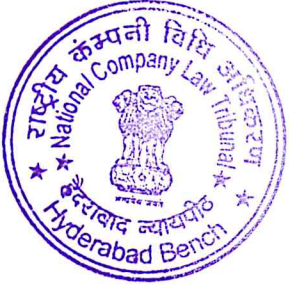
IV.	Expenses	-	-
	Changes in Inventories of finished goods, Work in progress and stock in trade	-	-
	Purchases of Stock-in-Trade	-	-
	Operation and Other Expenses	16,979.83	29,351
	Employee Benefit expenses	-	-
	Finance Cost (Hire Purchase)	-	-
	Depreciation & Amortization	-	-
	Total Expenses	16,979.83	29,351
V.	Profit before exceptional and extraordinary items and tax (III-IV)	(16,980)	(29,351)
VI.	Exceptional Items	-	-
VII.	Profit before extraordinary items and tax (V-VI)	(16,980)	(29,351)
VIII.	Extraordinary Items	-	-
IX.	Profit before tax (VII-VIII)	(16,980)	(29,351)
X.	Tax expenses:		
	- Current Tax	-	-
	- Prior year Taxes	1,36,701	-
	- Deferred Tax	-	-
XI.	Profit for the year from continuing operations (XI-X)	(1,53,681)	(29,351)
XII.	Profit/Loss from discontinuing operations	-	-
XIII.	Tax expense of discontinuing operations	-	-
XIV.	Profit/Loss from discontinuing operations (XII-XIII)	-	-



XV.	Loss/Profit for the year (XI+XIV)	(1,53,681)	(29,351)
XVI.	Earning per equity share:		
	(1) Basic	(9.7)	(1.84)
	(2) Diluted	(9.7)	(1.84)

The following are the shareholders of Transferor Company-2

Sl. No.	Name of the Shareholder	Address	No. of Shares	% of holding
01	Rajkumar Malpani	8-2-608/35 & 36, Road No-10, Banjara Hills, Hyd-34	1,100	6.91
02	Girish Mallpani	Plot No 136A, MLA Colony , Road No-10, Banjara Hills, Hyd-34	6,700	42.10
03	Rajkumar Malpani & Sons (HUF)	8-2-608/35 & 36, Road No-10, Banjara Hills, Hyd-34	5,916	37.17
04	Shruti Mallpani	Plot No 136A, MLA Colony , Road No-10, Banjara Hills, Hyd-34	2,200	13.82
	TOTAL		15,916	100



(B) **MPM HOTELS PRIVATE LIMITED (Transferee Company)**

- (a) The Transferee Company was incorporated as a Public Limited Company under the provisions of the Companies Act, 1956, in the erstwhile State of Andhra Pradesh on 19/10/2006. Subsequently, the Company was converted into a Private Limited Company on 04/02/2016, pursuant to which, a Fresh Certificate of Incorporation was issued by the Registrar of Companies, Andhra Pradesh and Telangana consequent upon Conversion from Public Company to Private Company. The Company is situated at 8-3-323, Ameerpet X Roads, Yellareddyguda, Hyderabad- 500073, Telangana. Its

authorized Share Capital is Rs. 35,00,000/- divided into 3,50,000 Equity Shares of Rs. 10/- each and the Issued, Subscribed and Paid up Share Capital is Rs. 32,28,700/- divided into 3,22,870 Equity Shares of Rs.10/- each fully paid up.

- (b) The main objects of the Transferee Company is to carry on the business of Hotel, Motel, Inns, Restaurant, Cafe, proprietors of restaurants, refreshments and tea rooms, cafes and milk and snack bars and as caterers and contractors in all its respective branches, and also to provide and give collaboration and expertise to foreigners in starting Indian type hotels, restaurants and refreshment rooms in various countries throughout the world, etc.
- (c) The accounts of the Transferee Company have been audited until 31st March, 2016. The audited financial summary of the transferee company as on 31st March, 2016 is given below:

Balance Sheet for Year Ended as at 31st March, 2016

Sl. No	EQUITY AND LIABILITIES	As at 31.03.2016	As at 30.06.2015
(1)	Shareholder's Funds		
	(a) Share Capital	32,28,700	32,28,700
	(b) Reserves & Surplus	63,98,21,559	64,03,72,817
(2)	Non-Current Liabilities		
	(a) Long Term Borrowings	29,09,892	8,21,438
(3)	Current Liabilities		
	(a) Trade Payables	--	--
	(b) Other Current Liabilities	20,56,66,585	1,17,98,690
	(c) Short Term Provisions	--	--
	(d) Short term Borrowings	1,12,41,803	1,63,12,250
	TOTAL	86,28,68,539	67,27,06,646



II.	ASSETS		
(1)	Non-Current Assets		
	(a) Fixed Assets		
	(i) Tangible Assets	42,75,234	37,00,61,848
	(ii) Capital Work in Progress	--	29,78,25,764
	(b) Long-term loans and advances	18,46,83,698	30,400
	(c) Non-Current Investments	--	--
	(d) Deferred Tax Asset	--	--
(2)	Current Assets		
	(a) Inventories	67,19,17,339	--
	(b) Trade Receivables	--	--
	(c) Cash and Cash Equivalents	19,74,768	10,03,035
	(d) Short Term Loans & Advances	17,500	42,000
	(e) Other Current Assets	--	--
	(f) Current Investments	--	37,43,599
	TOTAL	86,28,68,539	67,27,06,646



Statement of Profit And Loss for the Year ending 31st March, 2016

		Current Year	Previous Year
I.	Revenue from operations		
II.	Other Income	13,10,658	5,59,791
III.	Total Revenue (I+II)	13,10,658	5,59,791
IV	Expenses		
	Changes in Inventories of finished goods, Work in progress and stock in trade		
	Operation and Other Expenses	3,30,452	58,96,740
	Employee Benefit expenses	6,18,937	13,54,213
	Finance Cost (Hire Purchase)	1,741	308

	Depreciation & Amortization	9,10,786	5,93,062
	Total Expenses	18,61,914	78,44,323
V.	Profit before exceptional and extraordinary items and tax (III-IV)	(5,51,258)	(72,84,532)
VI	Exceptional Items	--	--
VII.	Profit before extraordinary items and tax (V-VI)	(5,51,258)	(72,84,532)
VIII	Extraordinary Items	--	-
IX.	Profit before tax (VII-VIII)	(5,51,258)	(72,84,532)
X.	Tax expenses:		
	-Current Tax	--	--
	-Prior year Taxes	--	--
	-Deferred Tax	--	--
XI.	Profit for the year from continuing operations (XI-X)	(5,51,258)	(72,84,532)
XII.	Profit/Loss from discontinuing operations	--	--
XIII.	Tax expense of discontinuing operations	--	--
XIV.	Profit/Loss from discontinuing operations (XII-XIII)	--	--
XV.	Loss/Profit for the year (XI+XIV)	(5,51,258)	(72,84,532)
XVI.	Earning per equity share:		
	(1) Basic	(1.71)	(22.56)
	(2) Diluted	--	--

The following are the shareholders of transferee Company:

Sl. No.	Name Of The Shareholder	Address	No. Of Shares	% Of Holding
1.	Rajkumar Malpani	8-2-608/35 & 36, Road No-10, Banjara Hills, Hyd-34	9400	2.91
2.	Girish Mallpani	Plot No 136A, MLA Colony, Road	49575	15.35



3.	Usha Devi Malpani	No-10, Banjara Hills, Hyd-34 8-2-608/35 & 36, Road No-10, Banjara Hills, Hyd-34	24100	7.46
4.	Shruti Mallpani	Plot No 136A, MLA Colony , Road No-10, Banjara Hills, Hyd-34	22500	6.97
5.	Tanishq Infraventure Private Limited	8-3-323, AMEERPET 'X' ROADS HYDERABAD TG 500073 IN	129148	40.00
6.	Rajkumar Malpani Usha Malpani Jointly	8-2-608/35 & 36, Road No-10, Banjara Hills, Hyd-34	33875	10.49
7.	Tanishq Malpani	Plot No 136A, MLA Colony , Road No-10, Banjara Hills, Hyd-34	2600	0.81
8.	Girish Mallpani (HUF)	Plot No 136A, MLA Colony , Road No-10, Banjara Hills, Hyd-34	7500	2.32
9.	Kshitij Mallpani	Plot No 136A, MLA Colony , Road No-10, Banjara Hills, Hyd-34	3600	1.11
10.	Maheshwari Infrastructure & Skyscrapers Private Limited	4-1-833, 3rd Floor, Mpm Mall, Abids, Abids, Hyderabad, Andhra Pradesh Tg 500001	40572	12.57
	TOTAL		322870	100

3. The transferee company proposes to take over all the Assets and Liabilities of the Transferor Company-2, through the Scheme of Amalgamation u/s 230-232 of the Companies Act, 2013.



4. The reasons for the proposed Scheme of Amalgamation between Maheshwari Infrastructure and Skyscrapers Private Limited (Transferor-2 Company) with the Transferee Company would have the following benefits:
- i. Simplify management Structure, leading to better administration and a reduction of costs from more focused operational efforts, rationalization standardization and simplification of business processes and elimination of duplication, better administrative and managerial control and rationalization of administrative expenses, Simplify shareholding structure and reduce shareholding tires.
 - ii. Greater integration and greater financial strength, resources and flexibility for the amalgamated entity, which would result in maximizing overall shareholder value, and will improve the competitive position of the combined entity.
 - iii. Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.
 - iv. Amalgamation of the Transferor Company with the Transferee Company will channelize synergies and shall lead to optimum utilization of the available resources. The proposed amalgamation will help centralize and pool the resources available with both transferor and transferee companies. The proposed amalgamation would achieve complete integration of resources under its roof which will in turn result in substantial increase in turnover giving advantages in costs, supplies and other resources through optimization of human and technological resources, movement of material, infrastructure, etc.
 - v. The proposed Scheme of Amalgamation would not affect the employees, staff, workmen of the transferee company in any manner and they would continue to enjoy the same



benefits as they used to before the proposed amalgamation (point No.5.14 (c) of the scheme of amalgamation). The terms and conditions of the service applicable to employees, staff and workmen after amalgamation shall not in any way be less favorable than those applicable to them immediately preceding the amalgamation.

5. The Scheme of Amalgamation is in the interest of applicant/transferor-2 Company, their respective shareholders, employees and all concerned.
6. The Board of Directors of the applicant/transferor-2 company at the meeting held on 06th June, 2017 approved the said Scheme of Amalgamation subject to the approval of this bench. The shareholders have also given consent for the scheme of amalgamation. The Board of Directors of the applicant/transferor-2 company has no material interest in the proposed scheme of amalgamation except as shareholders in general.
7. No petition under section 241 of the Act has been filed against the applicant company and there has been no material change in the affairs of the applicant company except what was done in the normal course of business. There are no proceedings pending under section 210 to 227 of the Companies Act, 2013, against the applicant/transferor-2 company. The assets of the applicant/transferor-2 company are sufficient to meet all the liabilities.
8. The applicant/transferor-2 company has (i) no Secured creditors; (ii) 8 (Eight) Unsecured Creditors aggregating to Rs. 4,82,77,382/-, the details of which are as under:-

S.No.	Name of Lender	Amount Outstanding as on 31.03.2017
1.	Girish Malpani	935000
2.	Maheshwari Megaventures Limited	65000



3.	MPM Mall and Arcades Private Limited	393000
4.	Rajkumar Malpani	3316500
5.	Shruti Malpani	380000
6.	Tanishq Infra Ventures Private Limited	30112758
7.	MPM Infrastructure Private Limited	9875040
8.	Reward Technologies Private Limited	3200084

The scheme of amalgamation does not involve any compromise with any unsecured creditors of the applicant/transferor company and will not affect any of the creditors of the company in any manner whatsoever whether in terms of the value of their debt, or security for the debt.

9. The total number of members are 4 (Four) only and all shares are held by Directors and their relatives. All the shareholders have given their consent for dispensing of meeting. The details of shares held by them are given as under:-

1.	Rajkumar Malpani	1,100	6.91 %
2.	Girish Mallpani	6700	42.10 %
3.	Rajkumar Mallpani & Sons (HUF)	5916	37.17 %
4.	Shruti Mallpani	2200	13.82 %
	Total	15,916	100 %

10. The transferee company proposes to take over all the Assets and Liabilities of the Transferor Company-2, through the Scheme of Amalgamation u/s 230-232 of the Companies Act, 2013.
11. The Board of Directors of the Applicant/ Transferor-2 Company, in its meeting held on 06.06.2017 passed a resolution approving the Scheme of Amalgamation subject to the approval/directions of this Tribunal. The Board of Directors of the Applicant/Transferor-2 Company has no material interest in the proposed scheme of amalgamation except as shareholders in general. It is submitted to the



Bench that the scheme is within the parameters of "PRUDENTIAL BUSINESS MANAGEMENT TEST", not a device evading law as laid down in Hindustan Lever Employees Union Vs. Hindustan Lever Ltd., (AIR 1995 SC 470)

12. The case was initially listed for admission on 21.08.2017, and subsequently posted to various dates viz, 28.08.2017, 29.09.2017, 26.10.2017 and 27.10.2017.
13. Heard Mr. Vinod Pasala, learned counsel along with Mr. Kritika Sharma, learned PCS for the Applicant.
14. We have considered all the pleadings along with material papers filed in their support. It is further found that all requisite conditions required for dispensation of meetings of shareholders of the Companies involved have been met. It is also on record that all the concerned shareholders, Creditors (as stated above) both secured and unsecured creditor involved in the Scheme of Amalgamation in question have already given their consent by way of suitable affidavits and we are convinced that Applicants are entitled for dispensation of conducting meetings as prayed for.



प्रमाणित प्रति

CERTIFIED TRUE COPY

केस संख्या
CASE NUMBER...CA(CAA) No. 59/230/
निर्णय का तारीख...27.10.2017
DATE OF JUDGEMENT...27.10.2017
प्रति तैयार किया गया तारीख
COPY MADE READY ON...8.12.2017

15. In the result, the Company Application bearing CA (CAA) No.59/230/HDB/2017 is disposed of with the following directions:-

- (a) Dispensed with conducting of meeting of members (shareholders) of the Applicant / Transferor-2 Company.
- (b) Dispensed with conducting of meeting of the Applicant / Transferor-2 Company.
- (c) Further directed to cause publication of the notice in newspapers in Business Standard and Nava Telangana, intimating the Scheme of Amalgamation between the Applicant / Transferee and Transferor Companies.

[Signature]
Jy. Regr./Asst. Regr./Court Officer/
National Company Law Tribunal, Hyderabad Bench

[Signature]
RAJESWARA RAO VITTANALA
MEMBER (JUDICIAL)