

BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH
AT HYDERABAD

FREE OF COST COPY

CA(CAA)No.41/230/HDB/2017

Date of order: 25.05.2017

M/s Indu Formulations Private Limited
Having registered office at
5-5-35/281, Prasanthi Nagar IDA,
Kukatpally, Hyderabad -- 500 072
Telangana.

... Applicant/Transferor Company

Parties Present:

Counsel for the Applicant: Mr. V. Venkata Rami Reddy along with Mrs.
Vanga Anita.

CORAM

Hon'ble Mr. Rajeswara Rao Vittanala, Member (Judicial)

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OF THE ORIGINAL

ORDER

[As per Rajeswara Rao Vittanala, Member (Judicial)]

1. The present Company Application bearing CA(CAA)No.41/230/HDB/2017 is filed by M/s Indu Formulations Private Limited (hereinafter referred to "the Applicant/Transferor Company") under Section 230 to 232 of the Companies Act, 2013 read with Companies (Compromise, Arrangements & Amalgamations) Rules, 2016 by inter-alia seeking the following reliefs:-

- i. To dispense with meeting of Equity Shareholders of the Applicant/Transferor Company.
- ii. To dispense with the meeting of Secured/Unsecured, Sundry and Trade Creditors of the Applicant/Transferor Company, etc.



2. Brief facts, which are relevant to issue in question, are as follows:

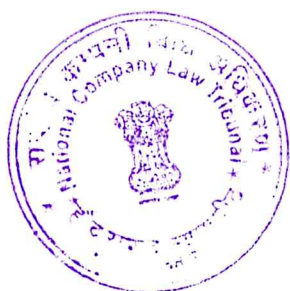
a) **Details of Applicant/Transferor Company:**

- i) M/s Indu Formulations Private Limited was incorporated as a Private Limited Company on 11.09.1997 under the Companies Act, 1956. Its Registered office is situated at 5-5-35/281, Prasanthi Nagar IDA, Kukatpally, Hyderabad, Telangana – 500 072.
- ii) The main objects of the Applicant/Transferor Company, as set out in the Memorandum of Association, in brief, are to manufacture, produce, refine, process, formulate, buy, sell, export, import or otherwise deal in all types of drugs, medicines, pharmaceuticals, parental drugs, infusion drugs, tablets, liquids, capsules, infusion sets, surgical goods, surgical instruments, basic and bulk drugs, contraceptives, etc.
- iii) The authorised, issued, subscribed and paid-up share capital of the Applicant/Transferor Company as on 31.03.2017 was as under:

Authorised Share Capital	Amount (Rs.)
2,50,000 Equity Shares of Rs.10 each	25,00,000
Issued, Subscribed and Paid-up Capital	
2,34,000 Equity Shares of Rs.10 each	23,40,000

b) **Details of the Transferee Company:**

- i) M/s Indu Drugs Private Limited (hereafter referred to as “Transferor Company”) was incorporated as a Private Limited Company on 04.04.2012 under the Companies Act, 1956. The Registered Office is situated at 5-5-35/278 & 279,



Prasanthi Nagar IDA, Kukatpally, Hyderabad, Telangana – 500 072.

- ii) The main objects as set out in the Memorandum of Association are, in brief, are to manufacture, formulate, process, develop, refine, import, export, wholesale and/or retail trade all kinds of pharmaceuticals, antibiotics, drugs, medicines, biological, neutraceuticals, healthcare, ayurvedic and dietary supplement products, medicinal preparations, vaccines, chemicals, chemical products, dry salters, and other restoratives or foods and also to deal in medical goods such as surgical instruments, contraceptives etc.
- iii) The authorised, issued, subscribed and paid-up share capital as on 31.03.2017 was as under:

Authorised Share Capital	Amount (Rs.)
30,00,000 Equity Shares of Rs.10 each	3,00,00,000
Issued, Subscribed and Paid-up Capital	
25,16,810 Equity Shares of Rs.10 each	2,51,68,100



It is further submitted that the Transferor Company and the Transferee Companies are engaged in the similar business and the amalgamation of these companies have the following benefits:-

- i) The merger will result in a single sizeable entity and facilitate to compete in all respects such as financial viability, infrastructure, human resource, personnel management, production and marketing etc. and will result in compete with National and International standards with the combination of infrastructure, laboratory facilities, testing equipments available in both the Companies.

- ii) Both Transferor and Transferee Companies share common management and board which triggered the possibility of merger of both entities so as to reap maximum production and benefit out of such merger.
 - iii) This merger enables to have more market share and therefore it is in a position to set higher volume of business and make more profit and increase market share.
4. In view of the aforesaid advantages, the Board of Directors of the Applicant/Transferor Company, vide its Resolution dated 22.04.2017 approved the Scheme of Amalgamation of Indu Formulations Private Limited with Indu Drugs Private Limited.
5. It is stated that no investigation or proceedings have been instituted or are pending against the Applicant/Transferor Company. There are no winding up proceedings pending or initiated against the Applicant/Transferor Company. Filing of this Company Application has been duly intimated to Registrar of Companies, Hyderabad, Regional Director (SER), Ministry of Corporate Affairs, Official Liquidator, Hyderabad and also Income Tax Department.
6. There are 4 (four) Equity Shareholder i.e. Mr. Venkateswara Rao Talasila (46.15%); Ms. Lakshmi Kumari Talasila (46.15%); Mr. Talasila Sai Kumar (3.85%) and Mr. T.V.N. Sai Pujitha (3.85%) in the Applicant/Transferor Company and all of them have given their consent to the proposed Scheme by means of affidavits dated 08.05.2017. Hence, the Applicant/Transferor Company prayed the Hon'ble Tribunal to dispense with the meeting of the Equity Shareholders as the same is not required.
7. At present there is only 1 (One) Secured Creditor (i.e. Allahabad Bank) of the Applicant/Transferor Company and sole Secured Creditor has given its consent to proposed Scheme vide its letter dated 06.05.2017. The Scheme



of Amalgamation does not involve any compromise with any creditors of the Applicant/Transferor Company and will not affect any of the creditors of the Company in any manner whatsoever. Further, the assets of the both Transferor Company and Transferee Company are sufficient to meet all the liabilities. Hence, the Applicant/Transferor Company requested the Hon'ble Tribunal to dispense with the meeting of the Secured Creditor as the same is not required.

8. Presently, there are 8 Un-secured Creditors of the Applicant/Transferor Company and the consent for the Scheme has been obtained from all the Unsecured Creditors and filed their Affidavits dated 08.05.2017. The Scheme of Amalgamation does not involve any compromise with any creditors of the Applicant/Transferor Company and will not affect any of the creditors of the Company in any manner whatsoever. Further, the assets of the both Transferor Company and Transferee Company are sufficient to meet all the liabilities. Hence, the Applicant/Transferor Company prayed the Tribunal to dispense with meeting of the Unsecured Creditors as the same is not required.

Therefore, the Applicant/Transferee Company has sought the reliefs as mentioned supra.

10. I have heard Mr. V. Venkata Rami Reddy, Learned Counsel for the Applicant/Transferor Company and I have carefully perused all documents filed along with relevant provisions of Companies Act, 2013. The Applicant/Transferor Company has fulfilled requirements to grant dispensation as sought for. There would be no useful purpose serve to order to conduct any meetings of those Shareholders as they have all submitted their voluntary declarations by accepting the scheme of Amalgamation in question. I have perused the affidavit filed by parties and they re found to be genuine. Hence, the Applicant/Transferor Company is



entitled to grant dispensation for meetings of its Equity Shareholders, Secured Creditors and Un-Secured Creditors.

11. In the result, the CA(CAA)No.41/230/HDB/2017 is allowed with following directions:-

- a) Dispensed with meetings of Equity Shareholders and Secured/Unsecured, Sundry and Trade Creditors of the Applicant/Transferor Company for consideration of the Scheme of Amalgamation.
- b) The Applicant/Transferor Company is directed to communicate this Order to the Registrar of Companies, Hyderabad, Regional Director, Income Tax Department and all other concerned authorities within three weeks from the date of receipt of copy of this order.



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OF THE ORIGINAL**

V. Annapoorna
V. ANNAPOORNA
Asst. DIRECTOR
NCLT, HYDERABAD.

8/1/-
Rajeswara Rao Vittanala
Member (Judicial)

*Order received by the
Registry on 28-06-17*