

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 04.09.2015

Coram

The Hon'ble **Mrs.Justice PUSHPA SATHYANARAYANA**

C.P.Nos.158 and 159 of 2015

M/s.Shri Giri Spinning Mills
India Private Limited,
Having its Registered Office at
SF No.13/5, Ranaganoor Pudupalayam,
Elanthakuttai (PO), Veppadai,
Erode 638 006
Rep. By its Director.

.. Petitioner in C.P.No.158 of 2015
/Transferor Company

M/s.Sri Cheran Synthetics India Private Limited,
Having its Registered Office at
No.24, Sankari Bye Pass Road,
Pallipalayam,
Erode - 638 006
Rep. By its Director.

.. Petitioner in C.P.No.159 of 2015
/Transferee Company

Company Petitions filed under Sections 391 to 394 of the Companies Act, 1956 to sanction the Scheme of Amalgamation between the Transferor Company viz., M/s.Shri Giri Spinning Mills India Private Limited and the Transferee Company viz., M/s.Sri Cheran Synthetics India Private Limited, annexed as Annexure - D in both the petitions so as to be binding on all the Shareholders and Creditors of the Petitioner Companies, with effect from 01.04.2014 and the Transferor/Petitioner Company in C.P.No. 158 of

2015 viz., M/s.Shri Giri Spinning Mills India Private Limited, be dissolved without the process of winding up.

For Petitioners : Mr.K.Moorthy

Mr.G.Venkatesan,
Central Government Counsel
for Regional Director
Ministry of Corporate Affairs,Chennai.

Mr.P.Achutha Ramaiah
Official Liquidator

COMMON ORDER

These Company Petitions are preferred under Sections 391 to 394 of the Companies Act, 1956, for sanctioning the Scheme of Amalgamation of the Transferor Company with the Transferee Company with effect from 01.04.2014. The Scheme of Amalgamation is annexed as Annexure - D in the respective petitions.

2. The petitioner in C.P.No.158 of 2015 - M/s.Shri Giri Spinning Mills India Private Limited is the Transferor Company and the petitioner in C.P.No.159 of 2015 - M/s.Sri Cheran Synthetics India Private Limited, is the Transferee Company.

3. A perusal of the records shows that the petitioners have complied with the prescribed procedure. The copies of Resolutions, dated 5th December 2014 of the Board of Directors adopting the Scheme of Amalgamation are annexed as Annexure - C in the respective petitions. Both the Transferor and Transferee companies have only one secured creditor and the No Objection Certificate issued by the secured creditor with regard to the Scheme of Amalgamation is annexed as Annexure - F in the respective petitions.

4. By order dated 19.03.2015, in Comp.A.Nos.282 and 283 of 2015 in the case of the Transferor and the Transferee Companies respectively, this Court dispensed with the convening, holding and conducting of the meeting of the equity shareholders for the purpose of considering and if thought fit, approving with or without modification, the Scheme of Amalgamation of the Transferor Company with the Transferee Company.

5. There are 9 equity share holders in the Transferor Company and 21 equity share holders in the Transferee Company respectively. The list of equity shareholders and the consent affidavits from the equity shareholders of both the Transferor and the Transferee companies to the Scheme of

Amalgamation are annexed as Annexure - E in the respective petitions.

6. On notice, the Regional Director, Ministry of Corporate Affairs, Chennai, has filed his report without making any objection to the Scheme being sanctioned.

7. The Official Liquidator has also filed his report along with the report of the Chartered Accountant. The report of the chartered accountant states that the affairs of the transferor company have not been conducted in a manner prejudicial to the interest of its members or to public interest and that they do not come across any act of misfeasance by the Directors attracting the provisions of Sections 542 and 543 of the Companies Act, 1956. It is also stated that the management of the transferee company has acquired the entire share holding from the promoters of M/s.Shri Giri Spinning Mills (India) Private Limited during the financial year 2013-2014. It is also reported that the sanction of the Hon'ble High Court of Judicature at Madras under Section 232 of the Companies Act, 1956/2013 and to the necessary order or orders under Section 232 of the said Act, being obtained; Any other sanction or approval of the appropriate authorities concerned, as may be considered necessary and appropriate by the

respective Board of Directors of the transferor company and the transferee company, being obtained and granted in respect of any of the matters for which such sanction or approval is required. It is further stated that the records maintained in the office of the Registrar of Companies were also caused to be inspected by the said Chartered Accountant and there are no materials to indicate that the affairs of the transferor company were being conducted in a manner prejudicial to the interest of its members or public interest.

8. I have perused the Scheme filed in the Company Petitions and find it beneficial to the working of the Transferee Company and is in the interests of the Transferor Company. There is no objectionable feature in the Scheme of Amalgamation detrimental either to the employees of the Transferor Company or of the Transferee Company. The said Scheme is not violative of any statutory provisions. The Scheme is fair, just, sound and is not against any public policy or public interest. No proceedings are pending under Sections 235 to 257 of the Companies Act, 1956. All the statutory provisions are complied with.

9. Consequently, there shall be an order approving the Scheme of

Amalgamation between the Transferor Company viz., M/s.Shri Giri Spinning Mills India Private Limited, the petitioner in C.P.No.158 of 2015 and the Transferee Company viz., M/s.Sri Cheran Synthetics India Private Limited, the petitioner in C.P.No.159 of 2015, as provided in Annexure - D in these Company Petitions, with effect from 01.04.2014, so as to be binding on all the shareholders of the petitioners company, as the procedure laid down under Sections 391 to 394 of the Companies Act are duly complied with. These Company Petitions are allowed.

10. Taking note of the report by the Chartered Accountant as enclosed by the Official Liquidator, in terms of the order passed by this Court, the transferor company, viz., M/s.Shri Giri Spinning Mills India Private Limited, the petitioner in C.P.No.158 of 2015 shall stand dissolved without winding up.

11. Learned Additional Central Government Counsel is entitled to a fee of Rs.10,000/- from the Transferor Company.

cla/mra

04.09.2015
PUSHPA SATHYANARAYANA ,J

C.P.Nos.158 and 159 of 2015

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