

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 01.09.2016

DELIVERED ON : 09.09.2016

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The Honourable **Mr.Justice RAJIV SHAKDHER**

C.P.No.222 of 2015

Venkataramana Holdings Private Limited
having its Registered Office at
CPM Towers, 109, Race Course,
Coimbatore - 641 018
represented by its Director
Mr.T.G.Thamizhanban

.. Petitioner/Transferor Company

Vs.

Pricol Holdings Limited
having its Registered Office at
CPM Towers, 109, Race Course,
Coimbatore - 641 018
represented by its Director
Mr.T.G.Thamizhanban

.. Respondent/Transferee Company

Petition filed under Sections 391 to 394 of the Companies Act,
1956 to sanction the Scheme of Amalgamation.

For Petitioners : Mr.V.Srinivasan

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

Mr.Achudha Ramaiah
Official Liquidator

COMMON ORDER

This company petition is 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 01.04.2015. The scheme of amalgamation (in short the scheme) is appended as Annexure '6' to the petition.

2. M/s.Venkataramana Holdings Private Limited is the transferor company and M/s.Pricol Holdings Limited is the transferee company.

2.1. For the sake of convenience, the transferor company and the transferee company will be collectively referred to as companies.

2.2. To be noted, in paragraph No.5 of the petition, it is stated that the transferor company is a wholly owned subsidiary of the

transferee company and therefore, in view of the judgment in the case of ***Mahamba Investments Vs. IDI Limited*** reported in **2001 (105) Comp Cases 16**, no separate petition, is being preferred on behalf of the transferee Company.

3. A perusal of the record shows that both the companies have complied with the prescribed procedure. It is stated that there is no secured creditor as far as transferor company is concerned and the certificate of the Chartered Accountant confirming the same is appended as Annexure '8' to the petition.

3.1. It is further stated that there is no secured creditor as far as the transferee company is concerned.

3.2. It is also stated that there is one unsecured creditor as far as the transferor company is concerned, which is none other than the transferee company, and that, the certificate of the Chartered Accountant confirming the same is appended as Annexure '9' to the petition. Further, the said unsecured creditor has given its consent to the proposed scheme and the same is appended as Annexure '10'.

4. A copy of two separate resolutions of even date, i.e., 18.03.2016, passed by the Board of Directors of both the transferor company as well as the transferee company respectively adopting the scheme is enclosed as Annexure '7' to the petition.

5. The affidavit of equity shareholder of the transferor company, which is none other than the transferee company, giving its consent to the scheme is appended as Annexure '11' to the petition.

5.1. This Court, vide its order dated 18.04.2016 passed in C.A.No.425 of 2016 dispensed with the convening, holding and conducting of the meeting of the equity shareholder of the transferor company for the purpose of considering and if thought fit, approving with or without modification, the proposed scheme placed before the Court.

6. Upon notice being issued, the Regional Director, Ministry of Company Affairs, has filed his report stating that he has no objection to the proposed scheme being sanctioned.

7. The Official Liquidator has also filed his report along with the report of the Chartered Accountant. Chartered Accountant, in his report, 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, he had 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 further articulated that the records maintained in the office of the Registrar of Companies were also caused to be inspected by the said Chartered Accountant.

7.1. In the absence of any inference that the affairs of the transferor company were being conducted in a manner prejudicial to the interest of its members or public interest, the Official Liquidator has filed his report, before this Court, for appropriate orders.

8. I have perused the proposed scheme filed along with the company petition. I find that the Scheme as proposed is not prejudicial to the interest of any person or entity, which has a stake/interest in the petitioner company. The said scheme, as framed, is not violative of any statutory provisions.

9. The scheme as formulated is fair, just, sound and is not contrary to any public policy or public interest. No proceedings appear to be pending under the provisions of Sections 235 to 251 of the Companies Act, 1956. All the statutory provisions appear to have been complied with.

10. Consequently, there shall be an order approving the scheme of amalgamation between transferor company, viz., Venkataramana Holdings Private Limited, with the transferee company, viz., Pricol Holdings Limited, with effect from 01.04.2015, as per the procedure laid down under Sections 391 to 393 of the Companies Act.

11. Taking note of the report filed by the Chartered Accountant as enclosed by the Official Liquidator, in terms of the order passed by this Court, the transferor company shall stand dissolved, albeit, without winding up.

12. It is made clear, that this order will not be construed as an order granting exemption from payment of stamp duty or, taxes or, any other charges, if any, payable, as per the relevant provisions of law or, from any applicable permissions that may have to be obtained

or, even compliances that may have to be made, as per the mandate of law.

13. The learned Senior Central Government Standing Counsel will be entitled to a fee of Rs.5,000/-, which shall be paid by the transferee company.

14. The above petition is disposed of, in the aforementioned terms.

Index : Yes / No
Internet: Yes
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09.09.2016

RAJIV SHAKDHER, J.

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Pre-Delivery Order in

C.P.No.222 of 2016

Dated: 09.09.2016