

The Hon'ble Sri Justice C.V.Nagarjuna Reddy

Company Petition Nos.210 and 211 of 2015

Dt: 16.09.2015

C.P.No.210/15:

Between:

**M/s.Dominion Engineering Private Limited
Hyderabad, rep. by its Director
Sri Sudhakar D.Kumbla**

...Petitioner /Transferor Company

C.P.No.211/15:

Between:

**M/s.Deccan Fasteners Private Limited
Hyderabad, rep. by its Director
Sri Amit Malik**

...Petitioner /Transferee Company

Counsel for the petitioners: Mr.VS.Raju

The Court made the following:

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Common Order:

Company Petition No.210 of 2015 is filed by M/s.Dominion Engineering Private Limited (hereinafter referred as 'the Transferor Company') under Sections 391 and 394 of the Companies Act, 1956 (for short 'the Act') seeking

approval of the proposed Scheme of its Amalgamation with M/s.Deccan Fasteners Private Limited (hereinafter referred as 'the Transferee Company').

Company Petition No.211 of 2015 is filed by the Transferee Company for the same relief.

The Transferor Company pleaded that it was originally incorporated under the provisions of the Companies Act, 1956 (for short 'the Act') in the name and style of 'M/s.Malhotra Dominion Contract Lens (India) Private Limited Company' on 31.03.1979; that subsequently, its name was changed as 'Dominion Exports Private Limited' on 29-12-1986; that thereafter, again its name was changed as 'M/s.Dominion Engineering Private Limited' on 27-05-2004; that its registered office is situated at D.No.6-3-1186, Malhotra House, Begumpet, Hyderabad; that its main objects are to carry on, in India and elsewhere, the business of manufacturing, buying, selling, importing, exporting, dealing and distributing all mechanical, electrical and plastic machinery of all kinds both hand operated and electrically operated including plastic moulding, die casting, injection moulding machines and machines for manufacture of Safety Razors, Safety Razor Blades and plastic based parts thereof and other plastic items and components, machines for manufacture of shaving brush and parts thereof *etc.*; that its authorized share capital, as on 31.03.2014, is Rs.5 lakhs divided into 50,000 equity shares of Rs.10/- each; and that its issued, subscribed and paid-up share capital is Rs.1,00,100/- divided into 10,010 equity shares of Rs.10/- each.

The Transferee Company pleaded that it was incorporated under the provisions of the Act on 21.08.1980; that its registered office is situated at # 6-3-1186, Malhotra House, Begumpet, Hyderabad; that its main objects are to carry on the business of manufacturers, dealers, distributors,

merchants, exporters and importers, stockists and agents of all kinds of zippers, slide fasteners, ribbons and components required for the manufacture of zippers and to carry on the business of manufacturers, dealers, distributors, exporters and importers of the die casting components, fibre, nylon and polyester cloth for the manufacture of zippers *etc.*; that its authorized share capital is Rs.5 lakhs divided into 5,000 equity shares of Rs.100/- each; and that its issued, subscribed and paid-up share capital is Rs.4,60,000/- divided into 4,600 equity shares of Rs.100/- each.

Both the Companies filed a copy of the proposed Scheme of Amalgamation and pleaded that the proposed Scheme involves amalgamation of the Transferor Company with the Transferee Company; that both the Companies are held and controlled by the same group of persons; that the Transferor Company has infrastructure facilities like factory, land and buildings to carry on the manufacturing activities; that by the proposed Scheme of Amalgamation, the Transferee Company can avail the infrastructure facilities of the Transferor Company, which would result in quality and cost effective services, synergy of operations, reduction in overhead and administrative costs, thereby giving more financial edge to cost effectiveness; and that the proposed Scheme of Amalgamation shall be beneficial in the interests of all their stakeholders.

Both the Companies pleaded that anticipating the above benefits, their Board of Directors, in their respective meetings held on 20-03-2015 and 17-03-2015 respectively, resolved to approve the proposed Scheme of Amalgamation (Annexure-A10) and fixed the appointed date as 01.04.2015.

Both the Transferor and the Transferee Companies pleaded that they have no secured or unsecured creditors; that they have three shareholders each; and that the

requirement of convening their meetings for consideration of the proposed Scheme of Amalgamation has been dispensed with by this Court by separate Orders, dated 06-07-2015, in Company Application Nos.1075 and 1076 of 2015 respectively.

In C.P.No.210 of 2015, this Court ordered notices to the Regional Director, South Eastern Region, Ministry of Corporate Affairs, Hyderabad, and the Official Liquidator attached to this Court and in C.P.No.211 of 2015, it ordered notice to the Regional Director only besides ordering publication of advertisement in two daily newspapers each in both the Company Petitions. In compliance with the said order, dated 21-07-2015, both the Companies have caused notices on the Regional Director, Government of India, Ministry of Corporate Affairs, South Eastern Region, Hyderabad; that the Transferor Company has additionally caused a notice on the Official Liquidator attached to this Court; and that each of the two Companies have carried out publication of notices in two daily newspapers *viz.*, the Business Standard (English) and Andhra Bhoomi (Telugu) of Hyderabad editions. Accordingly, publication was carried out and proof thereof was filed through memos.

In response to the notices, the Regional Director has filed his Common report, dated 11-09-2015, wherein it is *inter alia* stated that in pursuance of General Circular No.1/2014, dated 15-01-2014, issued by the Ministry of Corporate Affairs, New Delhi, the opinion of the Income Tax Department was sought *vide* letter, dated 18-08-2015, and that no comments/objections were received by him from the Income Tax Department. It is further stated that the Registrar of Companies, Hyderabad, has reported that both the Transferor Company and the Transferee Company are regular in filing returns and that no inspections and investigations are pending against them.

In response to the notice issued by the Court, the Official Liquidator filed report, dated 10.09.2015, in C.P.No.210 of 2015 filed by the Transferor Company, wherein, he has, *inter alia*, stated that the affairs of the Transferor Company have not been conducted in a manner prejudicial to the interests of their members or to the public interest.

Having regard to the reports of the Regional Director, South Eastern Region, Ministry of Corporate Affairs, Hyderabad and the Official Liquidator and as no claims or objections have been received in pursuance of publication of notice in the newspapers, this Court is satisfied that the proposed Scheme of Amalgamation is in conformity with the provisions of the Act and that the same is not being opposed by any stakeholders or general public.

Therefore, the proposed Scheme of Amalgamation is sanctioned with effect from the appointed date *i.e.*, 01.04.2015. The Transferor Company is ordered to be dissolved without going through the process of winding up. Both the Transferor and the Transferee Companies shall, within 30 days of receipt of a copy of this order, cause a certified copy of the same to be delivered to the Registrar of Companies, Hyderabad, and take all other consequential actions in pursuance of the approval of the proposed Scheme of Amalgamation.

Both the Company Petitions are, accordingly, allowed.

(C.V.Nagarjuna Reddy, J)

Dt: 16th September, 2015
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