HON'BLE SRI JUSTICE C.V.NAGARJUNA REDDY

Company Application No.1299 of 2015

Date:24.8.2015

**Between**:
M/s PCIL Power and Holdings Limited,
Hyderabad, reptd., by its Director-
Mr. V.R.Vasudevan

**..... Applicant/**
**Resulting Company**

Counsel for the applicant: Mr.V.S.Raju

The Court made the following:
ORDER:

This Company Application is filed by M/s PCIL Power and Holdings Limited (Resulting Company) for dispensing with the requirement of holding the meeting of its equity shareholders for considering the scheme of arrangement.

The applicant averred that originally, it was incorporated under the Companies Act, 1956 (for short 'the Act') on 20.02.2003, as a public limited company under the name and style "M/s Pioneer Corporation Limited" and later its name was changed as "M/s Pioneer

24.10.1991 with its registered office at Lakshmi Nivas, Plot No.705, Road No.3, Banjara Hills, Hyderabad; that its authorized share capital is Rs.90 crores divided into 9 crore equity shares of the value of Rs.10/- each; that its issued, subscribed and paid up capital is Rs.13,38,00,000/- divided into 1,33,80,000 equity shares of the value of Rs.10/- each; that its main objects, as set out in the Memorandum of Association, are to generate, harness, develop, accumulate, distribute, transmit and supply electricity by setting up power plants for the purpose of light, heat, motive power and for all other purposes for which electric energy can be employed, etc; that its Board of Directors, vide its resolution, dated 13.8.2015, (filed as Annexure-A7) approved the scheme of arrangement i.e., to demerge the business of generation and sale of power including demerged company's (M/s Penna Cement Industries Limited) strategic investments in power and alumina business into it with effect from the appointed date i.e., 01.4.2015.

In para-12 of the affidavit, the applicant has inter alia summarised the benefits the proposed scheme of arrangement, viz., it would assist in greater visibility of performance of individual businesses and attribution of appropriate value based on their respective risk-return profile and cash flows, etc.

The applicant further averred it has seven share holders, and all of them have given their No Objection affidavits to the proposed scheme of arrangement (filed as Annexures-A6); that it has no secured and unsecured creditors.

The applicant has, therefore, sought for dispensing with the holding of the meeting of its equity shareholder for considering the proposed scheme of arrangement.

Having regard to the above facts, supported by the documentary evidence i.e., the No objection/consent letters filed by the equity shareholders of the applicant, whereunder they have given their consent to the proposed scheme of arrangement, this Court is of the opinion that no purpose will be served by ordering to hold their meeting for considering the proposed scheme of arrangement.

The Company Application is, accordingly, allowed.

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*JUSTICE C.V.NAGARJUNA REDDY*

*24$^{tht}$ August 2015*
*DR*