

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 02.03.2016

CORAM

THE HON'BLE MR. JUSTICE K.RAVICHANDRABAABU

C.P. Nos. 496 and 497 of 2015

Buhari Sons Private Limited
 Registered Office:
 14, Whannels Road, Egmore,
 Chennai - 600008.
 Rep by its Director
 Mr.M.B.Haja.

...Petitioner/Transferor Company
 in C.P. No. 496 of 2015.

Basheer Buhari Sons Private Limited
 Registered Office:
 No. 6, Gandhi Irwin Road, Egmore,
 Chennai - 600008.
 Rep by its Director,
 Mr.B.Imthiaz Ahmed.

...Petitioner/Transferee Company
 in C.P. No. 497 of 2015.

Prayer in both petitions: Petitions under Section 391(2)
 to 394 of the Act for sanctioning the Scheme of
 Arrangement (Demerger).

For Petitioner : M/s.Arun C. Mohan

For Regional Director: Mr.G.Venkatesan,

Senior Central Govt. Standing Counsel

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C O M M O N O R D E R

These applications are filed under Sections 391 to
 394 of the Companies Act, 1956 praying for sanctioning a
 Scheme of Arrangement (Demerger) between the transferor
 Company, Buhari Sons Private Limited and the transferee
 Company, Basheer Buhari Sons Private Limited with effect
 from 1st April, 2014. The Scheme of Arrangement (Demerger)

is annexed as Annexure 'D' in the petitions.

2. The petitioner-Buhari Sons Private Limited in C.P.No. 496 of 2015 is the Transferor Company and the petitioner-Basheer Buhari Sons Private Limited in C.P.No. 497 of 2015 is the Transferee Company.

3. A perusal of the records show that the petitioners have complied with the formalities as prescribed under the Companies Act and the Rules framed therein. The list of equity shareholders of the petitioner /Transferee company and the consent affidavit from the equity shareholders for approving the Scheme of Arrangement (Demerger) is marked as Annexure 'G' and 'H' of the typed set in C.P.No.497 of 2015. This Court, by order dated 30.09.2015 in C.A.No. 1015 of 2015, dispensed with the convening, holding and conducting of the meeting of the equity shareholders in respect of the Transferee Company. Insofar as the Transferor Company is concerned, this Court, by order dated 30.09.2015, in C.A.No.1013/2015 ordered for convening, holding and conducting of the meeting of the shareholders for approving the Scheme of Arrangement (demerger) and directed the Chairman to file his report within one week from the date of the meeting. By order dated 30.09.2015, in C.A.No.1014/2015, this Court, dispensed with the the order for paper publication to convene the meeting of the equity shareholders. As per the direction of this Court, the Chairman has filed his report which is marked as

Annexure 'H' of the typed set in C.P.No.496/2015. There is no secured creditor as far as the Transferee company is concerned and the certificate of the Chartered Accountant confirming the same is annexed as Annexure 'F'. The copy of the Board Resolution dated 18.07.2015 of the Board of Directors approving the Scheme of Arrangement is enclosed as Annexure 'C' to the respective petitions.

4. The Regional Director has filed an affidavit dated 28.01.2016, wherein he has stated that it has been decided not to make any objection to the scheme of arrangement. He has further stated that the demerged and transferee companies have no secured creditors which is confirmed by the certificate of the Chartered Accountant. He further reported that the companies are regular in filing the statutory returns and no prosecution is filed and no complaints are pending.

5. I have perused the report filed by the Regional Director and the order passed by this Court dated 30.09.2015 made in Company Application Nos. 1013 to 1015 of 2015 and the consent affidavits are filed by the equity shareholders of the company consenting for the scheme of arrangement.

6. I have also perused the Scheme of Arrangement filed in the company petitions. The Scheme states that

there is no objectionable feature in the scheme of arrangement which is detrimental to the employees of the

Demerged / transferor company or of the transferee company. The said scheme is not violative of any statutory provisions. The scheme is fair, just and sound and is not against any public policy or public interest. No proceedings are pending under Sections 231 to 237 of the Companies Act, 1956. All the statutory provisions are complied with.

7. Considering all these facts and circumstances and considering the report of the Regional Director, this Court is of the view that there cannot be any impediment in allowing these Company Petitions. Accordingly, there shall be an order, approving to the Scheme of Arrangement (Demerger) between the transferor Company, M/s. Buhari Sons Private Limited and the transferee Company M/s. Basheer Buhari Sons Private Limited with effect from 1st April, 2015, as the procedure laid down under Sections 391 to 394 of the Companies Act are duly complied with. The Company Petitions are allowed.

8. The learned Central Government Standing Counsel appearing for the Regional Director shall be paid a sum of Rs. 10,000/- from the petitioners' Company.

Sd/.K.R.C.B.J

02.03.2016

//Certified to be a true copy//

Dated this the day of 2016
<https://hcservices.ecourts.gov.in/hcservices/>

S.s/30.03.2016

COURT OFFICER

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