

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 25.04.2016

DELIVERED ON : 28.04.2016

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The Honourable **Mr.Justice RAJIV SHAKDHER**

C.P.No.34 of 2016

Natco Organics Limited
New No.37, Old No.18/2, 1st Main Road,
CIT Colony, Mylapore,
Chennai – 600 004
rep. By its Director
Mr.Sadasiva Rao

.. Petitioner/Transferor Company

Petition filed under sections 391 to 394 of the Companies Act,
1956 to sanction the scheme of amalgamation.

For Petitioner : Mr.Anirudh Krishnan

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

Mr.Achutha Ramaiah
Official Liquidator

ORDER

This company petition is preferred under sections 391 to 394 of the Companies Act, 1956 for sanctioning the scheme of amalgamation of the petitioner company with the transferee company with effect from 1st April 2015. The scheme of amalgamation (in short scheme) is appended as Annexure 2 to the petition.

2. The petitioner is the transferor company. The registered office of the Transferee company, viz., M/s.Natco Pharma Limited is at NATCO House, Road No.2, Banjara Hills, Hyderabad – 500 034.

2.1. To be noted, in paragraph No.13 of the petition it is stated that the Transferee Company is the holding company of the Transferor 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, in any case, will be preferred on behalf of the Transferee Company.

3. A perusal of the records show that the petitioner has complied with the prescribed procedure. Chartered Accountant

certificate stating that the petitioner company has no secured creditor is appended as Annexure 9 to the petition. The copy of the resolution dated 18.05.2015 and 22.05.2015 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 '1 and 5' to the petition.

4. The affidavits of equity shareholders giving their consent to the scheme is appended as Annexure '8' to the petition.

4.1 This Court, in its order dated 11.01.2016 passed in C.A.No.31 of 2016, dispensed with the convening, holding and conducting of the meeting of the shareholders of the petitioner company for the purpose of considering and if thought fit, approving with or without modification, the scheme conceived by the petitioner company involving amalgamation.

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

6. The Official Liquidator has also filed his report along with the report of the Chartered Accountant. The 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 did 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 stated in the said report of the Chartered Accountant that the records maintained in the office of the Registrar of Companies were also caused to be inspected.

6.1. 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.

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

7.1. 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 231 to 237 of the Companies Act, 1956. All the statutory provisions appear to have been complied with.

8. Consequently, there shall be an order approving the scheme of amalgamation between the petitioner/transferor company, viz., Natco Organics Limited with the Transferee company, viz., Natco Pharma Limited, with effect from 01.04.2015, as per the procedure laid down under Sections 391 to 393 of the Companies Act, which shall be duly complied with.

9. Further more, 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 petitioner/transferor company shall stand dissolved without winding up.

10. 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.

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

12. The petition is disposed of in aforementioned terms.

Index: Yes / No
Internet: Yes / No

28.04.2016

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RAJIV SHAKDHER,J.

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Pre-Delivery order in
C.P.No.34 of 2016

28.04.2016