

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 18.11.2016

DELIVERED ON : 23.11.2016

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The Honourable **Mr.Justice RAJIV SHAKDHER**

C.P.Nos.40 and 41 of 2016

CDM India Corporate Services Private Limited  
Bascon Futura, Ground Floor,  
56L, Venkatanarayana Road,  
T.Nagar, Chennai, Tamil Nadu,  
India, 600 017  
represented by its Director  
Mr.Bala Sashikant

.. Petitioner in C.P.No.40 of 2016  
/ Transferor Company

Camp Dresser & Mckee (India) Private Limited  
Bascon Futura, 2nd Floor,  
56L, Venkatanarayana Road,  
T.Nagar, Chennai, Tamil Nadu,  
India, 600 017  
represented by its Director  
Mr.Muttathukattil Krishnan Biju

.. Petitioner in C.P.No.41 of 2016  
/ Transferee Company

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

For Petitioners : Mr.Pawan Jabakh  
for M/s.Harishankar Mani

Mr.Venkataswamy Babu  
for Regional Director  
Ministry of Company Affairs,Chennai

Mr.Achutha Ramaiah  
Official Liquidator

**COMMON ORDER**

1. These company petitions are preferred under Sections 391 to 394 of the Companies Act, 1956 for seeking a sanction of the scheme of amalgamation concerning CDM India Corporate Services Private Limited (in short transferor company) and Camp Dresser & Mckee (India) Private Limited (in short transferee company), with effect from 01.04.2015. The scheme of amalgamation (in short scheme) is appended as Annexure '4' to the respective petitions.

2. The petitioner in C.P.No.40 of 2016 is the transferor company and the petitioner in C.P.No.41 of 2016 is the transferee company.

2.1. I may only note that the transferor and transferee companies will be collectively referred to as petitioners.

3. A perusal of the record shows that the petitioners have complied with the prescribed procedure.

4. A copy of two (2) separate resolutions dated 08.09.2015 and 11.09.2015, passed by the Board of Directors of both the transferor company as well as the transferee company respectively, approving the proposed scheme is enclosed as Annexure '3' to the respective petitions.

5. It is stated that the transferor company has no secured creditors. A certificate of the Chartered Accountant confirming the same is appended as Annexure '6' to C.P.No.40 of 2016.

5.1. It is averred that the transferor company has five (5) unsecured creditors, as on 31.07.2016, having an outstanding value, equivalent to a sum of Rs.3,21,832/-. The Chartered Accountant's certificate affirming the same is enclosed as an additional document to C.P.No.40 of 2016. It appears that the transferor company has, subsequently, made payments to the said unsecured creditors, who are stated to be trade creditors. The said position is affirmed by the

Chartered Accountant vide his report dated 22.09.2016. The said report is appended as an additional document to C.P.No.40 of 2016.

5.2. The affidavits of the equity shareholders of the transferor company giving their consent to the proposed scheme is appended as Annexure '8' to C.P.No.40 of 2016.

5.3. This Court, by order dated 21.12.2015, passed in C.A.No.1234 of 2015, dispensed with the convening and holding of the meeting of the equity shareholders of the transferor company to consider the proposed Scheme, inter alia, for the reason that its equity shareholders had given their consent to it.

6. It is stated that the transferee company has no secured creditors. A certificate of the Chartered Accountant confirming the same is appended as Annexure '6' to C.P.No.41 of 2016.

6.1. It is averred that the transferee company has thirteen (13) unsecured creditors, as on 31.07.2016, having an outstanding value, equivalent in the sum of Rs.6,40,378/-. The Chartered Accountant's certificate affirming the same is enclosed as an additional document to

C.P.No.41 of 2016. It is further averred that the transferee company has unsecured liabilities to the extent of Rs.86,39,696/-, which are stated to be statutory dues.

6.2. It is seen from the report of the Chartered Accountant that, as on 31.07.2016, the transferee company has net worth pegged at Rs.12,04,56,799/-, cash and bank balances equivalent to Rs.1,07,63,514/-, current assets other than bank balance amounting to Rs.9,70,96,570/-, net fixed assets equivalent to Rs.1,08,11,944/-; and other non-current assets amounting to Rs.1,10,64,836/-.

6.3. It is averred that the amalgamation which is in offing, will be beneficial to the petitioners and, will result in better and more efficient operation of the concerned companies.

6.4. The affidavits of the equity shareholders of the transferee company giving their consent to the proposed scheme is appended as Annexure '8' to C.P.No.41 of 2016.

6.5. This Court, by order dated 21.12.2015, passed in C.A.No.1235 of 2015, dispensed with the convening and holding of the

meeting of the equity shareholders of the transferee company to consider the proposed Scheme, inter alia, for the reason that its equity shareholders had given their consent to it.

7. 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.

8. The Official Liquidator has also filed the report prepared by 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 has 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 that the records maintained in the office of the Registrar of Companies were also caused to be inspected by the said Chartered Accountant. In the absence of any material 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.

9. I have perused the proposed scheme filed along with the company petitions as also the affidavits placed on record. 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 companies. The said scheme, as framed, is not violative of any statutory provisions.

10. 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.

11. Consequently, there shall be an order approving the scheme of amalgamation of the transferor company, viz., CDM India Corporate Services Private Limited with the transferee company, viz., Camp Dresser & McKee (India) Private Limited, with effect from 01.04.2015, as per the procedure laid down under Sections 391 to 394 of the Companies Act.

12. Taking note of the report of 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.

13. 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.

14. 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.

15. The above petitions are disposed of in the aforementioned terms.

Index: Yes / No  
Internet: Yes / No  
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23.11.2016

**RAJIV SHAKDHER,J.**

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Pre-Delivery Common Order in

C.P.Nos.40 and 41 of 2016

Dated: 23.11.2016  
<http://www.judis.nic.in>