

HONOURABLE SRI JUSTICE CHALLA KODANDA RAM

COMPANY PETITION Nos.280 & 281 OF 2016

COMMON ORDER:

These petitions are filed under Sections 391 and 394 of the Companies Act, 1956 (for short, "the Act"), seeking approval of the scheme of amalgamation between Transferor Company No.1 i.e., M/s. Shree Papers Limited and Transferor Company No.2 i.e., M/s. Shree Chakrapapers Private Limited with the Transferee company i.e., Volta Impex Private Limited as consented by the shareholders of the Transferors Company and the Transferee Company.

The transferor company No.1 was incorporated on 05.09.1981. The authorised share capital of the company is Rs.6,90,00,000/- divided into 69,00,000 equity shares of Rs.10/-. The present issued, subscribed and paid-up capital is Rs.6,34,11,550/- divided into 63,41,155 fully paid up equity shares of Rs.10/- each.

The transferor company No.2 was incorporated on 25.06.1996. The authorised share capital of the company is Rs.6,30,00,000/- divided into 63,00,000 equity shares of Rs.10/-. The present issued, subscribed and paid-up capital is Rs.4,99,30,000/- divided into 49,93,000 fully paid up equity shares of Rs.10/- each.

The transferee company was incorporated on 14.10.1996. The authorised share capital of the company is Rs.1,90,00,000/- divided into 1,90,000 equity shares of Rs.100/- each. The present issued, subscribed and paid-up capital is Rs.1,00,00,000/- divided into 1,00,000 fully paid up equity shares of Rs.100/- each. The

transferors companies 1 and 2 are wholly owned subsidiary companies of the transferee company.

The objects of the transferor Nos.1 and 2 are to carry on the business of manufacturers, buyers, sellers, importers and exporters of end dealers in all kinds and classes of paper, board, cardboard and pulp in all its branches, including mechanical or chemical pulp etc.

The objects of the transferee company is to carry on the business of export and import of any kind of merchandise machinery, equipment any type of articles manufactured or otherwise, products of all kinds to or from any country, or transport or carry or convey the same from any part of the country to another part thereof etc.

Considering the fact that the share holders had filed the affidavits expressing their consent for amalgamation by approving the scheme, the share holders' meetings were dispensed with by a common order dated 04.07.2016 passed by this Court in C.A.Nos.882 of 2016 and 883 of 2016. On 11.08.2016, this Court, in the instant company petitions, ordered notice to the Regional Director, South East Region, Ministry of Corporate Affairs, Hyderabad and also the Official Liquidator. The petitioners were directed to cause publication of notice of scheme of arrangement in Business Standard (English) and Andhra Bhoomi (Telugu) daily newspapers of Hyderabad editions. The petitioners submit that notices on the statutory authorities were served and the advertisements were published in the newspapers on 20.08.2016. The Central Government had filed a common report in both the petitions. Official Liquidator also filed his report. Necessary proofs as required were filed before this Court evidencing the above

aspects. The transferor companies 1 and 2 had filed the no objection certificates from their creditors on 20.09.2016 vide U.S.R.Nos.4876 & 4879.

When the matters are taken up for hearing, the learned counsel for the petitioners has reiterated the contents in the petitions. No objections were received from any quarter. There was a compliance of the convening of the share holders meeting and all other interested parties and there being no objections received from any quarter and the petitioners have satisfied the required parameters as noticed by the Supreme Court in **MIHEER H.MAFATLAL V. MAFATLAL INDUSTRIES LIMITED**¹.

Learned counsel appearing for the statutory authorities have reported no objections for the proposed scheme of arrangement.

I have considered the material available on record, the principles of law enunciated by the Apex Court in **Miheer H.Mafatlal's** case (1 supra) and the conclusions/recommendations of the statutory authorities through their reports.

Having regard to the above material/reports, this Court is of the opinion that the proposed scheme of amalgamation is in conformity with the provisions of the Act. The scheme does not affect the interest of stakeholders and the public or public interest and is intended to further develop the business interests of transferors and transferee companies for more profit and maximum utilization of available resources. Therefore, the scheme of amalgamation in the meeting of Board of Directors of transferors and the transferee companies held on 03.05.2016 was sanctioned

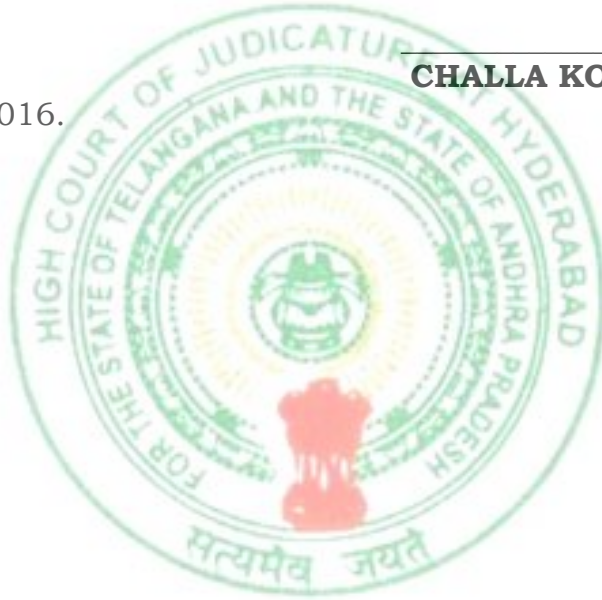
¹ 1996(87) Company Cases 792,

with effect from the date appointed i.e., 01.04.2016. The transferors companies be dissolved without going to the processing of winding up. The transferors and the transferee companies are directed to communicate certified copy of this order to the Registrar of Companies for the State of Telangana and the State of Andhra Pradesh, Hyderabad within 30 days from the date of receipt of a copy of this order. They are further directed to take all consequential and statutory steps required in pursuance of the approved scheme of arrangement under the provisions of the Act.

Both the Company Petitions are allowed accordingly.

Date:30.09.2016.
Gk.

CHALLA KODANDA RAM,J



HON'BLE SRI JUSTICE CHALLA KODANDA RAM



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Gk.