HON'BLE SRI JUSTICE A.RAMALINGESWARA RAO

C.P.Nos.350 & 351 of 2016

COMMON ORDER

C.P.No.350 of 2016 is filed by the transferor company, which is situated in Hyderabad in the State of Telangana. The authorized share capital of Rs.60,000,000/- divided into 6,000,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital is Rs.56,420,580/- divided into 5,642,058 equity shares of Rs.10/- each.

C.P.No.351 of 2016 is filed by the transferee company, which is situated in Hyderabad in the State of Telangana. The authorized share capital of Rs.10,00,00,000/- divided into 1,00,00,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital is Rs.7,08,54,140/- divided into 70,85,414 equity shares of Rs.10/- each.

The Board of Directors of the transferor company and the transferee company met on 09.09.2016 and 10.9.2016 respectively and approved the scheme of amalgamation between the transferor company and the transferee company and appointed date is 1.4.2016. The transferor company has two secured creditors and there are no unsecured creditors, whereas the transferee company has no secured and unsecured creditors. The transferor company has three equity shareholders and the transferee company has two shareholders. The transferor company filed C.A.No.1399 of 2016 and the transferee company filed C.A.No.1400 of 2016 seeking to dispense with the meeting of the shareholders and the said applications were ordered on 30.9.2016. Thereafter, the present company petitions were filed by the respective companies.

Due notices were issued to the Official Liquidator as well as to the Regional Director, apart from publishing notices in "Business Standard" (English Daily) & "Andhra Prabha" (Telugu Daily).

Pursuant to the said notice, the Official Liquidator filed a report stating that as per the audited balance sheet as on 31.3.2016, the transferor company has availed secured loans for an amount of Rs.159,00,00,000/- from HDFC; loans and advances from related parties for an amount of Rs.47,33,39,060/-; sundry creditors for an amount of Rs.16,27,49,838/- and other current liabilities for an amount of Rs.10,66,51,895/-. It is also stated that as per un-audited provisional balance sheet as on 31.08.2016, the transferor company availed secured loans for an amount of Rs.139,84,98,839/- from HDFC; an amount of Rs.9,65,10,822/- from ICICI & loans and advances from M/s.Aparna Constructions and Estates Private Limited for an amount of Rs.45,51,36,550/-. It is further stated that consent of HDFC, ICICI Bank and M/s.Aparna Constructions and Estates Private Limited for the proposed scheme of amalgamation was furnished. The transferor company was also liable to pay an amount of Rs.21,17,24,566/- towards trade payables in respect of 19 parties out of which 2 major parties have given consent for an amount of Rs.20,05,63,535/- (95.72%) for the proposed scheme of amalgamation. The transferor company is also having other current liabilities to an amount of Rs.27,34,82,345/- (Rs.26,86,07,496/- collected from 370 buyers of plots/flats and the balance amount of Rs.48,74,849/- shown towards TDS, audit fee, administrative expenses etc). However, the transferor company has not furnished of them consent of them for the proposed scheme of amalgamation and there is deferred tax liability to an amount of Rs.2,19,855/-. It is also stated that apart from the above, the company has not conducted its affairs in a manner prejudicial to the interests of the members or to public interest.

The Regional Director, South East Region, filed report stating that when a notice was issued to the Income Tax Department for submitting their comments, no comments/objections were received. It is further stated that the transferor and the transferee companies involved in the scheme of amalgamation are regular in filing the statutory returns and no complaints, investigations and inspections are pending against them.

Today, a joint affidavit is filed by Directors of the transferor company and the transferee company stating that the rights of plots/flats of the purchasers would be protected and the transferee company will deliver the plots/flats to the purchasers as per the

terms and conditions agreed between the purchasers and the transferor company.

In view of the above joint affidavit and reports of the Official Liquidator and the Regional Director, the Company Petitions are allowed sanctioning the scheme of amalgamation as approved by the shareholders and creditors.

JUSTICE A.RAMALINGESWARA RAO

19th December, 2016
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