

HONOURABLE SRI JUSTICE CHALLA KODANDA RAM

COMPANY PETITION No.204 OF 2016

ORDER:

This petition is filed under Sections 391 and 394 of the Companies Act, 1956 (for short, "the Act"), seeking approval of the scheme of arrangement between the petitioner (Demerged company/Transferor company) and the transferee/resulting company viz., M/s. Pranitha Property Holdings Private Limited as consented by the shareholders of both the companies.

The petitioner Demerged company/Transferor Company was incorporated on 12.09.1967. The authorised share capital of the company is Rs.5,00,00,000/- divided into 5,00,000 equity shares of Rs.100/- each and 5,000 9.8% redeemable cumulative preference share of Rs.100/- each. The issued, subscribed and paid-up capital of the transferor company is Rs.21,76,000/- divided into 21,760 equity shares of Rs.100/- each.

M/s. Pranitha Property Holdings Private Limited, (transferee company/resulting company) was incorporated on 17.06.2015. The authorised share capital of the company is Rs.1,00,00,000/- divided into 10,00,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up capital of the transferor company is Rs.10,00,000/- divided into 1,00,000 equity shares of Rs.10/- each and the entire share capital is held by the transferor company and its nominees.

The objects of the transferor company is to carry on the business of structural engineers in all its branches, manufacturers of and dealers in structural materials and equipments of all kinds and descriptions, spares and accessories etc.

The objects of the transferee company is to carry on all the business of builders, real estate-developers, contractors, sub-contractors, dealers and by advancing money to and enter into contracts and arrangements of all kinds with builders, tenants, occupiers and

others, land development, service apartments, serviced plots, constructions of residential and commercial premises including business etc.

Considering the fact that the share holders had filed the affidavits expressing their consent for arrangement by approving the scheme, the share holders' meeting was dispensed with on 20.04.2016 in C.A.No.584. On 28.06.2016, this Court, in the instant company petitions, ordered notice to the Regional Director, South East Region, Ministry of Corporate Affairs, Hyderabad. The petitioner was directed to cause publication of notice of scheme of arrangement in Business Standard (English) and Andhra Bhoomi (Telugu) daily newspapers of Hyderabad editions. The petitioner submit that notices on the statutory authorities were served and the advertisement was published in the newspapers on 07.07.2016. Necessary proofs as required were filed before this Court evidencing the above aspects.

When the matter is taken up for hearing, the learned counsel for the petitioner has reiterated the contents in the petition. 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 petitioner has satisfied the required parameters as noticed by the Supreme Court in **MIHEER H.MAFATLAL V. MAFATLAL INDUSTRIES LIMITED**.

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 arrangement 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 transferor and transferee companies for more profit and maximum utilization of available resources. Therefore, the scheme of arrangement in the meeting of Board of Directors of transferee and the transferor companies held on 23.02.2016 are sanctioned with effect from the date appointed i.e., 01.03.2016. The transferor and the transferee companies are directed to communicate the 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.

The Company Petition is allowed accordingly.

Date:01.09.2016.

Gk.

CHALLA KODANDA RAM,J

HON'BLE SRI JUSTICE CHALLA KODANDA RAM



COMPANY PETITION No.204 OF 2016

Date:01.09.2016.

Gk.