

(2006) 01 GUJ CK 0007
In the Gujarat High Court
Case No : Company Petition No. 175 of 2005
In Re: Aditya Birla Nuvo Ltd.

Date of Decision : 10-01-2006

Acts Referred:

Companies Act, 1956 — Section 391, 392, 393, 394

Citation : (2006) 5 CompLJ 99

Hon'ble Judges : R.S. Garg, J

Bench : Single Bench

Advocate : Mihir Thakore and Sandeep Singhi, for Singhi and Company, for the Appellant; P.J. Malikan, for the Respondent

Judgement

R.S. Garg, J.—The present company petition is filed for sanctioning the arrangement embodied in the scheme of amalgamation of Indo Gulf Fertilizers Ltd. (transferor company) with Aditya Birla Nuvo Ltd. (formerly known as Indian Rayon and Industries Ltd.) (transferee company), whereby the undertaking (as defined in the scheme) of the transferor company shall stand transferred and vest in the transferee company on the terms and conditions, as stated in the scheme of amalgamation.

2. I have heard Mr. Mihir Thakore, senior counsel, appearing for the petitioner. I have considered the contents of the petition and the totality reflected from the annexures annexed with the petition.

3. Earlier, by order dated 7 October 2005 in company application No. 331 of 2005 preferred by the petitioner company, i.e., the transferee company, this court directed the petitioner company to hold and convene the meeting of the equity shareholders for the purpose of considering, and if thought fit, approving, with or without modifications, the said scheme of amalgamation. The said meeting was directed to be convened at the registered office of the petitioner company on 16 November 2005 at 10 a.m. This court held that the petitioner company shall not object to the same on the ground that the meetings of the secured and unsecured creditors were dispensed with by this court. I have perused the undertaking dated 13 October 2005 filed by one Pinky Mehta, Senior

Vice President of the petitioner company. The notice of the meeting was sent individually to the equity shareholders of the petitioner company. The notice of the meeting was also advertised in The Times of India (Ahmedabad Edition) and Gujarat Samachar (Ahmedabad Edition) on 22 October 2005 and 23 October 2005, respectively. Pursuant to the convening of the said meeting of equity shareholders, the scheme of amalgamation was approved with requisite majority at the meeting convened on 16 November 2005. I have perused the report of the chairman dated 17 November 2005 to the said effect.

4. By order dated 22 November 2005, the present petition was admitted and the notice of the hearing of petition was served on the Central Government through the Regional Director, Department of Company Affairs, on 25 November 2005. The notices were also ordered to be published in two newspapers. Pursuant to the same, an affidavit of one Mr. Devendra Bhandari, Senior Vice President and Company Secretary of the petitioner company, dated 19 December 2005 has been filed confirming the publication of the notice in two newspapers, as directed, and service of notice to the regional director.

5. The letter dated 20 December 2005 addressed by the Regional Director, Mumbai to the Registrar of Companies, Ahmedabad along with letter dated 21 December 2005 written by the Registrar of Companies, Ahmedabad to Mr, Purvish J. Malkan, Central Government Counsel, have been placed on record. In the said letter dated 20 December 2005, it is stated by the Regional Director that the Regional Director has no objection to the amalgamation and the matter is left to the court to be decided on its merits. No shareholder or creditor has come forward to object to the scheme. Therefore, in view of the above considerations, I hold that there are no grounds or circumstances to refuse to grant approval to the scheme of amalgamation. On going through the scheme, it appears that the requirements of the provisions of Sections 391 to 394 of the Companies Act, 1956 are satisfied. The scheme is genuine and bona fide and in the interest of shareholders and creditors of the petitioner company. I, therefore, accordingly, allow this petition and approve the arrangement embodied in the scheme of amalgamation. This scheme of amalgamation is sanctioned subject to the sanction of the scheme filed by the transferor company before the High Court of Judicature at Allahabad, Lucknow Bench. Reliefs in terms of paragraph 24(a) to (i) in company petition No. 175 of 2005 are hereby granted.

6. The fees of learned Assistant Solicitor General of India is quantified at Rs. 7,500 to be paid by the petitioner company.

7. The company petition shall stand disposed of accordingly.