

**THE NATIONAL COMPANY LAW TRIBUNAL  
PRINCIPAL BENCH, NEW DELHI**

**COMPANY APPLICATION NO. CA(CAA) 11/ PB/ 2021**

*Under Section 230-232 and other applicable provisions of the Companies Act,  
2013 read with Companies (Compromises, Arrangements and Amalgamations)  
Rules, 2016*

**IN THE MATTER OF SCHEME OF AMALGAMATION OF  
GALLANTT METAL LIMITED**

... TRANSFEREE COMPANY /  
APPLICANT COMPANY No. 1

**AND**

**GALLANTT ISPAT LIMITED**

... TRANSFEROR COMPANY No. 1 /  
APPLICANT COMPANY No. 2

**AND**

**AAR COMMERCIAL COMPANY LIMITED**

... TRANSFEROR COMPANY No. 2 /  
APPLICANT COMPANY No. 3

***Order Pronounced on: 26.02.2021***

**CORAM:**

**SHRI B.SV. PRAKASH KUMAR,  
HON'BLE ACTING PRESIDENT  
SHRI HEMANT KUMAR SARANGI,  
HON'BLE MEMBER (TECHNICAL)  
PRESENT**

For Applicants: MR. ABHISHEK NAHTA, CA



## **ORDER**

**PER-HEMANT KUMAR SARANGI, MEMBER(T)**

1. This is a first motion application jointly filed by the Applicant Companies under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the Scheme of Amalgamation proposed between the Applicant Companies and their respective shareholders and creditors.
2. Affidavits in support of the application sworn for and on behalf of the Applicant Companies have been filed by Mr. Arnab Banerjee, Company Secretary of Applicant Company No 1, Mr. Nitesh Kumar, Company Secretary of Applicant Company No 2 and Mr. Nitesh Kumar, authorised signatory of Applicant Company No 3 being authorized representatives of the Applicant Companies.
3. It is represented that the Scheme does not contemplate any corporate debt restructuring as contemplated under Section 230(2)(c) of the Act. We have been taken through the averments made in the application as well as the documents annexed there with. It is further represented that the application filed by the Applicant Companies is maintainable in view of Rule 3(2) of the Rules and it is also represented that the registered office of the Applicant Companies are situated



within the territorial jurisdiction of this Tribunal and fall within the domain of Registrar of Companies, NCT of Delhi.

4. In relation to Applicant Company 1, it is represented

- a) The Applicant Company 1 is a publicly listed company and was incorporated on the 7th day of February, 2005 in the State of West Bengal and subsequently, the registered office was shifted to Delhi. The authorized share capital of the Applicant Company 1 as on the date of the application is Rs. 83,00,00,000/- divided into 8,30,00,000 equity shares of Rs. 10/- each. The issued, subscribed and fully paid up share capital of the Applicant Company 1 as on the date of the application is Rs. 81,32,23,240/-, divided into 8,13,22,324 equity shares of Rs. 10/- each. The registered office of the Applicant Company 1 is situated at I-7, Jangpura Extension, New Delhi-110 014.
- b) As on November 27<sup>th</sup>, 2020, the Applicant Company 1 has 7,230 equity shareholders. A certificate by the Company Secretary of the Company certifying the shareholding pattern of the Company as on 27<sup>th</sup> November, 2020 has been filed along with the application as Annexure A-16 (page no 827 to 835).
- c) As on November 30, 2020, the Applicant Company 1 has only 1 secured creditor. A certificate issued by the chartered accountant certifying the list of Secured





Creditors as on 30<sup>th</sup> November, 2020 has been filed along with the application as Annexure A-13 (page no 814 to 817).

- d) As on November 30<sup>th</sup>, 2020, the Applicant Company 1 has only 47 Unsecured creditors. A certificate issued by the chartered accountant certifying the list of Unsecured Creditors as on 30<sup>th</sup> November, 2020 has been filed along with the application as Annexure A- 13 (page no 814 to 817).

5. In relation to Applicant Company 1, it is represented

In relation to the equity shareholders, secured Creditors and unsecured creditors, the Applicant Company 1 prays for direction to convene the respective meetings of the equity shareholders, Secured Creditors and unsecured creditors of the Applicant Company 1 for the purpose of approving the Scheme.

6. In relation to Applicant Company 2, it is represented

- a) The Applicant Company 2 is a publicly listed company and was incorporated on 11th day of February, 2005 in the State of West Bengal and subsequently, the registered office was shifted to Delhi. The authorized share capital of the Applicant Company 2 as on the date of the application is Rs. 49,88,50,000/- divided into 49,88,50,000 equity shares of Re. 1/- each. The issued,



subscribed and fully paid-up share capital of the Applicant Company 2 as on the date of the application is Rs. 28,23,60,720/-, divided into 28,23,60,720 equity shares of Re. 1/- each. The registered office of the Applicant Company 1 is situated at I-7, Jangpura Extension, New Delhi-110 014.

- b) As on November 27<sup>th</sup>, 2020, the Applicant Company 2 has 3,551 equity shareholders. A certificate by the Company Secretary of the Company certifying the shareholding pattern of the Company as on 27<sup>th</sup> November, 2020 has been filed along with the application as Annexure A-16 (page no 836 to 843).
- c) As on November 30, 2020, the Applicant Company 2 has only 2 secured creditors. A certificate issued by the chartered accountant certifying the list of Secured Creditors as on 30<sup>th</sup>, November, 2020 has been filed along with the application as Annexure A-14 (page no 821 to 824).
- d) As on November 30<sup>th</sup>, 2020, the Applicant Company 2 has only 70 Unsecured creditors. A certificate issued by the chartered accountant certifying the list of Unsecured Creditors as on 30<sup>th</sup> November, 2020 has been filed along with the application as Annexure A-14 (page no 821 to 824).

7. In relation to Applicant Company 2, it is represented



In relation to the equity shareholders, secured Creditors and unsecured creditors, the Applicant Company 2 prays for direction to convene the respective meetings of the equity shareholders, Secured Creditors and unsecured creditors of the Applicant Company 2 for the purpose of approving the Scheme.

8. In relation to Applicant Company 3 , it is represented

a) The Applicant Company 3 is a publicly listed company and was incorporated on 28th day of June, 1982 in the State of West Bengal and subsequently, the registered office was shifted to Delhi. The authorized share capital of the Applicant Company 3 as on the date of the application is Rs. 12,45,00,000/- divided into 1,24,50,000 equity shares of Rs. 10/- each. The issued, subscribed and fully paid up share capital of the Applicant Company 3 as on the date of the application is Rs. 10,01,40,000/-, divided into 1,00,14,000 equity shares of Rs. 10/- each. The registered office of the Applicant Company 3 is situated at I-7, Jangpura Extension, New Delhi-110 014.

b) As on November 27<sup>th</sup>, 2020, the Applicant Company 3 has 489 equity shareholders. A certificate by the Company Secretary of the Company certifying the shareholding pattern of the Company as on 27<sup>th</sup>





November, 2020 has been filed along with the application as Annexure A-16 (page no 844 to 851).

- c) As on November 30, 2020, the Applicant Company 3 has no secured creditor. A certificate issued by the chartered accountant certifying Nil Secured Creditor as on 30<sup>th</sup> November, 2020 has been filed along with the application as Annexure A- 15 (page no 825 to 826).
- d) As on November 30, 2020, the Applicant Company 3 has no Unsecured creditors. A certificate issued by the chartered accountant certifying the list of Unsecured Creditors as on 30<sup>th</sup> November, 2020 has been filed along with the application as Annexure A- 15 (page no 825 to 826).

9. In relation to Applicant Company 3, it is represented

In relation to the equity shareholders, secured Creditors and unsecured creditors, the Applicant Company 3 prays for direction to convene the respective meetings of the equity shareholders for the purpose of approving the Scheme. Further No meeting is required on account of NIL Secured Creditors and Unsecured Creditors of Applicant Company No 3.

10. We have perused the Joint Application and the connected documents / papers filed with the application including the Scheme as contemplated between the Applicant Companies.



11. It is seen that the board of directors of all the Applicant Companies vide separate meetings held on 18.01.2020, 25.05.2020 and 30.11.2020 have approved the Scheme. Copies of such board resolutions passed by the respective board of directors of the Applicant Companies have been placed on record by the Applicant Companies.
12. All the Applicant Companies have filed copies of their respective Memorandum of Association and Articles of Association. The Applicant Companies have also filed their standalone audited financial statements for the financial year ending March 31, 2020, as well as interim condensed standalone provisional financial statements for the period ending September 30, 2020 for all the Applicant Companies.
13. Taking into consideration the application and the documents filed therewith, as well as in view of the present circumstances owing to COVID-19 pandemic and the restrictions/lockdown imposed by the Central and State Government, we propose to issue the following directions with respect to calling, convening and holding of the meetings of shareholders and creditors, or dispensing with the same which are as follows:

**A. In relation to the Applicant Company No 1 :**





- a. **With respect to Equity Shareholders:** Meeting of the equity shareholders be convened between 2.00P.M and 3.30 P.M through video conferencing ("VC") or other Audio/Visual means OAVM on 08-04-2021 (Thursday), to be held at a place falling within the jurisdiction of the State in which the registered office of the Applicant Company 1 is situated, as the Applicant Company 1 may determine considering the COVID-19 pandemic situation/restrictions, subject to notice of meeting being issued. The quorum of the meeting of the equity shareholders shall be 200 in numbers joining the meeting. The voting on the Scheme to be undertaken either in person or by proxy or through postal ballot or through electronic means.
- b. **With respect to Secured Creditors:** Meeting of the Secured Creditor be convened between 9.00A.M and 10.00A.M through video conferencing ("VC") or other Audio/Visual means OAVM on 08-04-2021 (Thursday), to be held at a place falling within the jurisdiction of the State in which the registered office of the Applicant Company 1 is situated, as the Applicant Company 1 may determine considering the COVID-19 pandemic situation/restrictions, subject to notice of meeting being issued. The quorum of the meeting of the Secured Creditors shall be 1(one) joining the meeting. The voting on the Scheme to be undertaken either in person or by proxy or through postal ballot or through electronic means.
- c. **With respect to Unsecured Creditors:** The meeting of unsecured shareholders be convened between 11.00 A.M TO 12.00 Noon through VC or



other OAVM on 08-04-2021 (Thursday), to be held at a place falling within the jurisdiction of the State in which the registered office of the Applicant Company 1 is situated, as the Applicant Company 1 may determine considering the CoVID-19 pandemic situation/ restrictions, subject to notice of meeting being issued. The quorum of the meeting of the unsecured creditors shall be 10 Creditors joining the meeting. The voting on the Scheme to be undertaken either in person or by proxy or through postal ballot or through electronic means.

**B. In relation to the Applicant Company No 2 :**

- a. **With respect to Equity Shareholders:** Meeting of the equity shareholders be convened between 3.30P.M and 5.00 P.M through video conferencing ("VC") or other Audio/Visual means OAVM on 08-04-2021 (Thursday), to be held at a place falling within the jurisdiction of the State in which the registered office of the Applicant Company 2 is situated, as the Applicant Company 2 may determine considering the COVID-19 pandemic situation/restrictions, subject to notice of meeting being issued. The quorum of the meeting of the equity shareholders shall be 200 in numbers joining the meeting. The voting on the Scheme to be undertaken either in person or by proxy or through postal ballot or through electronic means.
- b. **With respect to Secured Creditors:** Meeting of the Secured Creditor be convened between 10.00A.M and 11.00A.M through video conferencing ("VC") or other Audio/Visual means OAVM on 08-04-2021 (Thursday), to be held at a place falling within the



jurisdiction of the State in which the registered office of the Applicant Company 2 is situated, as the Applicant Company 2 may determine considering the COVID-19 pandemic situation/restrictions, subject to notice of meeting being issued. The quorum of the meeting of the Secured Creditors shall be 1(one) joining the meeting. The voting on the Scheme to be undertaken either in person or by proxy or through postal ballot or through electronic means.

- c. **With respect to Unsecured Creditors:** The meeting of unsecured shareholders be convened between 12.00 Noon to 1.00 P.M through VC or other OAVM on 08-04-2021 (Thursday), to be held at a place falling within the jurisdiction of the State in which the registered office of the Applicant Company 2 is situated, as the Applicant Company 2 may determine considering the CoVID-19 pandemic situation/ restrictions, subject to notice of meeting being issued The quorum of the meeting of the unsecured creditors shall be 10 Creditors joining the meeting. The voting on the Scheme to be undertaken either in person or by proxy or through postal ballot or through electronic means.

**C. In relation to the Applicant Company No 3 :**

- a. **With respect to Equity Shareholders:** Meeting of the equity shareholders be convened between 5.00 P.M and 6.00 P.M through video conferencing ("VC") or other Audio/Visual means OAVM on 08-04-2021 (Thursday), to be held at a place falling within the jurisdiction of the State in which the registered office of the Applicant Company 3 is situated, as the





Applicant Company 3 may determine considering the COVID-19 pandemic situation/restrictions, subject to notice of meeting being issued. The quorum of the meeting of the equity shareholders shall be 50 in numbers joining the meeting. The voting on the Scheme to be undertaken either in person or by proxy or through postal ballot or through electronic means.

- D. In case the required quorum as noted above for the meetings of the Applicant Companies is not present at the time of commencement of the meetings, then the meetings shall be adjourned by 30 minutes and thereafter the persons present shall be deemed to constitute the quorum. The Chairperson and Alternate Chairperson appointed herein along with Scrutinizer shall ensure that the proxy register is properly maintained.
- F Mr. Somnath Gangopadhyay, Advocate (Mob. No. 9433230697) is appointed as the Chairperson for all the meetings to be called under this Order. He shall be paid an aggregate fee of Rs. 25,000/- (Rupees Twenty-Five Thousand only) for his services in addition to meeting his incidental expenses. In the absence of the Chairperson, Miss Aisha Amin, Advocate (Mob. No. 8981204500) is appointed as the Alternate Chairperson for the

meetings to be called under this Order. He shall be paid an aggregate fee of Rs. 20,000/- (Rupees Twenty Thousand only) for his services in addition to meeting his incidental expenses. Mr. Tanmay Kumar Saha, Company Secretary (Mob. No. 9831886005) is appointed as the Scrutinizer for all the meetings to be called under this Order. He shall be paid an aggregate fee of Rs. 15,000/- (Rupees Fifteen Thousand only) for his services in addition to meeting his incidental expenses. The fees of Chairperson Alternate Chairperson and Scrutinizer along with the travelling expenses and other out of pocket expenses shall be borne by the Applicant Companies. A copy of this order shall be supplied to the learned counsels for the Applicant Companies who in turn shall supply a copy of the same to the Chairperson, Alternate Chairperson and the Scrutinizer.

- G. Individual notices shall be sent to the shareholders and creditors as above by the Applicant Companies through email or through registered post or speed post or courier services, as available considering the present circumstances due to the COVID-19 pandemic 30 days in advance before the scheduled date of meeting, indicating the day, date, the place fixed for and time of meeting as aforesaid, together

with a copy of Scheme and copy of explanatory statement as required under the Companies Act, 2013 and the Rules, along with the proxy forms and any other documents as may be prescribed under the Act, be provided free of cost.

- H. The Applicant Companies shall publish an advertisement at least 30 clear days before the aforesaid meetings, indicating the day, date and the place fixed and time of meetings as aforesaid, to be published in Financial Express (English) and "Jansatta" (Hindi), both Delhi NCR editions. The Applicant Companies shall also publish the notice on their websites, if any. The notices and other documents (including the advertisement) shall also be sent to the Securities and Exchange Board India and the stock exchanges Applicant Company for placing on their websites in accordance with applicable laws.
- I. The Chairperson shall be responsible to report the results of the meetings to the Tribunal in Form No. CAA 4 as per Rule 14 of the Rules within 7 (Seven) days from the conclusion of the meetings. The Chairperson shall be assisted by the authorized representative / Company Secretary of the Applicant Companies and the Scrutinizer, who will





assist the Chairperson and Alternate Chairperson preparing and finalizing the reports.

- J. In order to comply with Section 230(5) the Act read with Rule the Rules, the Applicant Companies are directed to serve notice of the proposed Scheme on the following authorities, applicable: **(i) Regional Director**, Northern Region B-2 Wing, 2nd Floor, Pt. Deendayal Antyodaya Bhawan, C.GO. Complex, New Delhi - 110003; **(ii) Registrar of Companies**, N.C.T. of Delhi & Haryana at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi - 110019; **(iii) The official Liquidator**, Lok Nayak Bhawan, 8<sup>th</sup> Floor, Khan Market, New Delhi-110001; **(iv) Income Tax Department** through its nodal office at Lawyers' Chamber, Block 1, Room Nos. 428 & 429 Delhi High Court, New Delhi and the jurisdictional assessment office of the Applicant Companies, **(v) SEBI** at SEBI Bhavan BKC, Plot No. C4-A, G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051 Maharashtra; **(vi) NSE** at Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East) Mumbai - 400051, Maharashtra; **(vii) BSE** at Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001, Maharashtra; **(viii) Competition Commission of India** at 09<sup>th</sup> Floor, Office Block 1, Kidwai Nagar



(East), New Delhi 110023: through email or through registered post or speed post or courier services, stating that representations, if any, to be made by them shall be sent to the Tribunal within a period of 30 days from the date of receipt of such notice and copy of such representations shall be simultaneously sent to the Applicant Companies, failing which, it shall be presumed that the authorities have no objections to the proposed Scheme. The notices to Income Tax authorities shall disclose sufficient details like PAN card numbers, ward numbers and assessing officers so that proper reply may be filed.

- K. The Applicant Companies further shall furnish a copy of the Scheme (together with the explanatory statement), free of charge, within 1 day of any requisition for the Scheme made by every creditor or member of the Applicant Companies entitled to attend the meetings as aforesaid.
- L. The authorized representative of the Applicant Companies shall furnish affidavits stating that the directions of this Tribunal in relation to service of notice of meetings and publication of advertisement has been complied with at least one week before the proposed meetings.



M All the aforesaid directions are to be complied with in accordance with the applicable law, including forms and formats contained in the Rules as well as the provisions of the Act by the Applicant Companies and as directed by this bench.

14. The application stands allowed in the aforesaid terms.

Let the copy of order be served to parties.

- sd -

**(SH. B.S.V. PRAKASH KUMAR)**  
**ACTG. PRESIDENT**

- sd -

**(HEMANT KUMAR SARANGI)**  
**MEMBER (Technical)**

**26.02.2021**