

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH-I**

C.A. (CAA) 814/MB/2019

&

C.A. (CAA) 815/MB/2019

&

C.A. (CAA) 816/MB/2019

In the matter of

The Companies Act, 2013;

&

In the matter of

The Sections 232 r/w Section 230 of

The Companies Act, 2013

and other applicable provisions of The

Companies (Compromises, Arrangements

and Amalgamations) Rules, 2016;

AND

In the matter of

Scheme of Amalgamation

Eurodye Ctc (India) Private Limited

CIN: U74900MH2008PTC188469

...Transferor Company 1

Britacel Exports Private Limited

CIN: U51900MH1992PTC067356

...Transferor Company 2

**Crosfield Textile Chemicals (India) Private
Limited**

CIN: U24200MH2008PTC187962

...Transferee Company

(Collectively referred to as 'the Petitioner Companies')



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Order delivered on 04.01.2024`

Coram:

Shri Prabhat Kumar

Justice V.G. Bisht (Retd.)

Hon'ble Member (Technical)

Hon'ble Member (Judicial)

Appearances (through)

For the Applicant : Mr. Ganesh Shetty, PCS

1. Heard the Ld. Counsel for the Applicant Companies.
2. The present scheme is a scheme of Amalgamation sought u/s 232 r/w Section 230 and other applicable provisions of the Companies Act, 2013 amongst **Eurodye Ctc (India) Private Limited** (Transferor Company 1) **Britacel Exports Private Limited** (Transferor Company 2) **Crosfield Textile Chemicals (India) Private Limited** (Transferee Company).
3. Under consideration of the Application Nos. **C.A 40 of 2022, in C.A.(CAA) 814/MB/2019, MA 2291/2019; C.A 18 of 2022 in C.A.(CAA) 815/MB/2019, MA 2292/2019; and C.A 341 of 2021 in C.A.(CAA) 816/MB/2019, MA 2289/2019** filed under Sections 230 and 232 of the Companies Act, 2013. The prayer made is to dispense with convening, holding and conducting of the meeting of Equity Shareholders, Secured, Unsecured and Trade Creditors of the Transferor Company 1, Transferor Company 2 and Transferee



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Company. All three Applications are pertaining to the same Scheme, therefore, are taken together to pass a Common Order.

4. The Board of Directors of all Three (3) applicant companies i.e. Transferor Company 1 & 2 & Transferee Companies have approved and amended the appointed date instead of earlier appointed date 01.04.2018 revised the appointed date 01.04.2022 in its meeting held on 25.01.2019 & 01.03.2022. The bench allowed the appointed date to be 01.04.2022 and has taken on record the request of the applicant counsel, this is in compliance of the MCA circular F.No.7/12/2019/CL-1 General Circular 09/2019 dated 21.08.2019.
5. M/S. Eurodye CTC (INDIA) Private Limited was incorporated on 25th of November, 2008 under the name and style Eurodye CTC (India) Private Limited in the State of Maharashtra with the Corporation Identification Number U74900MH2008PTC188469,. The Transferor Company is engaged in the business of manufacturers, traders, Importers, exporters, Indenters, buyers, sellers, dealers, stockist, distributors in all types of textile auxiliaries and chemicals and their by- products, physical and other analysis, examination of chemicals, auxiliaries, ores, minerals, oils, drugs, chemicals, soils and the products required for the business of the company and the business of purification's distillations, standardization of natural products and essential oils, chemicals, drugs, and industrial laboratory and agro- chemicals required by trade, industry and agriculture.
6. M/s Britacel Exports Private Limited is a Company was incorporated on 23 June, 1992 under the name and style Britacel Exports Private Limited in the State of Maharashtra with the Corporation Identification Number U51900MH1992PTC067356.



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The Registered office of the Company situate at Plot No. C-27, C Wing, Raj Industrial Complex, Marol, Andheri (East), Mumbai 400059. IN. (herein after referred to as Transferor Company) The Transferor Company is engaged in th the business of exporters, dealers, whole sellers, retailiers in chemicals, Silicones, Textile Intermediates Dyes and polymers.

7. M/S. Crossfield Textile Chemicals (India) Private Limited was Incorporated on 04th November, 2008 under the name and style Crossfield Textile Chemicals (India) Private Limited" In the State of Maharashtra with the Corporate Identification Number U24200MH2008PTC0187962. The Registered office of the Transferee Company situated at F-18 Street No 23 MIDC, Marol Andheri E, Mumbai MH 400093. (herein after referred to as Transferee Company). The Transferee Company Is engaged in business of manufacturers, traders, importers, exporters, Indenters, buyers, sellers, stockiest, distributors in all types of textile auxiliaries, chemicals and their by-products, physical and other analysis, examination of chemicals, auxiliaries ores, minerals, olls, drugs, chemicals, soils and the products required for the business of the Company and business of purification's distillations, standardization etc of natural products and essential oils, chemicals, drugs, and Industrial laboratory and agro chemicals required by Trade, industry and Agriculture.
8. The share capital of Transferor Company 1 M/s Eurodye CTC (India) Private Limited as on March 31, 2018

Authorized Capital	Amount (Rs.)
50,000 Equity Shares of Rs.10/- each	5,00,000/-
Total	5,00,000/-



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Issued, Subscribed and Paid-Up Capital	Amount (Rs)
20,000 Equity Shares of Rs. 10/- each fully paid up	2,00,000/-
Total	2,00,000/-

Subsequent to March 31, 2018 there has been no change in the share capital of the Transferor Company 1.

9. The share capital of Transferor Company 2 M/s Britacel Exports Private Limited as on March 31, 2018

Authorized Capital	Amount (Rs.)
50,000 Equity Shares of Rs.100/- each	50,00,000
Total	50,00,000
Issued, Subscribed and Paid-Up Capital	Amount (Rs)
25,000 Equity Shares of Rs. 100/- each fully paid up	25,00,000
Total	25,00,000

Subsequent to March 31, 2018 there has been no change in the share capital of the Transferor Company 1.

10. The share capital of Transferee Company as on March 31, 2018

Authorized Capital	Amount (Rs.)
50,00,000 Equity Shares of Rs.10/- each	5,00,00,000
Total	5,00,00,000
Issued, Subscribed and Paid-Up Capital	Amount (Rs)
25,20,000 Equity Shares of Rs. 10/- each fully paid up	2,52,00,000



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Total	2,52,00,000
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Subsequent to March 31, 2018 there has been no change in the share capital of the Transferee Company.

11. Rationale for the Scheme:

The business activities of the Transferor Companies and the Transferee Company complement each other. Therefore, in order to achieve inter-alia economies of scale and efficiency, the merger of the companies is being undertaken.

The amalgamation of the Transferor Companies with the Transferee Company would inter alia have the following benefits:

- a. Greater Integration, greater financial strength and flexibility for the Transferee Company, which would result in maximising overall shareholder value and will improve the competitive position of the combined entity,
- b. Improved organizational capability and leadership, arising from the pooling of resources to complete successfully in an Increasingly competitive Industry.
- c. Greater leverage in operations planning and process optimization and enhanced Flexibility.
- d. Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, administration, finance, accounts, legal, audit, compliances and other related functions, leading to elimination of duplication and rationalization of administrative expenses.
- e. To enable the group to attract and retain talent in a cost-effective manner by consolidating its operations across geographical locations.



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- f. Simplification of group structure by eliminating duplication of work, multiple entities in similar business thus enabling focus on core competencies and unlocking of value through operating Independence of each vertical.

12. Consideration:

5.1 Upon the sanction of the Scheme of Amalgamation, Transferee Company shall, without any application or deed, issue and allot equity Shares, credited as fully paid up, to the extent Indicated below, to the members of Transferor Companies holding fully paid-up equity shares In Transferor Companies and whose names appear in the Register of members of Transferor Companies, on the Effective Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of Transferor Companies In the following proportion viz.:

"71,520 fully paid up equity shares of Rs.10/- each of Transferee Company shall be issued and allotted to 25,000 equity shares of Rs.100/- each held in Transferor Company M/ S Britacel Exports Private Limited and further;

70" fully paid up equity shares of Rs.10/- each of Transferee Company shall be issued and allotted to 20,000 equity shares of Rs. 10/- each held in Transferor Company M/s Erudye CTC (india) Private Limited (hereinafter referred to as "New Equity Shares")"

13. The Transferor Company 1 submits that there are no secured and unsecured creditors in the Transferor Company 1.
14. There are 3 (Three) Trade Creditors as on 31st March 2018 amount to Rs.28,650/-, in respect to this 100% payment has been made to Outstanding Trade Creditors. The Affidavit of Applicant Director on behalf of Company stating the confirmation of Payment with

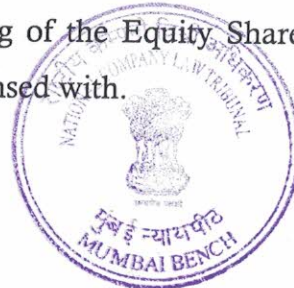


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Ledger Account of each Creditor is placed at Annexure – II, and Certificate issued by the Statutory Auditors **M/s Rameshbhai R. Shah & Co.**, Chartered Accountants.

15. The Transferor Company 1 submits that there are 3(three) Equity Shareholders holding 20,000 Equity Shares of Rs.10/- each aggregating to Rs. 2,00,000/-. The Transferor Company 1 has obtained consent from all the equity shareholders for approval of the scheme. Therefore, the meeting of the Equity Shareholders of the Transferor Company 1 is dispensed with.
17. The Transferor Company 2 submits that there are no secured creditors. Further the Transferor Company 2 is having 9 unsecured creditors to the extent of Rs. 2,45,32,772/-. Ld. Counsel for the Transferor Company 2 submits that the Company has paid the unsecured creditors during the financial year 2020-21 in full and file CA certificate to that effect, which shows that as of now there are no unsecured creditors remains.
18. There are 3 (Three) Trade Creditors as on 31st March 2018 amount to Rs.26,080/-, in respect to this 100% payment has been made to Outstanding Trade Creditors. The Affidavit of Applicant Director on behalf of Company stating the confirmation of Payment with Ledger Account of each Creditor is placed at Annexure – II, and Certificate issued by the Statutory Auditors **M/s Rameshbhai R. Shah & Co.**, Chartered Accountants.
19. The Transferor Company 2 submits that there are 4(four) Equity Shareholders holding 25,000 Equity Shares of Rs.100/- each aggregating to Rs. 25,00,000/-. The Transferor Company 2 has obtained consent from all the equity shareholders for approval of the scheme. Therefore, the meeting of the Equity Shareholders of the Transferor Company 2 is dispensed with.



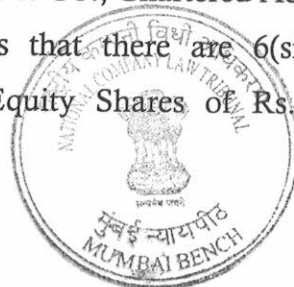
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20. Further a Certificate from the C.A confirming that there are NIL Secured Creditors annexed in **Annexure 14**. Therefore, the meetings of the Secured, Unsecured and Trade Creditors are allowed to be dispensed with under sub-section (9) of the Section 230 of the Companies Act, 2013.
21. The Transferee Company submits that Company has (1) secured Creditors i.e. LIC of India for an outstanding of Rs.7,81,66,143/- . Ld. Counsel for the Transferee Company submits that the Secured Creditors are paid in full. Mr. Rameshbhai R. Shah & Co. Chartered Accountant has filed its report confirming that based on the verification of the ledger accounts from the books of account of the Corporate Debtor, he certify that the secured creditor is paid in full as on 31.03.2018 and the Company has NIL outstanding.
22. Further the Transferee Company is having 1 unsecured creditors to the extent of Rs. 1,00,00,000/-. Ld. Counsel for the Transferee Company submits that the Secured Creditors are paid in full. Mr. Rameshbhai R. Shah & Co. Chartered Accountant has filed its report confirming that based on the verification of the ledger accounts from the books of account of the Corporate Debtor, he certify that the secured creditor is paid in full as on 31.03.2018 and the Company has NIL outstanding.
23. There are Trade Creditors as on 31st March 2018 amount to Rs.11,96,41,799/-, in respect to this Transferee Company has paid the outstanding in part and still there is Rs.8,25,767/- is payable to the trade creditors. The Affidavit of Applicant Director on behalf of Company stating the confirmation of Payment with Ledger Account of each Creditor and Certificate issued by the Statutory Auditors **M/s Rameshbhai R. Shah & Co.**, Chartered Accountants.
24. The Transferee Company submits that there are 6(six) Equity Shareholders holding 25,20,000 Equity Shares of Rs.10/- each



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aggregating to Rs. 252,00,000/-. The Transferor Company 2 has obtained consent from all the equity shareholders for approval of the scheme. Therefore, the meeting of the Equity Shareholders of the Transferor Company 2 is dispensed with.

25. Further a Certificate from the C.A confirming that there are **NIL** Outstanding Creditors annexed in **Exhibit 'B'** (Refer Page No: 23-38). Therefore, the meetings of the Secured, Unsecured and Trade Creditors are allowed to be dispensed with under sub-section (9) of the Section 230 of the Companies Act, 2013.

26. That the applicant company has discharged payment in full (100%) to its Secured, Unsecured and Trade Creditors in view of the revised Appointed Date i.e 01.04.2022, are as under:

Secured Creditors

Sl. No.	Particulars	Amount in Rs.
1	ICICI Bank Ltd.	11,23,89,767
2	Development Credit Bank Ltd.	2,51,03,519
3	Bajaj Finance Ltd	8,45,58,719
4	Tata Finance Limited	3,57,96,185
	Total	25,78,48,190

Unsecured Creditors (From Directors)

Sl. No.	Particulars	Amount in Rs.
1	Naishadh Desai	2,24,98,283
2	Kamini Desai	4,88,60,000
3	Neelam Desai	2,28,75,000
4	Geeta Desai	24,25,000
5	Manasvvi Desai	41,24,000
6	Prassami Desai	92,10,717
	Total	10,99,93,000

Trade Creditors

Sl. No.	Particulars	Amount in Rs.
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1	Goods and Service	10,76,11,295
	Total	10,76,11,295

A Certificate from the C.A in this respect confirming that there are **NIL** Outstanding Creditors as on appointed date 01.04.2022 at the newly annexed additional documents in **Exhibit 'B'**

27. This Bench has perused the Misc. Applications and Company Applications filed by the Applicant Companies for dispensation of meeting. We feel that since the 100% of the secured as well as unsecured creditors have been paid in the Transferor Company 1 and 2 and Transferee Company; and more than 90% of the Trade Creditors have been paid in Transferee Company, this Bench feels it appropriate to dispense with the meeting of the creditors in the applicant companies. However, the Transferee Company is directed to serve notices to remaining Trade Creditors, who have not paid, by RPAD, Speed Post and Hand Delivery /email. In view of this directions, the Company Applications and Misc. Application are allowed.

28. The Applicant Companies shall serve the Notice in terms of Section 230 (5) of the Companies Act, 2013, upon -

- a. The Central Government, through Regional Director, Everest, 5th Floor, 100 Marine Drive, Mumbai-400002;
- b. The Registrar of Companies, Mumbai;
- c. GST Department;
- d. Jurisdictional Income Tax Authorities; within whose jurisdiction; the Applicant Company's assessment are made; and the Nodal Authority in the Income Tax



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Department having jurisdiction over such authority i.e.
Pr. CCIT, Mumbai, Address:- 3 rd Floor, Aayakar
Bhawan, Mahrishi Karve Road, Mumbai – 400 020,
Phone No. 022-22017654 [E-mail:
Mumbai.pccit@incometax.gov.in];

- e. Official Liquidator, High Court of Bombay.
- f. Any other sectoral regulator as may be directed by this
Hon'ble Tribunal.

29. The Notice shall be served through by Registered Post-AD, Speed Post and email along with copy of Scheme and state that "*If no response is received by the Tribunal from the concerned Authorities within 30 days of the date of receipt of the notice it will be presumed that the concerned Authorities has no objection to the proposed Scheme*". It is clarified that notice service through courier shall be taken on record only in cases where it is supported with Proof of Delivery having acknowledgement of the noticee.

30. The Applicant Companies will submit –

- i. Details of Corporate Guarantee, Performance Guarantee and Other Contingent Liabilities, if any.
- ii. List of pending IBC cases, if any, along with all other litigation;
- iii. pending against the Applicant Companies having material impact on the proposed Scheme.
- iv. The Applicant Companies shall submit details of all Letters of Credit sanctioned and utilized as well as Margin Money details; if any.



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31. The Applicant Companies to file an affidavit of service within 10 working days after serving to notice to all the regulatory authorities as stated above and do report to this Tribunal that the directions regarding the issue of notices have been duly complied with.

Sd/-

Prabhat Kumar
Member (Technical)

Sd/-

Justice V.G. Bisht
Member (Judicial)



Certified True Copy
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On 15.01.2024

R. S. Sankar
Deputy Registrar 15.01.2024
National Company Law Tribunal Mumbai Bench
(D - 0746) 101123