



**IN THE NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH - II, HYDERABAD**

C.A. (CAA) No. 34/230/HDB/2022  
Under Sections 230-232 of the Companies Act, 2013.

In the matter of  
**M/S SUDHAKAR PVC PRODUCTS PRIVATE LIMITED**

M/S Sudhakar PVC Products Private Limited,  
Having its registered office at  
Survey No. 74/P, 75/P, 77/P and 85/P,  
Balaram Thanda, Near Industrial Estate,  
Suryapet, Hyderabad, Telangana – 508213.

... Applicant No. 1/ Transferee Company

M/S Sudhakar Plastic Private Limited,  
Having its registered office at,  
Balaram Thanda, Near Industrial Estate,  
Suryapet, Telangana – 508214.

... Applicant No. 2/ Transferor Company No. 1

M/S Sudhakar Polymers Private Limited,  
Having its registered office at  
Balaram Thanda, Near Industrial Estate,  
Suryapet, Nalgonda,  
Telangana – 508214.

... Applicant No. 3/ Transferor Company No. 2

M/S Sudhakar Irrigation Systems Private Limited,  
Having its registered office at  
Sy.No.115,118,119,129 &130,  
Balaram Thanda, Suryapet,  
Nalgonda District, Telangana -508214.

... Applicant No. 4/ Transferor Company No. 3

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M/S Sudhakar Marketing Agencies Private Limited,  
Having its registered office at  
H E-9, Industrial Estate,  
Suryapet, Nalgoda District,  
Telangana – 508 214.

... Applicant No. 5/ Transferee Company No. 4

**Date of Order: 23.12.2022**

**Coram:**

Dr. Venkata Ramakrishna Badarinath Nandula, Member, Judicial

Sri Satya Ranjan Prasad, Member, Technical

**Appearance:**

For the Applicant-Companies: Mr. M. Ramana Reddy, PCS

**Per : Bench**

**ORDER**

1. Under consideration is an application filed under Section 230 of the Companies Act, 2013 (hereinafter referred to as "the Act, 2013"), read with the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016, by M/S Sudhakar PVC Products Private Limited (hereinafter referred to as the "Transferee Company"), M/S Sudhakar Plastic Private Limited (hereinafter referred to as the "Transferor Company No. 1"), M/S Sudhakar Polymers Private Limited (hereinafter referred to as the "Transferor Company No. 2"), M/S Sudhakar Irrigation Systems Private Limited (hereinafter referred to as the "Transferor Company No. 3") and M/S Sudhakar Marketing Agencies Private Limited (hereinafter referred to



as the ""Transferor Company No. 4"), seeking dispensation of the meetings of the respective shareholders and creditors of the Applicant-Companies, with regard to the proposed scheme of amalgamation (Hereinafter Referred To as "the Scheme") between the Applicant-Companies.

Brief facts leading to the filing of the instant application are as follows:

2. Details of the Transferor Company No. 1:

- a) M/S Sudhakar Plastic Private Limited, bearing CIN: U25209TG1992PTC014067, was incorporated under the provisions of the Companies Act, 1956, on 03.04.1992, having its registered office situated at Balaram Thanda, Near Industrial Estate, Suryapet, Telangana – 508 214, India represented by its Managing Director, Mr. Meela Mahadev.
- b) The authorized share capital of the Transferor Company No. 1 is Rs. 10,00,00,000/- (Rupees Ten Crore Only) divided into 10,00,000 equity shares of Rs. 100/- (Rupees Hundred Only) each, while the issued, subscribed and paid-up capital is Rs. 6,90,00,000/- (Rupees Six Crore Ninety Lakh Only) divided into 6,90,000 equity shares of Rs. 100/- (Rupees Hundred Only) each.
- c) The shareholders of the Transferor Company No. 1 are 16 in number, as on 11.06.2022, and the number of secured creditors is 2 and the number of unsecured creditors is 6.
- d) The main objects of the Transferor Company No. 1, as per the Memorandum of Association are:
  - i) To manufacture, process, buy, sell, import, export distribute & deal in all types of PVC products, plastics and plastic goods including Rigid P.V.C. pipes, sheets, profiles, decorative & other protective material;
  - ii) To carry on all or any of the business to manufacture, produce,



prepare, fabricate, purchase, sell, import, export, install expanded and unexpanded plastics such as Polystyrene, Poly urethane, Polythene, Polyvinyl Chloride (PVC), Rubber, phenol, urea, cresol and other kinds of natural synthetic plastics or similar compounds or chemicals, fibers, distillates and precipitates and plastic intermediaries.

3. Details of the Transferor Company No. 2:

- a) M/S Sudhakar Polymers Private Limited, bearing CIN: U25203TG1995PTC020498, was incorporated under the provisions of the Companies Act, 1956, on 29.05.1995, having its registered office situated at Balaram Thanda, Near Industrial Estate, Suryapet, Nalgonda – 508214, Telangana, India represented by its Managing Director, Mr. Meela Vasudev.
- b) The authorized share capital of the Transferor Company No. 2 is Rs. 12,00,00,000/- (Rupees Twelve Crores Only) divided into 1,20,00,000 equity shares of Rs. 10/- (Rupees Ten Only) each, while the issued, subscribed and paid-up capital is Rs. 12,00,00,000/- (Rupees Twelve Crore Only) divided into 1,20,00,000 equity shares of Rs. 10/- (Rupees Ten Only) each.
- c) The shareholders of the Transferor Company No. 2 are 16 in number and there are 2 secured creditors and the number of unsecured creditors is 8.
- d) The main object of the Transferor Company No. 2 as per the Memorandum of Association is to establish and carry on the business of manufacturing, producting, processing, importing, exporting, buying and selling all kinds of plastic materials, moulded goods, industry styrene, polystyrene, vinyl chloride, polyethelene, polyoleifines, vinyl acetate and copolymers of one or more of the above and /or other products, acyllics and polyesters, polycarbonates and polyethers and epoxy resins and



composition silicon resins and compositions, P-F, U-F and other thermosetting resins and moulding compositions, nylons, rilsan and similar thermoplastic moulding compositions including prefabricated sections and shapes, cellulosic plastic and other allied products.

4. Details of the Transferor Company No. 3:

- a) M/S Sudhakar Irrigation Systems Private Limited, bearing CIN: U01401TG1997PTC028394, was incorporated under the provisions of the Companies Act, 1956, on 20.11.1997.
- b) The authorized share capital of the Transferor Company No. 3 is Rs. 12,00,00,000 (Rupees Twelve Crores Only) divided into 12,00,000 equity shares of Rs. 100/- (Rupees Hundred Only) each, while the issued, subscribed and paid-up capital is Rs. 12,00,00,000/- (Rupees Twelve Crore Only) divided into 12,00,000 equity shares of Rs. 100/- (Rupees Hundred each)
- c) The equity shareholders of the Transferor Company No. 3 are 18 in number, and while there are 2 secured creditors, the number of unsecured creditors is 11.
- d) The main objects of the Transferor Company No. 1 as per the Memorandum of Association are:
  - i) To carry on all or any of the business to manufacture, process, buy, sell, import, export, distribute and deal in all types of drips, sprinklers and allied systems used for irrigation;
  - ii) To manufacture, process, buy, sell, import, export, deal in and distribute in all types of PVC, LLDPE, HDPE pipes and fittings used for irrigation and irrigation systems.

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5. Details of the Transferor Company No. 4:

- a) M/S Sudhakar Marketing Agencies Private Limited, bearing CIN: U25209TG1998PTC029136, was incorporated under the provisions of the Companies Act, 1956, on 30.03.1998.
- b) The authorized share capital of the Transferor Company No. 4 is Rs. 21,00,000 (Rupees Twenty Lakh Only) divided into 21,000 equity shares of Rs. 100/- (Rupees Hundred Only) each, while the issued, subscribed and paid-up capital is Rs. 21,00,000/- (Rupees Twenty One Lakh Only) divided into 21,000 equity shares of Rs. 100/- (Rupees Hundred Only) each.
- c) The equity shareholders of the Transferor Company No. 4 are 11 in number, and while there are 2 secured creditors, the number of unsecured creditors is 8.
- d) The main objects of the Transferor Company No. 4 as per the Memorandum of Association are:
  - i) To carry on business of marketing, trading, buying, selling, importing, exporting, distributing, dealing, wholesaling, stocking, retailing and to act as contractors, suppliers, agents and consignors in all kinds and types of PVC, HDPE, LDPE, LLDPE pipes and fittings, drip systems and sprinklers systems;
  - ii) To carry on business as traders, buyers, sellers, importers, exporters, retailers, wholesalers, suppliers, stockists, agents, sub-agents, merchants, distributors, consignors or otherwise deal in goods, raw materials, merchandise, articles, machinery, plant, apparatus, equipment, appliances and commodities of every kind, class, quality, description and variety.

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6. Details of the Transferee Company:

- a) M/S Sudhakar PVC Products Private Limited, bearing CIN: U25119TG2010PTC066625, was incorporated as a public limited company, under the provisions of the Companies Act, 1956, on 09.01.2010.
- b) The authorized share capital of the Transferee Company is Rs. 13,18,00,000/-, divided into 13,18,000 equity shares of Rs. 100/- (Rupees Hundred Only) each while the issued, subscribed and paid-up capital is Rs. 12,67,55,200/- (Rupees Twelve Crore Sixty Seven Lakh Fifty Five Thousand and Two Hundred Only) divided into 12,67,552 equity shares of Rs. 100/- (Rupees Hundred Only) each.
- c) The equity shareholders of the Transferee Company are 18. There are no secured creditors and the number of unsecured creditors is 12.
- d) The main objects of the Transferee Company, as per the Memorandum of Association, are:
  - i) To manufacture, process, buy, sell, import, export distribute & deal in all types of PVC products, plastics and plastic goods including Rigid P.V.C. pipes, sheets, profiles, decorative & other protective material;
  - ii) To carry on all or any of the business to manufacture, produce, prepare, fabricate, purchase, sell, import, export, install expanded and unexpanded plastics such as Polystyrene, Poly urethane, Polythene, Polyvinyl Chloride (PVC), Rubber, phenol, urea, cresol and other kinds of natural synthetic plastics or similar compounds or chemicals, fibers, distillates and precipitates and plastic intermediaries;
  - iii) To carry on the business as manufacturers, importers, exporters, buyers, sellers, dealers and agents in all kinds of machinery, components and raw materials required to manufacture any of the foregoing;



- iv) To act as consultants, engineers, contractors for setting up like and other facilities in India and elsewhere and to do and conduct every business which is incidental to or ancillary the aforesaid business.

7. It is stated that the Boards of Directors of the Transferor Companies, at their respective meetings, all dated 18.07.2022, passed resolutions approving the Scheme of Arrangement between the Transferor Companies and the Transferee Company.
8. It is stated that no investigation or proceedings under the Companies Act, 1956 or the Companies Act, 2013, have been instituted or are pending in relation to the Transferor Companies and the Transferee Company.
9. The Transferor Company No. 1 has filed a certificate of the chartered accountant, dated 05.11.2022, stating that there are sixteen (16) equity shareholders in the Transferor Company No. 1. All the equity shareholders have given their respective consent affidavits agreeing to the proposed Scheme.
10. The Transferor Company No. 1 has filed a certificate of the chartered accountant, dated 21.10.2022, stating that there are two (2) secured creditors and six (6) unsecured creditors. All the unsecured creditors have given their respective consent affidavits agreeing to the proposed Scheme, while all the secured creditors, have given their respective consent affidavits agreeing to the proposed Scheme.
11. The Transferor Company No. 2 has filed a certificate of the chartered accountant, dated 05.11.2022, stating that there are sixteen (16) equity

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shareholders in the Transferor Company No. 2. All the shareholders have given their respective consent affidavits agreeing to the proposed Scheme.

12.The Transferor Company No. 2 has filed a certificate of the chartered accountant, dated 21.10.2022, stating that there are two (2) secured creditors and eight (8) unsecured creditors of the Transferor Company No. 2. All the unsecured creditors have given their respective consent affidavits agreeing to the proposed Scheme, while the secured creditors have also given their respective consent affidavits agreeing to the proposed Scheme.

13.The Transferor Company No. 3 has filed a certificate of the chartered accountant, dated 05.11.2022, stating that there are eighteen (18) equity shareholders in the Transferor Company No. 3. All the shareholders have given their respective consent affidavits agreeing to the proposed Scheme.

14.The Transferor Company No. 3 has filed a certificate of the chartered accountant, dated 21.10.2022, stating that there two (2) secured creditors and eleven (11) unsecured creditors of the Transferor Company No. 3, out of which it is stated that payments have been made to four (4) unsecured creditors. As a result, seven (7) unsecured creditors have given their respective consent affidavits agreeing to the proposed Scheme. The secured creditors have also given their respective consent affidavits agreeing to the proposed Scheme.

15.Transferor Company No. 4 has filed a certificate of the chartered accountant, dated 05.11.2022, stating that there are eleven (11) equity shareholders in the Transferor Company No. 4. All the shareholders have given their respective consent affidavits agreeing to the proposed Scheme.





16.The Transferor Company No. 4 has filed a certificate of the chartered accountant, dated 21.10.2022, stating that there two (2) secured creditors and eight (8) unsecured creditors. All the unsecured creditors have given their respective consent affidavits agreeing to the proposed Scheme, while the secured creditors have also given their respective consent affidavits agreeing to the proposed Scheme.

17.The Transferee Company has filed a certificate of the chartered accountant, dated 05.11.2022, stating that there are eighteen (18) shareholders in the Transferee Company. All the shareholders have given their respective consent affidavits agreeing to the proposed Scheme.

18.The certificate of the chartered accountant, dated 02.11.2022, filed by the Transferee Company states that there are no secured creditors and twelve (12) unsecured creditors of the Transferee Company, out of which it is stated that payment has been made to one (1) unsecured creditor, leaving the existing number of unsecured creditors at eleven (11). All the unsecured creditors have given their respective consent affidavits agreeing to the proposed Scheme.

19.In the light of the facts of the matter, the point that arises for our consideration is:

*Whether the respective meetings of the shareholders, secured creditors and unsecured creditors of the Applicant-Companies can be dispensed with?*

20.We have heard the submissions made by Mr. Ramana Reddy, the learned PCS appearing for the Applicant-Companies.

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21. It is seen that all the shareholders of all the Applicant-Companies have given their respective consent affidavits, agreeing to the proposed Scheme and hence, there is no need to convene the meeting of the shareholders of the respective companies.
22. It is seen that the Transferee Company has no secured creditors. Hence, the question of a meeting of the secured creditors of the Transferee Company does not arise.
23. It is seen that all the unsecured creditors of the Transferee Company have given their respective consent affidavits, agreeing to the proposed Scheme and hence, there is no need to convene the meeting of the unsecured creditors of the Transferee Company.
24. It is seen that all the unsecured creditors of all the Transferor Companies have given their respective consent affidavits, agreeing to the proposed Scheme and hence, there is no need to convene the meeting of the creditors of the respective Transferor Companies.
25. With regard to the consent affidavits of the secured creditors of the Applicant-Companies, a memo dated 21.11.2022, had been filed by the learned PCS representing the Applicant-Companies, pursuant to the leave granted by this Tribunal vide order dated 17.11.2022. Vide the said memo, consent affidavits of all the secured creditors of the Applicant-Companies were placed on record. It is seen that all the secured creditors of all the Transferor Companies have given their respective consent affidavits, agreeing to the proposed Scheme and hence, there is no need to convene the meeting of the creditors of the respective Transferor Companies.

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26. In this context, it is pertinent to refer to Section 230 (9) of the Companies Act, 2013, which states that this Tribunal may dispense with calling of a meeting of creditors or class of creditors where such creditors or class of creditors, having at least ninety per cent value, agree and confirm, by way of affidavit, to the scheme of compromise or arrangement.

27. In the case at hand, it is seen that all the secured and unsecured creditors of the Applicant-Companies have given their respective consent affidavits, agreeing to the proposed Scheme. Hence, the consent of the requisite percentage of creditors, to enable the dispensation of meetings, has been accorded.

28. In the light of the above, we hold that the requisites under Section 230 of the Companies Act, 2013, for dispensing with the meetings of the shareholders and creditors, are in order in the instant matter. Therefore, the point is answered accordingly. We, hereby, pass the order as under:

- i) The respective meetings of the shareholders of the Applicant-Companies are, hereby, dispensed with.
- ii) The meeting of the unsecured creditors of the Transferee Company is, hereby, dispensed with.
- iii) The respective meetings of the secured creditors of the Transferor Companies No. 1, 2, 3 and 4 are, hereby, dispensed with.
- iv) The respective meetings of the unsecured creditors of the Transferor Companies No. 1, 2, 3 and 4 are, hereby, dispensed with.

29. In view of the above, we direct that the Applicant-Companies shall, in compliance of sub-section (5) of Section 230 of the Companies Act, 2013 and Rule 8 of the Companies (CAA) Rules, 2016, send notices under sub-section (3) of Section 230, read with Rule 6 of the Rules, along with copies

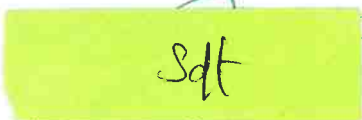


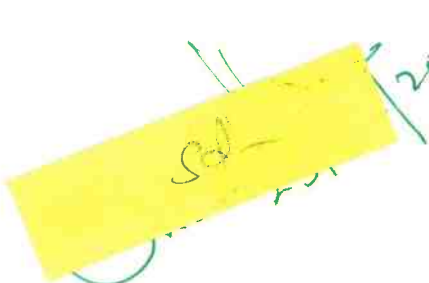
of the proposed Scheme of Arrangement, the explanatory statement, if any, and the disclosures mentioned in Rule 6 to the following statutory authorities:

- (a) the Central Government, through the Regional Director, South Eastern Region, Ministry of Corporate Affairs;
- (b) the Registrar of Companies, Telangana;
- (c) the Income Tax Authorities and
- (d) the Official Liquidator.

30. The said notices are to be sent either by registered post or by speed post or by personal delivery at the offices of the authorities, as required by sub-rule (2) of Rule 8 of the Rules. The aforesaid authorities, who desire to make any representation, under sub-section (5) of Section 230, shall send the same to this Tribunal within a period of 30 (thirty) days from the date of receipt of such notice, failing which, it shall be deemed that they have no representation to make on the proposed Scheme.

31. Accordingly, this Company Application stands disposed of, with the directions issued hereinabove.

  
**(Satya Ranjan Prasad)**  
Member, Technical

  
**(Dr. N.V. Ramakrishna Badarinath)**  
Member, Judicial