

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT II
C.A. (CAA)/269 (MB)/2023**

In the matter of the Companies
Act, 2013 (18 OF 2013)

AND

In the matter of Sections 230 to
232, read with Section 66 and
other applicable provisions of the
Companies Act, 2013;

AND

In the matter of the Scheme of
Amalgamation and Arrangement
among AMNS Khopoli Limited
(CIN:L27104MH1985PLC03580
6), ArcelorMittal Nippon Steel
India Limited (CIN:
U27100GJ1976FLC013787) and
their respective shareholders.

AMNS KHOPOLI LIMITED, an
unlisted public limited company
incorporated under the provisions of
the Companies Act, 1956 and having
its registered office at Admin Block,
Survey No. 71-75, Village Donvat,



Khopoli-Pen Road, Khalapur
Raigarh, Maharashtra – 410203,
India.

...Applicant Company /
Amalgamating Company / Transferor Company

Order pronounced on: 22.01.2024

Coram:

Anil Raj Chellan
Member (Technical)

Kuldip Kumar Kareer
Member (Judicial)

Appearances:

For the Applicant: Mr. Ravi Kadam, Senior Advocate, along with Mr. Shahezad Kazi, Mr. Gladwin Issac, and Ms. Ridhima Chandani, Advocates instructed by S&R Associates, Advocates.

ORDER

Per: Coram

1. The Learned Counsel for the Applicant Company states that the present Scheme of Amalgamation and Arrangement is a Scheme of Amalgamation and Arrangement among AMNS



Khopoli Limited (the “**Applicant Company/Amalgamating Company/Transferor Company**”), ArcelorMittal Nippon Steel India Limited (the “**Amalgamated Company/Transferee Company**, collectively, the “**Scheme Entities**”) and their respective shareholders under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 (the “**Act**”) and Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the “**Rules**”). Pursuant to the Scheme of Amalgamation and Arrangement (**Exhibit ‘A’**), it is proposed to transfer and vest the Amalgamating Company into and with the Amalgamated Company (the “**Scheme**”).

2. The Learned Counsel for the Applicant Company / Transferor Company further submits that the Transferor Company is an unlisted public limited company and is a wholly owned subsidiary of AM Mining India Private



Limited (“**AM Mining**”). It is primarily engaged in the business of manufacturing and sale of downstream steel products.

3. The Learned counsel for the Applicant Company / Transferor Company submits that the Scheme of Amalgamation and Arrangement is only between the Transferor Company and the Transferee Company and their respective shareholders.
4. The Learned Counsel for the Applicant Company / Transferor Company further submits that the transfer and vesting of the Amalgamating Company into and with the Amalgamated Company pursuant to the Scheme is in the interest of the Amalgamating Company and the Amalgamated Company in the following ways:

Creation of synergies: The concentration of the respective business of the Amalgamating Company and Amalgamated Company in



one entity as contemplated in the Scheme, will enhance combined competitive strength and result in synergies, which shall best serve the existing market.

Streamlining efficient structure: *The proposed amalgamation of the Amalgamating Company into and with the Amalgamated Company will remove inefficiencies, unlock intrinsic value of assets and combine similar business interests into a single corporate entity, resulting in simplification, and efficient administration.*

Consolidation of business operations: *The proposed amalgamation will achieve consolidation of business operations of the Amalgamating Company and Amalgamated Company, resulting in economies of scale, improved allocation of capital, and optimization of cash flows, which will consequently contribute to the overall growth and value creation of the Amalgamated Company. Therefore, the Amalgamated Company, as the amalgamated entity, will have an enhanced value and return for its shareholders.*



Reduction in costs: *The proposed amalgamation will enable the Amalgamated Company to optimize the resources required for overall general and administrative purposes by avoiding replication of such resources against several group companies operating within the same market. The Amalgamated Company will be able to use its existing resources as well as the resources of the Amalgamating Company, which is expected to reduce the cost of maintaining and using separate resources.*

Value maximization: *The proposed amalgamation envisages the movement of symbiotic assets that are presently held by Amalgamating Company into Amalgamated Company to improve prospects for utilization of such assets, operations and inter-dependency, while simultaneously reducing redundancy, thereby increasing the overall value generated by the businesses in India.*

Improved customer satisfaction: *The proposed amalgamation will make it easier to address needs of customers by providing them*



uniform product and service experience, on-time supplies, improved service levels thereby improving customer satisfaction.

Improved safety, environment and sustainability practices: The proposed amalgamation will result in increased coverage of plant automation across plants of the Amalgamating Company by using the information technology applications and systems of the Amalgamated Company.

5. The Learned Counsel for the Applicant / Transferor Company states that the resolution passed by the Board of Directors of the Applicant / Transferor Company in its meeting held on November 3, 2023 (**Exhibit 'N'**), approved the Scheme. The Appointed Date fixed under the Scheme is November 10, 2022.
6. The Learned Counsel for the Applicant Company / Transferor Company submits that the Scheme is in the interest of all the stakeholders, including the shareholders and creditors of the respective Scheme Entities, and shall



enable the Scheme Entities to adopt a focused business approach for maximization of benefits to their respective stakeholders. The Scheme is not in any manner prejudicial to the interests of the shareholders, creditors or the general public at large.

7. The Learned Counsel for the Applicant Company / Transferor Company submits that as on October 5, 2023, there are seven (7) shareholders of the Applicant Company / Transferor Company (at **Exhibit 'P'**) and a meeting of the shareholders of the Applicant Company / Transferor Company be convened and held within sixty (60) days of uploading of this order through video conferencing or other audio visual means following the operating procedures prescribed by the Ministry of Corporate Affairs, Government of India or any other means, for the purpose of considering and if thought fit, approving with or without modification(s), the proposed Scheme of Amalgamation and Arrangement among AMNS Khopoli Limited



(Transferor Company), ArcelorMittal Nippon Steel India Limited (Transferee Company) and their respective shareholders. In view of the aforesaid, the Bench hereby directs that the meeting of the shareholders of the Applicant Company / Transferor Company, for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed Scheme be convened through video conferencing or other audio visual means or any other permissible means within sixty (60) days of uploading of this order.

8. The Applicant Company / Transferor Company is directed that at least thirty (30) clear days before the meeting of the shareholders of the Applicant Company / Transferor Company to be held as aforesaid, a notice convening the meeting, along with necessary instructions with regard to the mode of such meeting, together with a copy of Scheme of Amalgamation and Arrangement, a copy of the Explanatory Statement required to be sent under the Act read with Rule



6 of the Rules, by registered post or by courier or by speed post or by hand-delivery or by e-mail to each of the shareholders of the Applicant Company / Transferor Company at their respective registered offices or at their last known addresses or by e-mail to the registered e-mail address of the shareholders, as per the records of Applicant Company / Transferor Company. The shareholders can obtain a copy of such notice for free of charge at the registered office of the Applicant Company / Transferor Company or request for an electronic / soft copy of such notice by sending an e-mail to the Applicant Company / Transferor Company at rohit.sharma1@amns.in.

9. The Bench further directs that the quorum for the aforesaid meeting of the shareholders of the Applicant Company / Transferor Company shall be two (2) persons present and voting. In the event, quorum of the aforesaid meeting is not met within half an hour from the time appointed for holding of the respective meetings, then the provisions of sub-



sections (2) and (3) of Section 103 of the Act shall be applicable *mutatis mutandis* to such meeting and to the adjourned meeting.

10. It has been stated in the Application (Certificate at **Exhibit 'M'**) that as on October 5, 2023, the Applicant Company / Transferor Company has no secured creditors.
11. Therefore, Learned Counsel for the Applicant Company / Transferor Company submits that there is no requirement for holding a meeting of the secured creditors of the Applicant Company / Transferor Company. The submission is accepted.
12. The Learned Counsel for the Applicant Company / Transferor Company submits that as on October 05, 2023, there are three hundred and eighty (380) unsecured creditors having a debt value of INR 8,62,05,57,581/- of the Applicant Company / Transferor Company (Certificate at **Exhibit 'M'**) and a meeting of the unsecured creditors of



the Applicant Company / Transferor Company be convened and held within sixty (60) days of uploading of this order through video conferencing or other audio visual means following the operating procedures prescribed by the Ministry of Corporate Affairs, Government of India or any other means, for the purpose of considering and if thought fit, approving with or without modification(s), the proposed Scheme of Amalgamation and Arrangement among AMNS Khopoli Limited (Transferor Company), ArcelorMittal Nippon Steel India Limited (Transferee Company) and their respective shareholders. In view of the aforesaid, the Bench hereby directs that the meeting of the unsecured creditors of the Applicant Company / Transferor Company, for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed Scheme be convened through video conferencing or other audio visual means or any other permissible means within sixty (60) days of uploading of this order.



13. The Applicant Company / Transferor Company is directed that at least thirty (30) clear days before the meeting of the unsecured creditors of the Applicant Company / Transferor Company, a notice convening the meeting at such day, date and time referred to above, along with instructions with regard to the mode of such meeting, together with a copy of Scheme of Amalgamation and Arrangement, a copy of the Explanatory Statement required to be sent under Section 230 of the Act read with Rule 6 Rules by registered post or by courier or by speed post or by hand-delivery or by e-mail to each of the unsecured creditors of the Applicant Company / Transferor Company at their respective registered offices or at their last known addresses or by e-mail to the registered e-mail address of the unsecured creditors, as per the records of the Applicant Company / Transferor Company. The unsecured creditors can obtain a copy of such notice for free of charge at the registered office



of the Applicant Company / Transferor Company or request for an electronic / soft copy of such notice by sending an e-mail to the Applicant Company / Transferor Company at rohit.sharma1@amns.in.

14. The Bench further directs that the quorum for the aforesaid meeting of the unsecured creditors of the Applicant Company / Transferor Company shall be two (2) unsecured creditors present and voting. In the event, quorum of the aforesaid meeting is not met within half an hour from the time appointed for holding of the respective meetings, then the provisions of sub-sections (2) and (3) of Section 103 of the Act shall be applicable *mutatis mutandis* to such meeting and to the adjourned meeting.

15. This Bench hereby appoints Mr. Abhishek Sanghi, Advocate having email id as :- abhisheksanghi@gmail.com, having Mobile No. :- 9814788160 as the Chairperson of the meetings of the shareholders and unsecured creditors of the



Applicant Company / Transferor Company, including for the adjourned meetings. The Chairperson shall be paid (excluding the applicable taxes) fees of Rs. 2,00,000/- (Rupees Two Lakhs Only) for conducting the meetings.

16. Further, the Learned Counsel for the Applicant Company / Transferor Company states that Ms. Komal Khadaria, Company Secretary and in her absence, Mr. Raunak Agarwal, Chartered Accountant be appointed as the scrutinizer for the meeting of the shareholders and unsecured creditors of the Applicant Company / Transferor Company, including for conducting the polls. The Bench hereby directs that Ms. Komal Khadaria, Company Secretary and in her absence, Mr. Raunak Agarwal, Chartered Accountant be appointed as the scrutinizer for the meetings of the shareholders and unsecured creditors of the Applicant Company / Transferor Company. The Scrutinizer shall be paid (excluding applicable taxes) fees of Rs. 1,00,000/- (Rupees One Lakh Only).



17. The Applicant Company / Transferor Company is directed to issue the composite notice of the meetings of the shareholders and the unsecured creditors of the Applicant Company / Transferor Company, to be held, as aforesaid, stating that copies of the Scheme of Amalgamation and Arrangement and the Explanatory Statement required to be furnished pursuant to Section 230 of the Act can be obtained free of charge at the registered office of the Applicant Company / Transferor Company or an electronic / soft copy of may be requested by sending an e-mail to the Applicant Company / Transferor Company at rohit.sharma1@amns.in, shall also be advertised once each in the Financial Express in the English language and a Marathi translation thereof in Navshakti, at least thirty (30) clear days before the date fixed for the meetings.



18. The Chairperson appointed for the aforesaid meetings is hereby directed to issue instructions for the advertisements to be published, and also issue notices of the relevant meetings to the shareholders and unsecured creditors of the Applicant Company / Transferor Company. The said Chairperson shall be vested with all powers conferred under the Articles of Association, and also under the Rules in relation to the conduct of the meetings, any procedural questions that may arise or at any adjournment thereof or any other matter including an amendment to the proposed Scheme or resolution, if any, proposed at the aforesaid meetings by any person(s).

19. The number and value of a class shares for a class of shareholders or the value of the debts of the unsecured creditors, as the case may be, shall be in accordance with the records or registers of the Applicant Company / Transferor Company as on October 5, 2023 and where the entries in the records or registers are disputed, the Chairperson of the



meetings shall determine the number or value, as the case may be, for the purposes of the meetings and his/her decision in that behalf shall be final.

20. The Applicant Company / Transferor Company undertakes to:

(a) issue notices for convening the meetings of the shareholders and the unsecured creditors as per Form No. CAA.2 (Rule 6) of the Rules along with the requisite enclosures as per Section 232 of Act;

(b) issue an explanatory statement containing all the particulars in accordance with Section 230 of the Act;

(c) advertise the notices convening the meetings as per Form No. CAA.2 (Rule 7) of the Rule.

21. The Bench hereby accepts the undertakings recorded in paragraph 20 above.



22. The Applicant Company / Transferor Company is directed to serve notices in Form CAA.3 along with a copy of the Scheme upon: (i) Central Government through Regional Director, Western Region, Mumbai; (ii) Registrar of Companies, Mumbai, (iii) the relevant Income Tax authority viz. Principal Commissioner of Income Tax – (Central) – 3, Mumbai; (iv) Official Liquidator, Mumbai, pursuant to Section 230(5) of the Act as per Rule 8 of the Rules, with an intimation that representations, if any, may be submitted to this Tribunal within a period of thirty (30) days from the date of receipt of such notice with a copy of such representations to be simultaneously served to the Applicant Company / Transferor Company, failing which it shall be presumed that such authorities have no representations to make on the proposed Scheme of Amalgamation and Arrangement. The aforesaid notices shall be sent either by Registered Post or by Speed Post or



by Courier or by Hand - Delivery, at the offices of the aforesaid authorities.

23. The Applicant Company / Transferor Company to file an affidavit of service proving delivery of the notices upon the authorities referred to in paragraph 22 above, within ten (10) days of the issue of such notices and to report to this Tribunal that the direction regarding the issue of notices have been duly complied with.

(a) The Chairperson of the aforesaid meetings to file an affidavit(s) not less than seven (7) days before the date fixed for the holding of the aforesaid meetings of the shareholders and unsecured creditors of the Applicant Company / Transferor Company and to report to this Tribunal that the directions regarding the issue of notices and the advertisement of the aforesaid meetings



have been duly complied with in compliance with Rule 12(1) of the Rules.

- (b) The Chairperson to report to this Tribunal the result of the aforesaid meetings of the shareholders and unsecured creditors of the Applicant Company / Transferor Company, within seven (7) days of the conclusion of such meetings as per Form No. CAA.4 in compliance with Rule 14 of the Rules.

24. Ordered Accordingly.

Sd/-

ANIL RAJ CHELLAN
MEMBER (TECHNICAL)

Sd/-

KULDIP KUMAR KAREER
MEMBER (JUDICIAL)



Certified True Copy

Copy Issued "free of cost"

On 23.1.2024

[Signature]
Deputy Registrar

National Company Law Tribunal Mumbai Bench

(D .1303) 22/1/24