

(2007) 08 AHC CK 0242

Allahabad High Court

Case No: None

In Re: Ghari Industries Private
Limited
In Re: Rohit
Surfactants Private
Limited
In Re: Calcutta
Detergents Private
Limited
In Re: Poonam
Developers and Infrastructure
India Private Limited

APPELLANT

Vs

RESPONDENT

Date of Decision: Aug. 7, 2007

Acts Referred:

- COMPANIES ACT, 1956 - Section 235, 236, 237, 238, 239

Hon'ble Judges: S.P. Mehrotra, J

Bench: Single Bench

Judgement

S.P. Mehrotra, J.

The present Company Application by summons as provided in Rule 67 of the Companies (Court) Rules, 1959 has been filed under Sections 391/394 of the Companies Act, 1956 jointly by the following Companies (hereinafter also referred to as "the Applicants-Companies").

1. Ghari Industries Private Limited, having its registered office at 117/H-2/202, Pandu Nagar, Kanpur-208005 (hereinafter also referred to as "GIPL" or "the Applicant-Company No. 1").

2. Rohit Surfactants Private Limited, having its Registered Office at 117/H-2/202 Pandu Nagar, Kanpur-208005(hereinafter also referred to as "RSPL" or "the Applicant-Company No. 2").

3. Calcutta Detergents Privatelimited, having its Registered Office at 117/H-2/2Q2,Pandu Nagar, Kaupur-208005 (hereinafter also referred to as "CDPL" or "the Applicant-Company No. 3").
4. Poonam Developers & Infrastructure India Private Limited, having its Registered Office at 117/H-2/202, Pandu Nagar, Kanpur-208005 (hereinafter also referred to as "PDIPL" or "the Applicant-Company No. 4").
5. The Company Application is supported by an affidavit of Ms. Shraddha Tiwari, stated to be a Constituted Attorney of the Applicants-Companies, sworn on 22.5.2007.
6. A Supplementary Affidavit, sworn by the said Ms. Shraddha Tiwari on 25.5.2007, has also been filed in support of the Company Application.
7. It appears that a Scheme of Arrangement is proposed between the Applicants-Companies.
8. Copy of the proposed Scheme of Arrangement has been filed as Annexure-1 to the Company Application, and appears at page 1 of the Paper Book of the Company Application.
9. As regards the Applicant-Company No. 1 (GIPL), is, interalia, stated in the Company Application that the Applicant-Company No. 1 was incorporated on 7.1.1993 under the name and style of Leayan Overseas Private Limited; and that subsequently, the name of the Applicant-Company No. 1 was changed to its present name, i.e., Ghari Industries Private Limited, pursuant to the terms of the Scheme of Amalgamation duly approved by this Court vide Order dated 11.3.20 05; and that under the said Scheme, a Company known as KTC Private Limited was merged with Leayan Overseas Private Limited; and that pursuant to the said change in the name of GIPL, a fresh Certificate of Incorporation dated 16.5.2005 was issued by the Registrar of Companies, U.P. & Uttrenchal.
10. Copies of the Certificates of Incorporation have been filed as part of the Memorandum and Articles of Association, referred to hereinafter, and appear at pages 56 and 55 of the Paper Book of the Company Application.
11. It is, interalia, further stated in the Company Application that the Registered Office of the Applicant-Company No. 1 is situated at 117/H-2/202, pandu Nagar, Kanpur-208005, Uttar Pradesh, within the jurisdiction of this Court.
12. It is, interalia, stated in the Company Application that the Authorised, Issued, Subscribed and Paid-up Share Capital of the Applicant-Company No. 1 as on 31.3.2007 is as under:

AUTHORISED CAPITAL

Rs .

1,25,000 Equity Shares of Rs. 100/- each	1,25,00,000
2,75,000 Non-cumulative Redeemable Preference Share of Rs. 100/- each	2,75,00,000

Total	4,00,00,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL

78,273 Equity Shares of Rs. 100 each fully paid up	78,27,300

Total	78,27,300

13. It is, interalia, stated in the Company Application that there has been no change in the Authorised, Issued, Subscribed and Paid-up Capital after 31.3.2007.

14. It is, interalia, further stated in the Company Application that the main objects of the Applicant-Company No. 1 to be pursued on its incorporation are specified in Clause IIIA of the Memorandum of Association; and that the Applicant-Company No. 1 is presently engaged in the business of trading of Soaps and Detergents and manufacturing of Leather Goods.

15. Copy of the Memorandum and Articles of Association of the Applicant-Company No. 1 has been filed as Annexure-3 to the Company Application, and appears at page 54 of the Paper Book of the Company Application.

16. It is, interalia, further stated in the Company Application that in view of the fact that the Applicant-Company No. 1 was initially incorporated as a Private Limited Company, it did not require any Certificate of Commencement of Business; and that the Applicant-Company No. 1 has been in business ever since its incorporation.

17. It is, interalia, further stated in the Company Application that the Audited Accounts of the Applicant-Company No. 1 have been presented to the Shareholders upto the financial year ended on 31.3.2006, being the latest Audited Accounts. Summary of the financial position of the Applicant-Company No. 1 as per the said Audited Accounts has been given in sub-paragraph (v.) of paragraph 6 of the Company Application.

18. Copy of the Audited Accounts for the financial year ended on 31.3.20P6 in respect of the Applicant-Company No. 1 has been filed as Annexure-4 to the Company Application, and appears at page 77 of the Paper Book of the Company Application.

19. It is, interalia, further stated in the Company Application that there has been no material change in the financial position of the Applicant-Company No. 1 after

31.3.2006 excepting those arising or resulting in the usual course of business.

20. As regards the Applicant-Company No. 2 (RSPL), it is, interalia, stated in the Company Application that the Applicant-Company No. 2 was initially incorporated on 22.6.1988 under the name and style of Shri Mahuideo Soap Industries Private Limited; and that subsequently, the name of the Applicant-Company No. 2 was changed to its present name, i.e., Rohit Surfactants Private Limited, pursuant to, the terms of the Scheme, of Amalgamation as was approved by this. Court vide Order dated 31.3.2005; and that a fresh Certificate of Incorporation dated 17.6.2005 was issued by the Registrar of Companies, U.P. & Uttranchal.

21. Copies of the Certificates of Incorporation have been filed as part of the Memorandum and Articles of Association, referred to hereinafter, and appear at pages 126 and 125 of the Paper Book of the Company Application.

22. It is, interalia, further stated in the Company Application that the. Registered Office of the Applicant-Company No.2 is situated at 117/H-2/202, Pandu Nagar, Kanpur-208005, Uttar Pradesh, within the jurisdiction of this Court.

23. It is, interalia, stated in the Company Application that the Applicant-Company No. 2 is a wholly owned subsidiary of the Applicant/ Company No. 1 (GIPL),

24. It is, interalia, stated in the Company Application that the Authorised, issued, Subscribed and Paid-up Share Capital of the Applicant-Company No. 2 as on 31.3.2007 is as under:

AUTHORISED CAPITAL	Rs.25,000 Equity Shares

Total	25,00,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL	
24,840 Equity Shares of Rs. 100 each fully paid up	24,84,000

Total	24,84,000

25. It is, interalia, stated in the Company Application that there has been no change in the Authorised, Issued, Subscribed and Paid-up Capital after 31.3.2007.

26. It is, interalia, further stated in the Company Application that the main objects of the Applicant-Company No. 2 to be pursued on its incorporation are specified in Clause IIIA of the Memorandum of Association; and that the Applicant-Company No. 2 is presently engaged in the business of manufacturing of Soaps and Detergents.

27. Copy of the Memorandum and Article of Association of the Applicant-Company No. 2 has been filed as Annexure-5 to the Company Application, and appears at page 124 of the Paper Book of the Company Application.
28. It is, interalia, further stated in the Company Application that in view of the fact that the Applicant-Company No. 2 was initially incorporated as a Private Limited Company, it did not require any Certificate of Commencement of Business; and that the Applicant-Company No. 2 has been in business ever since its incorporation.
29. It is, interalia, further stated in the Company Application that the Audited Accounts of the Applicant-Company No.2 have been presented to the Shareholders upto the financial year ended on 31.3.2006, being the latest Audited Accounts. Summary of the financial position of the Applicant-Company No. 2 as per the said Audited Accounts has been given in sub-paragraph (vi) of paragraph 7 of the Company Application.
30. Copy of the Audited Accounts for the financial year ended on 31.3.2006 in respect of the Applicant-Company No.2 has been filed as Annexure-6 to the Company Application, and appears at page 138 of the Paper Book of the Company Application.
31. It is, interalia, further stated in the Company Application that there has been no material change in the financial position of the Applicant-Company No. 2 after 31.3.2006 excepting those arising or resulting in the usual course of business.
32. As regards the Applicant-Company No. 3 (CDPL), it is, interalia, stated in the Company Application that the Applicant-Company No. 3 was initially incorporated as a Private Limited Company on 7.10.1986 by the Registrar of Companies, West Bengal; and that subsequently, the Registered Office of the Applicant-Company No. 3 was shifted from the State of West Bengal to the State of Uttar Pradesh and consequently, a fresh Certificate of Incorporation was issued on 20.4.2005 by the Registrar of Companies, U.P. & Uttranchal at Kanpur.
33. Copies of the Certificates of Incorporation have been filed as part of the Memorandum and Articles of Association, referred to hereinafter, and appear at pages 187 and 186 of the Paper Book of the company Application.
34. It is, interalia, further stated in the Company Application that the Registered Office of the Applicant-Company No. 3 is situated at 117/H-2/202 Pandu Nagar, Kanpur-208005, Uttar Pradesh, within the jurisdiction of this Court.
35. It is, interalia, stated in the Company Application that the Applicant-Company No. 3 is a wholly owned subsidiary of the Applicant/Company No. 2 (RSPL); and that as noted above, the Applicant-Company No. 2 (RSPL) is a wholly owned subsidiary of the Applicant-Company No. 1 (GIPL); and that the Applicant-Company No. 3 (CDPL) is a step down wholly owned subsidiary of the Applicant-Company No. 1 (GIPL); and that the Applicant-Company No. 3 (CDPL) became a wholly owned subsidiary of the

Applicant-Company No. 2 (RSPL)with effect from 24.2.2006.

36. It is, interalia, stated in the Company Application that the Authorised, Issued, Subscribed and Paid-up Share Capital :of the Applicant-Company No. 3 as on 31.3.2007 is as under:

AUTHORISED CAPITAL	Rs .
1,00,000 Equity Shares of Rs. 10/- each	10,00,000

Total	10,00,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL

1,00,000 Equity Shares of Rs. 10/- each fully, paid up	10,00,000

Total	10,00,000

37. It is, interalia, stated in the Company Application that there has been no change in the Authorised, Issued, Subscribed and Paid-up Capital after 31.3.2007.

38. It is, interalia, further stated in the Company Application that the main objects of the Applicant-Company No. 3 to be pursued on its incorporation are specified in Clause IIIA of the Memorandum of Association; and that the Applicant-Company No. 3 is presently engaged in the business of Soaps and Detergents.

39. Copy of the Memorandum and Articles of Association of the Applicant-Company No. 3 has been filed as Annexure-7 to the Company Application, and appears at page 184 of the Paper Book of the Company Application.

40. It is, interalia, further stated in the Company Application that in view of the fact that the Applicant-Company No. 3 was initially incorporated as a Private Limited Company, it did not require any Certificate of Commencement of Business; and that the Applicant-Company No. 3 has been in business ever since its incorporation.

41. It is, interalia, further stated in the Company Application that the Audited Accounts of the Applicant-Company No. 3 have been presented to the Shareholders upto the financial year ended on 31.3.2006, being the latest Audited Accounts. Summary of the financial position of the Applicant-Company No. 3 as per the said Audited Accounts has been given in sub-paragraph (vi) of paragraph 8 of the Company Application.

42. Copy of the Audited Accounts for the financial year ended on 31.3.2006 in respect of the Applicant-Company No.3 has been filed as Annexure-8 to. the Company Application, and appears at page 205 of the Paper Book of the Company Application.

43. It is, interalia, further stated in the Company Application that there has been no material change in the financial position of the Applicant-Company No. 3 after 31.3.2006 excepting those arising or resulting in the usual course of business.

44. As regards the Applicant-Company No. 4 (PDI IPL), it is, interalia, stated in the Company Application that the Applicant-Company No. 4 was incorporated as a Private Limited Company on 2 3.11.20 05 by the Registrar of Companies, U.P. and Uttaranchal.

45. Copy of the Certificate of Incorporation has been filed as part of the Memorandum and Articles of Association, referred to hereinafter, and appears at page 236 of the Paper Book of the Company Application.

46. It is, interalia, further stated in the Company Application that the Registered Office of the Applicant-Company No.4 is situated at 117/H-2/202, Pandu Nagar, Kanpur-208005, Uttar Pradesh, within the jurisdiction of this Court.

47. It is, interalia, stated in the Company Application that the Applicant-Company No. 4 is a wholly owned subsidiary of the Applicant/Company No. 2 (RSPL); and that as noted above, the Applicant-Company No. 2 (RSPL) is a wholly owned subsidiary of the Applicant-Company No. 1 (GIPL); and that thus, the Applicant-Company No. 4 (PDI IPL) is a step down wholly owned subsidiary of the Applicant-Company No. 1 (GIPL); and that the Applicant-Company No. 4 (PDI IPL) became a wholly owned subsidiary of the Applicant-Company No. 2 (RSPL) with effect from 28.3.2006.

48. It is, interalia, stated in the Company Application that the Authorised, Issued, Subscribed and Paid-up Share Capital of the Applicant-Company No. 4 as on 31.3.2007 is as under:

AUTHORISED CAPITAL

Rs .

20,00,000 Equity Shares of Rs. 10/- each

2,00,00,000

Total

2,00,00,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL

10,000 Equity Shares of Rs. 10 each fully paid up

1,00,000

Total

1,00,000

49. It is, interalia, stated in the Company Application that there has been no change in the Authorised, Issued, Subscribed and Paid-up Capital after 31.3.2007.

50. It is, interalia, further stated in the Company Application that the main objects of the Applicant-Company No. 4 to be pursued on its incorporation are specified in Clause IIIA of the Memorandum of Association; and that the Applicant-Company No. 4 is presently engaged in the business of Real Estate Development.

51. Copy of the Memorandum and Articles of Association of the Applicant-Company No. 4 has been filed as Annexure-9 to the Company Application, and appears at page 234 of the Paper Book of the Company Application.

52. It is, interalia, further stated in the Company Application that in view of the fact that the Applicant-Company No. 4 was initially incorporate as a Private Limited Company, it did not require any Certificate of Commencement of Business; and that the Applicant-Company No. 4 has been in business ever since its incorporation.

53. It is, interalia, further stated in the Company Application that the Audited Accounts of the Applicant-Company No. 4 have been presented to the Shareholders upto the financial year ended on 31.3.2006, being the latest Audited Accounts. Summary of the financial position of the Applicant-Company No. 4 as per the said Audited: Accounts has been given in sub-paragraph (vi) of paragraph 9 of the Company Application.

54. Copy of the Audited Accounts for the financial year ended on 31.3.2006 in respect of the Applicant-Company No. 4 has been filed as Annexure-10 to the Company Application, and appears at page 256 of the Paper Book of the Company Application.

55. It is, interalia, further stated in the Company Application that there has been no material change in the financial position of the Applicant-Company No. 4 after 31.3.2006 excepting those arising or resulting in the usual course of business.

56. The main provisions of the proposed Scheme of Arrangement have been mentioned in paragraph 11 of the Company Application.

57. Copy of the Share Valuation Report including the determination of fair exchange ratio has been filed as Annexure-11 to the Company Application, and appears at page 274 of the Paper Book of the Company Application.

58. The circumstances that have necessitated the proposed Scheme of Arrangement and the objects sought to be achieved, are mentioned in paragraph 10 of the Company Application.

59. It is, interalia, further stated in the Company Application that the respective Board of Directors of the Applicant-Company No. 1 (GIPL), the Applicant-Company No.2 (RSPL), the Applicant-Company No. 3(CDPL), and the Applicant-Company No. 4(PDI IPL), at their meetings held on 16.4.2007, 28.3.2007, 27.3.2007 and 25.3.2007,

respectively have approved the proposed Scheme of Arrangement.

60. Copies of the Resolutions passed by the respective Board of Directors of the Applicants-Companies have been filed and collectively numbered as Annexure-2 to the Company Application, and appear at page 44 (in respect of the Applicant-Company No. 1), at page 41 (in respect of the Applicant-Company No. 2), at page 47 (in respect of the Applicant-Company No. 3) and at page 50 (in respect of the Applicant-Company No. 4) of the Paper Book of the Company Application.

61. It is, interalia, further stated in the Company Application that none of the Directors of any of the Applicants-Companies has any material interest, direct or indirect, in the proposed Scheme of Arrangement.

62. The details of the shareholdings of the Directors in respect of each of the Applicants-Companies, have been given in paragraph 13 of the Company Application.

63. It is, interalia, further stated in the Company Application that no investigation proceedings under Sections 235 to 251 of the Companies Act, 1956 and the like, are pending against any of the Applicants-Companies.

64. It is, interalia, further stated in the Company Application that none of the Applicants-Companies have issued any debentures.

65. It is, interalia, further stated in the Company Application that all the Applicants-Companies are Private Limited Companies, and hence, their shares are not listed on any Stock-Exchange.

66. As regards the Shareholders of the Applicant-Company No. 1 (GIPL), it is, interalia, stated in paragraph 17 of the Company Application that the Applicant-Company No. 1 (GIPL) has only eight Shareholders, who are all family members.

67. List of the Shareholders of the Applicant-Company No. 1 has been filed as Annexure-12 to the Company Application, and appears at page 288 of the Paper Book of the Company Application.

68. It is, interalia, further stated in paragraph 17 of the Company Application that all the Shareholders of the Applicant-Company No. 1 have given their consent to the proposed Scheme of Arrangement by swearing affidavits to the said effect. The said, affidavits have been filed with the Company Application and collectively numbered as Annexure-13 to the Company Application, and appear at pages 290, 293, 296, 298, 301, 304, 307 and 310, respectively of the Paper Book of the Company Application.

69. It is, interalia, stated in each of the said affidavits that the concerned Shareholder approves the proposed Scheme of Arrangement without any modification, and that he has no objection if the meeting of the Shareholders of the

Applicant-Company No. 1 for considering and approving the said Scheme is dispensed with.

70. It is, interalia, prayed in the Company Application that the requirement of holding the meeting of the Shareholders of the Applicant-Company No. 1 be dispensed with.

71. As regards the Secured Creditors of the Applicant-Company No. 1 (GIPL), it is, interalia, stated in paragraph 18 of the Company Application that the Applicant-Company No. 1 has only one. Secured Creditor of the aggregate value of Rs. 42,15,64,756.30.

72. List of the Secured Creditors of the Applicant-Company No. 1 has been filed as Annexure-14 to the Company Application, and appears at page 313 of the Paper Book of the Company Application.

73. A perusal of the said list of the Secured Creditors of the Applicant-Company No. 1 shows that there is only one Secured Creditor of the Applicant-Company No. 1, namely, State Bank of India, Industrial Estate Branch, Kanpur.

74. It is, interalia, stated in paragraph 18 of the Company Application that the said Secured Creditor of the Applicant-Company No. 1 has given its consent to the proposed Scheme of Arrangement by swearing affidavit to the said effect.

75. The consent affidavit of the Secured Creditor of the Applicant-Company No. 1, sworn on 19.5.2007, by Laxmi Kant Shukla, stated to be the Branch Manager of State Bank of India, has been filed as Annexure-16 to the Company Application, and appears at page 317 of the Paper Book of the Company Application.

76. It is, interalia, stated in the said affidavit that the State Bank of India being a Secured Creditor of the Applicant-Company No. 1 approves the proposed Scheme of Arrangement without any modification, and it has no objection if the meeting of the Secured Creditors of the Applicant-Company No. 1 for considering and approving the said Scheme is dispensed with.

77. It is, interalia, prayed in the Company Application that the requirement of holding the meeting of the Secured Creditors of the Applicant-Company No. 1 be dispensed with.

78. As regards the Unsecured Creditors of the Applicant-Company No. 1 (GIPL), it is, interalia, stated in paragraph 19 of the Company Application that the Applicant-Company No. 1 has 451 Unsecured Creditors of the aggregate value of Rs. 40,38,54,150.40.

79. List of the Unsecured Creditors of the Applicant-Company No. 1 has been filed as Annexure-18 to the Company Application, and appears at page 329 of the Paper Book of the Company Application.

80. A perusal of the said List shows that there are 451 Unsecured Creditors of the Applicant-Company No. 1.

81. It is, interalia, stated in the Company Application that it is expedient in the interest of justice that the meeting of the Unsecured Creditors of the Applicant-Company No. 1 be convened to consider and if thought fit, to approve, with or without modification, the proposed Scheme of Arrangement.

82. Prayer to the said effect has been made in the prayer clause of the Company Application.

83. As regards the Shareholders of the Applicant-Company No. 2 (RSPL), it is, interalia, stated in paragraph 7(ii) of the Company Application that the Applicant-Company No. 2 is a wholly owned subsidiary of the Applicant-Company No. 1 (GIPL).

84. The said averment has been reiterated in paragraph 2 of the Supplementary Affidavit filed in support of the Company Application.

85. It is, interalia, stated in paragraph 3 of the Supplementary Affidavit that to ensure compliance with the legal requirement of minimum number of members laid down in the Companies Act, 1956 for a Private Company, the Applicant-Company No. 1 (GIPL) has nominated Mrs. Laxmi Devi to hold one Share in the Applicant-Company No. 2 as permitted u/s 49(3) of the Companies Act, 1956; and that thus one Share in the Applicant-Company No. 2 is registered in the name of Mrs. Laxmi Devi, and the rest of the Shares of the said Company are registered in the name of the Applicant-Company No. 1 (GIPL).

86. It is, interalia, stated in paragraph 5 of the Supplementary Affidavit that although Mrs. Laxmi Devi has no beneficial interest in the share held by her in the Applicant-Company No. 2 (RSPL), yet to overcome any technical objection, she has sworn affidavit giving her consent to the proposed Scheme of Arrangement as Shareholder of the Applicant-Company No. 2 (RSPL). The said affidavit has been filed as Annexure-SA-1 to the Supplementary Affidavit, and appears at page 5 of the Paper Book of the Supplementary Affidavit.

87. It is, interalia, stated in paragraph 17 of the Company Application that the Applicant-Company No. 2 (RSPL) is a wholly owned subsidiary of the Applicant-Company No. 1 (GIPL); and that the Applicant-Company No. 1 (GIPL) and the Applicant-Company No. 2 (RSPL) themselves are applicants in the Company Application, and the Board of Directors of both the Companies have already approved the proposed Scheme of Arrangement.

89. It is, interalia, prayed in the Company Application that the requirement of, holding the meeting of the Shareholders of the Applicant-Company No. 2 be dispensed with.

90. As regards the Secured Creditors of the Applicant-Company No. 2 (RSPL), it is, interalia, stated in paragraph 18 of the Company Application that the Applicant-Company No.2 has two Secured Creditors of the aggregate value of Rs. 142,77,13,235.29.

91. List of the Secured; Creditors of the Applicant-Company No. 2 has been filed as Annexure-15 to the Company Application, and ; appears at page 315 of the Paper Book of the Company Application.

92. A perusal of the said list shows that there are two Secured Creditors of the Applicant-Company No. 2, namely, State Bank of India and YES Bank Ltd.

93. It is, interalia, stated in paragraph 18 of the Company Application that both the Secured Creditors of the Applicant-Company No. 2 have given their consent to the proposed Scheme of Arrangement by swearing affidavits to the said effect.

94. The said consent affidavits have been filed with the Company Application, and collectively marked as Annexure-17 to the Company Application, and appear at pages 322 and 326, respectively of the Paper Book of the Company Application,

95. It is, interalia, stated in each of the said affidavits that the concerned Secured Creditor approves the proposed Scheme of Arrangement without any modification, and it has no objection if the meeting of the Secured Creditors of the Applicant-Company No. 2 for considering and approving the said Scheme of Arrangement is dispensed with.

96. It is, interalia, prayed in the Company Application that the requirement of holding the meeting of the Secured Creditors of the Applicant-Company No. 2 be dispensed with.

97. As regards the Unsecured Creditors of the Applicant-Company No. 2 (RSPL), it is, interalia, stated in paragraph 19 of the Company Application that the Applicant-Company No. 2 has 669 Unsecured Creditors of the aggregate value of Rs. 16,38,46,461.41.

98. List of the Unsecured Creditors of the Applicant-Company No. 2 has been filed as Annexure-19 to the Company Application, and appears at page 346 of the Paper Book of the Company Application.

99. A perusal of the said List shows that there are 66 9 Unsecured Creditors of the Applicant-Company No. 2.

100. It is, interalia, stated in the Company Application that it is expedient in the interest of justice that the meeting of the Unsecured Creditors of the Applicant-Company No. 2 be convened to consider and if thought fit, to approve, with or without modification, the proposed Scheme of Arrangement.

101. Prayer to the said effect has been made in the prayer clause of the Company Application.

102. As regards the Shareholders of the Applicant-Company No. 3 (CDPL), it is, interalia, stated in paragraph 8(ii) of the Company Application that the Applicant-Company No. 3 is a wholly owned subsidiary of the Applicant-Company No. 2 (RSPL); and that as noted above, the Applicant-Company No. 2 is a wholly owned subsidiary of the Applicant-Company No. 1; and that thus the Applicant-Company No. 3 is a step down wholly owned subsidiary of the Applicant-Company No. 1.

103. In paragraph 2 of the Supplementary Affidavit, filed in support of the Company Application, it is reiterated that the Applicant-Company No. 3 is a wholly owned subsidiary of the Applicant-Company No. 2.

104. It is, interalia, stated in paragraph 4 of the Supplementary Affidavit that the Applicant-Company No. 2 (RSPL) has nominated, Mrs. Laxmi Devi to hold one Share in the Applicant-Company No. 3, which is subsidiary of the Applicant-Company No. 2; and that thus one Share in the Applicant-Company No. 3 is registered in the name of Mrs. Laxmi Devi, and the rest of the Shares of the said Company are registered in the name of the Applicant-Company No. 2 (RSPL).

105. It is, interalia, stated in paragraph 5 of the Supplementary Affidavit that although Mrs. Laxmi Devi has no beneficial interest in the share held by her in the Applicant-Company No. 3 (CDPL), yet to overcome any technical objection, she has sworn affidavit giving her consent to the proposed Scheme of Arrangement as Shareholder of the Applicant-Company, No. 3 (CDPL). The said affidavit has been filed as Annexure-SA-2 to the Supplementary Affidavit, and appears at page 8 of the Paper Book of the Supplementary Affidavit.

106. It is, interalia, stated in paragraph 17 of the Company Application that the Applicant-Company No. 3 is a wholly owned subsidiary of the Applicant-Company No. 2, and the Applicant-Company No. 2 is a wholly owned subsidiary of the Applicant-Company No. 1; and that the Applicant-Company, No. 1 and the Applicant-Company No. 2 themselves are applicants in the Company Application, and, the Board of Directors of both the Companies have already approved the proposed Scheme of Arrangement.

107. It is, interalia, prayed in the Company Application that the requirement of holding the meeting of the Shareholders of the Applicant-Company No. 3 be dispensed with.

108. As regards the Secured Creditors of the Applicant-Company No. 3 (CDPL), it is, interalia, stated in paragraph 18 of the Company Application that there are no Secured Creditors of¹the Applicant-Company No. 3.

109. It is, interalia, prayed in the Company Application that the requirement of holding the meeting of the Secured Creditors of the Applicant-Company No. 3 be dispensed with.

110. As regards the Unsecured Creditors of the Applicant-Company No. 3 (CDPL), it is, interalia, stated in paragraph 19 of the Company Application that the Applicant-Company No. 3 has 182 Unsecured Creditors of the aggregate value of Rs. 11,67,57,057.79.

111. List of the Unsecured Creditors of the Applicant-Company No. 3 has been filed as Annexure-20 to the Company Application, and appears at page 364 of the Paper Book of the Company Application.

112. A perusal of the said List shows that there are 182 Unsecured Creditors of the Applicant-Company No. 3.

113. It is, intejralia, stated in the Company Application that it is expedient in the interest of justice that the meeting of the Unsecured, Creditors of the Applicant-Company No. 3 be convened to consider, and if thought fit, to approve, with or without modification, the proposed Scheme of Arrangement.

114. Prayer to the said effect has been made n the prayer clause of the Company Application.

115. As regards the Shareholders of the Applicant-Company No. 4 (PDI IPL), it is, interalia, stated in paragraph 9(ii) of the Company Application that the Applicant-Company No. 4 is a wholly owned subsidiary of the Applicant-Company No. 2, (RSPL); and that as noted above, the Applicant-Company No. 2 is a wholly owned subsidiary of the Applicant-Company No. 1; and that thus the Applicant-Company No. 4 is a step down wholly owned subsidiary of the Applicant-Company No. 1.

116. In paragraph 2 of the Supplementary Affidavit, filed in support of the Company Application, it is reiterated that, the Applicant-Company No. 4 is wholly owned subsidiary of the Applicant-Company No. 2.

117. It is, interalia, stated in paragraph 4 of the Supplementary Affidavit that the Applicant-Company No. 2 (RSPL) has; nominated Mrs. Laxmi Devi to hold one Share in the Applicant-Company No. 4, which is subsidiary of the Applicant-Company No. 2; and that thus one Share in the Applicant-Company No. 4 is registered in the name of Mrs. Laxmi Devi, and the rest of the Shares of the said Company are registered in the name of the Applicant-Company No. 2 (RSPL).

118. It is interalia, stated in paragraph 5 of the Supplementary Affidavit that although Mrs. Laxmi Devi has no beneficial interest in the share held by her in the Applicant-Company No. 4 (PDI IPL), yet to overcome any technical objection, she, has sworn affidavit giving her consent to the proposed Scheme of Arrangement as

Shareholder of the Applicant-Company No. 4 (PDIPL). The said affidavit has been filed as Annexure-SA-3 to the Supplementary Affidavit, and appears at page 11 of the Paper Book of the Supplementary Affidavit.

119. It is, inter alia, stated in paragraph 17 of the Company Application that the Applicant-Company No. 4 is a wholly owned subsidiary of the Applicant-Company No. 2, and the Applicant-Company No. 2 is a wholly owned subsidiary of the Applicant-Company No. 1; and that the Applicant-Company No. 1 and the Applicant-Company No. 2 themselves are applicants in the Company Application, and the Board of Directors of both the Companies have already approved the proposed Scheme of Arrangement.

120. It is, inter alia, prayed in the Company Application that the requirement of holding the meeting of the Shareholders of the Applicant-Company No.4 be dispensed with.

121. As regards the Secured Creditors of the Applicant-Company No. 4 (PDJPL), it is, inter alia, stated in paragraph 18 of the Company Application that there are no Secured Creditors of the Applicant-Company No. 4.

122. It is, inter alia, prayed in the Company Application that the requirement of holding the meeting of the Secured. Creditor of the Applicant-Company No. 4 be dispensed with.

123. As regards the Unsecured Creditors of the Applicant-Company No. 4 (PDJPL), it is, inter alia, stated in paragraph 19 of the Company Application that the Applicant-Company No. 4 has 6 Unsecured Creditors of the aggregate value of Rs. 2,03,24,720.00.

124. List of the Unsecured Creditors of the Applicant-Company No. 4 has been filed as Annexure-21 to the Company Application, and appears at page 370 of the Paper Book of the Company Application.

125. A perusal of the said List shows that there are 6 Unsecured Creditors of the Applicant-Company No. 4, Five of the said six Unsecured Creditors are individuals while the remaining one Unsecured Creditor in the Applicant-Company No. 2 (RSPL).

126. It is, inter alia, stated in paragraph 19 of the Company Application that the Unsecured Creditors of the Applicant-Company No. 4 have given their consent by swearing affidavits to the said effect. The said consent affidavits have been filed with the Company Application, and collectively marked as Annexure-22 to the Company Application, and appear at pages 373, 376, 379, 382, 385 and 388 of the Paper Book of the Company Application.

127. It is, inter alia, stated in each of the affidavits of the five Unsecured Creditors, who are individuals, that the concerned Unsecured Creditor approves the proposed Scheme of Arrangement without any modification, and the has no objection if the

meeting of the Unsecured Creditors of the Applicant-Company No. 4 for considering and approving the said Scheme of Arrangement is dispensed with.

128. The affidavit in respect of the remaining one Unsecured Creditor of the Applicant-Company No. 4, namely, the Applicant-Company No. 2 (RSPL) (appealing at page 388 of the Paper Book of the Company Application), has been sworn by Bimal Kumar, stated to be the Managing Director of the Applicant-Company No. 2 (RSPL).

129. Averments regarding the approval to the proposed Scheme of Arrangement without any modification and regarding no-objection to the dispensing with the meeting of the Unsecured Creditors of the Applicant-Company No. 4 for considering and approving the said Scheme, have been made in the said affidavit on behalf of the Applicant-Company No. 2 (RSPL).

130. It is, inter alia, prayed in the Company Application that the requirement of holding the meeting of the Unsecured Creditors of the Applicant-Company No. 4 be dispensed with.

131. I have heard Shri R.P. Agrawal, learned Counsel for the Applicants-Companies, and perused the record.

132. It is submitted by the learned Counsel for the Applicants-Companies that in view of the facts as disclosed in the Company Application and its supporting affidavit, as also in the Supplementary Affidavit, the prayers made by the Applicants-Companies deserve to be granted.

133. Let us first take the case of the Applicant-Company No. 1 (GIPL).

134. As regards convening of the meeting of the Shareholders/Members of the Applicant-Company No. 1 (GIPL), the of Irrelevant facts and circumstances have already been Stated above.

135. In view of the facts and circumstances stated above, I am the opinion that it is not necessary to call the meting of the Shareholders/Members of the Applicant-Company No. 1 (GIPL) for consideration of the proposed Scheme of Arrangement, as per the requirements of Section 391(1) and (2) read with Section 393 of the Companies Act, 1956.

136. In the circumstances, the requirement for holding the meeting: of the Shareholders/Members of the Applicant-Company No. 1 (GIPL) for consideration of the proposed Scheme of Arrangement, as per the requirements of Section 391(1) and (2) read with Section 393 of the Companies Act, 1956 is dispensed with.

137. As regards convening of the meeting of the Secured Creditors of; the Applicant-Company No. 1 (GIPL), the relevant facts and circumstances have already been stated above.

138. In view of the facts and circumstances stated above, I am of the opinion that it is not necessary to call the meeting of the Secured Creditors of the Applicant-Company No. 1 (GIPL) for consideration of the proposed Schemes of Arrangement, as per the requirements of Section 391(1) and (2) read with Section 393 of the Companies Act, 1956.

139. In the circumstances, the requirement for holding the meeting of the Secured Creditors of the Applicant-Company No. 1 (GIPL) for consideration of the proposed Scheme of Arrangement, as per the requirements of Section 391(1) and (2) read with Section 393 of the Companies Act, 1956 is dispensed with.

140. As regards convening of the meeting of the Unsecured Creditors of the Applicant-Company No. 1 (GIPL), the relevant facts and circumstances have already been stated above.

141. In view of the facts and circumstances stated above, I am of the opinion that it is necessary to call the meeting of the Unsecured Creditors of the Applicant-Company No. 1 (GIPL) for consideration of the proposed Scheme of Arrangement, as per the requirements of Section 391(1) and (2) read with Section 393 of the Companies Act, 1956.

142. Let us now take-up the case of the Applicant-Company No. 2 (RSPL).

143. As regards Convening of the meeting of the Shareholders/Members of the Applicant-Company No. 2 (RSPL), the relevant facts and circumstances have already been stated above.

144. In view of the facts and circumstances stated above, I am of the opinion that it is not necessary to call the meeting of the Shareholders/Members of the Applicant-Company No. 2 (RSPL) for consideration of the proposed Scheme of Arrangement, as per the requirements of Section 391(1) and (2) read with Section 393 of the Companies Act, 1956.

145. In the circumstances, the requirement for holding the meeting of the Shareholders/Members of the Applicant-Company No. 2 (RSPL) for consideration of the proposed Scheme of Arrangement, as per the requirements of Section 391(1) and (2) read with Section 393 of the Companies Act, 1956 is dispensed with.

146. As regards convening of the meeting of the Secured Creditors of the Applicant-Company No.2 (RSPL), the relevant facts and circumstances have already been stated above.

147. In view of the facts and circumstances stated above, I am of the opinion that it is not necessary to call the meeting of the Secured Creditors of the Applicant-Company No. 2 (RSPL) for consideration of the proposed Scheme of Arrangement, as per the requirements of Section 391(1) and (2) read with Section 393 of the Companies Act, 1956.

148. In the circumstances, the requirement for holding the meeting of the Secured Creditors of the Applicant-Company No. 2 (RSPL) for consideration of the proposed Scheme of Arrangement, as per the requirements of Section 391(1) and (2) read with Section 393 of the Companies Act, 1956 is dispensed with.

149. As regards convening of the meeting of the Unsecured Creditors of the Applicant-Company No. 2 (RSPL), the relevant facts and circumstances have already been stated above.

150. In view of the facts; and circumstances stated above, I am of the opinion that it is necessary to call the meeting of the Unsecured Creditors of the Applicant-Company No. 2 J (RSPL) for consideration of the proposed Scheme of Arrangement, as per the requirements of Section 391(1) and (2) read with Section 393 of the Companies Act, 1956.

151. Let us now take-up the case of the Applicant-Company No. 3 (CDPL).

152. As regards convening of the meeting of the Shareholders/Members of the Applicant-Company No. 3 (CDPL), the relevant facts and circumstances have already been¹stated above.

153. In view of the facts and circumstances stated above, I am of the opinion; that it is not necessary to call the meeting of the Shareholders/Members of the Applicant-Company No. 3 (CDPL) for consideration of the proposed Scheme of Arrangement, as per the requirements of Section 391(1) and (2) read with Section 393 of the Companies Act/1956.

154. In the circumstances, the requirement for holding the meeting of the Shareholders/Members of the Applicant-Company No. 3 (CPPL) for consideration of the proposed Scheme of Arrangement, as per the requirements of Section 391(1) and (2) read with Section 393 of the Companies Act, 1956 is dispensed with.

155. As regards convening of the meeting of the Secured Creditors of the Applicant-Company No. 3 (CPPL), the relevant fact and circumstances have already been stated above.

156. In view of the facts and circumstances stated above, I am of the opinion that it is not necessary to call the meeting of the Secured Creditors of the Applicant-Company No. 3 (CDPL) for consideration of the proposed Scheme of Arrangement, as per the requirements of Section 391(1) and (2) read with Section 393 of the Companies Act, 1956.

157. In the circumstances, the requirement for holding the meeting of the Secured Creditors of the Applicant-Company No. 3 (CDPL) for consideration of the proposed Scheme of Arrangement, as per the requirements of Section 391(1) and (2) read with Section 393 of the Companies Act, 1956 is dispensed with.

158. As regards convening of the meeting of the Unsecured Creditors of the Applicant-Company No. 3 (CDPL), the relevant facts and circumstances have already been stated above.

159. In view of the facts and circumstances stated above, I am of the opinion that it is necessary to call the meeting of the Unsecured Creditors of the Applicant-Company No. 3 (CDPL) for consideration of the proposed Scheme of Arrangement, as per the requirements of Section 391(1) and (2) read with Section 393 of the Companies Act, 1956.

160. Let us now take-up the case of the Applicant-Company No. 4.(PDI IPL).

161. As regards convening of the meeting of the Shareholders/Members of the Applicant-Company No. 4 (PDI IPL), the relevant facts and circumstances have already been stated above.

162. In view of the facts and circumstances stated above, I am of the opinion that it is not necessary to call the meeting of the Shareholders/Members of the Applicant-Company No. 4 (PDI IPL) for consideration of the proposed Scheme of Arrangement, as per the requirements of Section 391(1) and (2) read with Section 393 of the Companies Act, 1956.

163. In the circumstances, the requirement for holding the), meeting of the Shareholders/Members of the Applicant-Company No. 4 (PDI IPL) for consideration of the proposed Scheme of Arrangement, as per the requirements of Section 391(1) and (2) read with Section 393 of the Companies Act, 1956 is dispensed with.

164. As regards convening of the meeting of the Secured Creditors of the Applicant-Company No. 4 (PDI IPL), the relevant facts and circumstances have already been stated above.

165. In view of the facts and circumstances stated above, I am of the opinion that it is not necessary to call the meeting of the Secured Creditors of the Applicant-Company No. 4 (PDI IPL) for consideration of the proposed Scheme of Arrangement, as per the requirements of Section 391(1) and (2) read with Section 393 of the Companies Act, 1956.

166. In the circumstances, the requirement for holding the meeting of the Secured Creditors of the Applicant Company No. 4 (PDI IPL) for consideration of the proposed scheme of Arrangement, as per the requirements of Section 391(1) and (2) read with Section 393 of the Companies Act, 1956 is Dispensed with.

167. As regards convening of the meeting of the Unsecured Creditors of the Applicant-Company No. 4 (PDI IPL), the relevant fact and circumstances have already been stated above.

168. In view of the facts and circumstances stated above, I am of the opinion that it is not necessary to call the meeting of the Unsecured Creditors of the

Applicant-Company No. 4 (PDIPL) for consideration of the proposed Scheme of Arrangement, as per the requirements of Section 391(1) and (2) read with Section 393 of the Companies Act, 1956.

169. In the circumstances, the requirement for holding the meeting of the Unsecured Creditors of the Applicant-Company No. 4 (PDIPL) for consideration of the proposed Scheme of Arrangement, as per the requirements of Section 391(1) and (2) read with Section 393 of the Companies Act, 1956 is dispensed with.

170. It is accordingly ordered as follows:

Upon the Joint application of the company Ghari Industries Private Limited (hereinafter referred to as "the Applicant-Company No. 1") having its Registered office at 117/H-2/202, Pandu Nagar, Kanpur-208005 in the State of Uttar Pradesh, the company, Surfactants Private Limited (hereinafter referred to as "the Applicant-Company No. 2") having its Registered Office at 117/H-2/202, Pandu Nagar, Kanpur-208005 in the State of Uttar Pradesh, the company Calcutta Detergents Private Limited (hereinafter referred to as "the Applicant-Company No. 3") having its Registered Office at 117/H-2/202, Pandu Nagar, Kanpur-208005 in the State of Uttar Pradesh, the company Poonam Developers & Infrastructure India Private Limited (hereinafter referred to as "the Applicant-Company No. 4") having its Registered Office at 117/H-2/202, Pandu Nagar, Kanpur-208005 in the State of Uttar Pradesh by summons presented on the 22nd day of May, 2007 seeking approval for the proposed Scheme of arrangement of the Applicants-Companies, and upon hearing Shri R.P. Agarwal, Advocate, for the applicants, and upon reading the joint application, Exhibits/Annexures thereto, and the affidavits in support thereof (Exhibit/Annexure-1 at page 1 being a copy of the proposed scheme of arrangement).

It is Ordered

That for the purpose of considering, and if thought fit, for approving, with or without modification, the proposed scheme of arrangement, it is necessary to have meeting of the Unsecured Creditors of the Applicant-Company No. 1.

That for the purpose of considering, and if thought fit, for approving with or without modification, the proposed scheme of arrangement, it is necessary to have meeting of the Unsecured Creditors of the Applicant-Company No. 2

That for the purpose of considering, and if thought fit, for approving, with or without modification, the proposed scheme of arrangement, it is necessary to have meeting of the Unsecured Creditors of the Applicant-Company No. 3.

That meeting of the Unsecured Creditors of the Applicant-Company No. 1 will be convened and held at the Registered Office of the Applicant-Company No. 1 (namely 117/H-2/202, Pandu Nagar, Kanpur-20805) on 29th day of September, 2007 (Saturday) at 11.00 O'clock in the forenoon for the purpose of considering, and if

thought fit, approving, with or without modifications, the proposed scheme of arrangement.

That meeting of the Unsecured Creditors of the Applicant-Company No. 2 will be convened and held at the Registered Office of the Applicant-Company No. 2 (namely 117/H-2/202, Pandu Nagar, Kanpur-208005) on 29th day of September, 2007 (Saturday) at 3.00 O'clock in the afternoon for the purpose of considering, and if thought fit, approving, with or without modifications, the proposed scheme of arrangement.

That meeting of the Unsecured Creditors of the Applicant-Company No. 3 be convened and held at the Registered Office of the Applicant-Company No. 3 (namely 117/H-2/202, Pandu Nagar, Kanpur-208005) on 30th day of September, 2007 (Sunday) at 11.00 O'clock in the forenoon for the purpose of considering, and if thought fit, approving, with or without modifications, the proposed scheme of arrangement.

That at least 21 clear days before the day appointed for the respective meetings of the Applicant-Company No. 1, the Applicant-Company No. 2, and the Applicant-Company No. 3 to be held as aforesaid, a notice convening the said meetings at the place and time aforesaid, together with the copies of the said scheme and of the statement required to be furnished pursuant to Section 393 of the Companies Act, 1956, and the prescribed form of proxy, shall be sent by pre-paid letter post under certificate of posting, addressed to each of the Unsecured Creditors of the Applicant-Company No. 3 aforesaid at their respective registered or last known addresses.

That, in addition, at least 21 clear days before the day appointed for the respective meeting in respect of the Applicant-Company No. 1, the Applicant-Company No. 2, and the Applicant-Company No. 3, as aforesaid, separate advertisements convening the said meetings in respect of the Applicant-Company No. 1, the Applicant-Company No. 2, and the Applicant-Company No. 3, and stating that copies of the said scheme together with the copy of the statement required to be sent u/s 393 of the Companies Act, 1956 and the prescribed form of proxy can be obtained free of charge at the respective Registered Office of the Applicant-Company No. 1, the Applicant-Company No. 2, and the Applicant-Company No. 3, shall be published in the daily national newspapers, in English may be published in Hindustan Times published from Lucknow in its Edition having circulation in the district Kanpur, and in Economic Times published from Delhi, and in Hindi may be published in Dainik Jagran published from Kanpur.

That for the purposes of conducting the meeting of the Unsecured Creditors of the Applicant-Company No. 1, the Court hereby appoints Shri Manoj Kumar Gupta, Advocate, as the Chairman and appoints Shri Prem Prakash Yadav (Mobile No. 9919057401), Advocate as the alternate Chairman. The Chairman will be paid Rs.

35,000/- plus incidental expenses and the alternate Chairman will be paid Rs. 17,500/- plus incidental expenses, in addition, the expenses of the journey and stay in respectable hotel being taken care of.

That the Chairman appointed for the meeting of the Unsecured Creditors of the Applicant-Company No. 1 will issue the advertisements and send out the notices of the meeting referred to above.

That the quorum for the said meeting of the Unsecured Creditors of the Applicant-Company No. 1 to be held as aforesaid shall be 80 by number and 85% by value of the Unsecured Creditors of the Applicant-Company No. 1 present either personally or by proxy.

That voting by proxy shall be permitted, provided that a proxy in the prescribed form duly signed by the person entitled to attend and vote at the meeting, is filed with the Applicant-Company No. 1 at its Registered Office not later than 48 hours before the meeting.

That the value of each Unsecured Creditor shall be in accordance with the books of the Applicant-Company No. 1 and, where the entries in the books are disputed, the Chairman shall determine the value for purposes of the meeting.

That for the purposes of conducting the meeting of the Unsecured Creditors of the Applicant-Company No. 2, the Court hereby appoints Shri Vipin Sinha, Advocate, as the Chairman and appoints Shri Chandan Kumar (Mobile No. 9415443327) Advocate as the alternate Chairman. The Chairman will be paid Rs. 35,000/- plus incidental expenses and the, alternate Chairman will be paid Rs. 17,500/- plus incidental expenses, in addition, the expenses of the "journey and stay in respectable hotel being taken care of.

That, the Chairman appointed for the meeting of the Unsecured Creditors of the Applicant-Company No. 2 will issue the advertisements and send out the notices of the meeting referred to above.

That the quorum for the said meeting of the Unsecured Creditors of the Applicant-Company No. 2 to be held as aforesaid shall be 130 by number and 90% by value of the Unsecured Creditors of the Applicant-Company No. 2 present either personally or by proxy.

That voting by proxy shall be permitted, provided that a proxy in the prescribed form duly signed by the person entitled to attend and vote at the meeting, is filed with the Applicant-Company No. 2 at its Registered Office not later than 48 hours before the meeting.

That the value of each Unsecured Creditor shall be in accordance with the books of the Applicant-Company No. 2 and, where the entries in the books are disputed, the Chairman shall determine the value for purposes of the meeting.

That for the purposes of conducting the meeting of the Unsecured Creditors of the Applicant-Company No. 3, the Court hereby appoints Shri Shubhasish Banerjee, Advocate, as the Chairman and appoints Shri Krishna Agrawal (Mobile No. 9415338826), Advocate as the alternate Chairman. The Chairman will be paid Rs. 35,000/- plus incidental expenses and the alternate Chairman will be paid Rs. 17,500/- plus incidental expenses, in addition, the expenses of the journey and stay in respectable hotel being taken, care of.

That the chairman appointed for the meeting of the Unsecured Creditors of the Applicant-Company No. 3 will issue the advertisements and send out the notices of the meeting referred to above.

That the quorum for the said meeting of the Unsecured Creditors of the Applicant-Company No. 3 to be held as aforesaid shall be 40 by number and 95% by value of the Unsecured Creditors of the Applicant-Company No. 3 present either personally or by proxy.

That voting by proxy shall be permitted, provided that a proxy in the prescribed form duly signed by the person entitled to attend and vote at the meeting, is filed with the Applicant-Company No. 3 at its Registered Office not later than 48 hours before the meeting.

That the value of each Unsecured Creditor shall be in accordance with the books of the Applicant-Company No. 3 and, where the entries in the books are disputed, the Chairman shall determine the value for purposes of the meeting.

And It is Further, Ordered that the respective Chairmen will report to this Court the result of the said meetings within two weeks of the conclusion of the meetings, and the report shall be verified by their respective affidavit.