

**NATIONAL COMPANY LAW TRIBUNAL**  
**NEW DELHI BENCH COURT-II**

**COMPANY APPLICATION NO. CA.(CAA)-13/ND/2026**

**IN THE MATTER OF SCHEME OF AMALGAMATION OF:**

**Flexim Flow India Private Limited**

Registered office at:  
303 3<sup>rd</sup> Floor Rohini Complex,  
Shakarpur Delhi, East Delhi  
Delhi-110092

**... Applicant /  
Transferor Company**

**WITH**

**Emerson Process Management (India) Pvt. Ltd.**

Registered office at:  
Delphi-B Wing, 601 & 602,  
6<sup>th</sup> Floor, Central Avenue,  
Hiranandani Business Park,  
Powai, Mumbai,  
Mahashtra-400076

**... Non-Applicant/  
Transferee Company**

**Order delivered on: 22.05.2026**

**Section: 230-232 of the Companies Act, 2013**

**CORAM**

**SH. ASHOK KUMAR BHARDWAJ, HON'BLE MEMBER (J)**

**MS. REENA SINHA PURI, HON'BLE MEMBER (T)**

**PRESENT**

**For the Applicant** : Adv. Rajeev Kumar

**ORDER**

**PER: MS REENA SINHA PURI MEMBER (T)**

The present application has been preferred by Flexim Flow India Private Limited, (Applicant/Transferor Company), with Emerson Process Management

(India) Private Limited, (Transferee Company), under Sections 230- 232 of the Companies Act, 2013 and Rules 3 and 5 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 read with Rule 11 of the National Company Law Tribunal Rules, 2016, seeking exemption from and/or seeking directions for convening and holding of the meetings of the equity shareholders as well as secured and unsecured creditors of the applicant company.

**2.** Proposing a Scheme for the amalgamation of Flexim Flow India Private Limited, with Emerson Process Management (India) Private Limited, under Sections 230-232 of the Companies Act, 2013, the application seeks following directions:

*“37) In view of the averments made hereinabove, it is most respectfully prayed that, this Hon'ble Tribunal may be pleased to pass:*

*(1) Appropriate order dispensing with requirement for convening the meeting of the Equity Shareholders of the Transferor company and also to dispense with the requirement of issue and publication of notices for the same;*

*(2) Appropriate order dispensing with requirement for convening the meeting of the Secured Creditors of the Transferor company since there are no Secured Creditors. Hence, the question of convening and holding a meeting of the Secured Creditors does not arise;*

*(3) Appropriate order dispensing with requirement for convening the meeting of the Unsecured Creditors of the Transferor Company in view of submissions made under para 17 herein above and also to dispense with the requirement of issue and publication of notices for the same;*

*(4) Appropriate order directing the Applicant Company to send notice under Section 230(5) of the Companies Act, 2013 to Central Government through Regional Director, Northern Region, Registrar of Companies, New Delhi, Income Tax Authorities, GST, Official liquidator or any other regulatory authorities.*

*(5) Passing such other and further orders as are deemed necessary in the facts and circumstances of the case.”*

**3.** The Transferor Company, Flexim Flow India Private Limited, having CIN No. U51909DL2020PTC404174, is a private company, incorporated on 21.01.2020 under the Companies Act, 2013. The registered office of the company is situated at 303 3rd Floor Rohini Complex, Shakarpur Delhi, East Delhi, Delhi, India, 110092. The Authorised Share Capital of the Company is Rs 11000000/- and its Paid-up Share Capital is Rs 1,01,00,000.

**4.** The Transferee Company, Emerson Process Management (India) Private Limited having CIN No. U29196MH1981PTC024115, is a private company, incorporated on 25.03.1981 under the Companies Act, 1956. The registered office of the company is situated at Delphi-B Wing, 601 & 602, 6th Floor, Central Avenue, Hiranandani Business Park, Powai, Mumbai, Maharashtra, India, 400076. The Authorised Share Capital of the Company is Rs 110,00,00,000 /- and its Paid-up Share Capital is Rs 14,33,67,900.

**5.** The registered office of the Transferor Company is situated in Delhi and, accordingly, it falls within the territorial jurisdiction of this Bench. The jurisdiction over the Transferee Company, having its registered address at Mumbai, is with NCLT, Mumbai.

**6.** The Transferor and Transferee Companies have placed on record their Certificates of Incorporation, along with copies of their respective Memorandum and Articles of Association<sup>1</sup>, which, inter alia, set out their object clauses. Copies of the audited financial statements<sup>2</sup>, along with the

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<sup>1</sup>Page-64-80- Annexure A2,Page 139-188-Annexure A11

<sup>2</sup> Page 81-99-Annexure A3,Page 189-274-Annexure A12

Auditor's Reports for the financial year ending 31.03.2025. Further provisional financial statement<sup>3</sup> of 31.03.2025 has also been placed. It is further noted that the Board of Directors of both Companies, at meetings<sup>4</sup> held on 03.03.2026 and 04.03.2026, has approved the proposed Scheme of Amalgamation.

**7.** The Appointed Date of the Scheme is the 01.04.2026, as mentioned in the scheme. The rationale<sup>5</sup> of the proposed amalgamation scheme is stated by the Applicant as under:

*(C) RATIONALE FOR THE SCHEME*

• *The Transferee Company acquired 100% stake in the Transferor Company and have become wholly owned subsidiary of the Transferee Company, as aforesaid. However, considering both the companies are in similar line of business, the businesses of the Transferor Company can be combined and carried on in conjunction with the business of the Transferee Company more conveniently and advantageously.*

• *In the circumstances, it is considered desirable and expedient to now amalgamate the Transferor Company with the Transferee Company in the manner and on the terms and conditions stated in this Scheme of Amalgamation.*

• *The other benefits and advantages of the amalgamation are, inter alia, as follows:-*

*The amalgamation will enable the Transferee Company to integrate the businesses of the Transferor Company with itself more completely for carrying on the same more effectively and beneficially and deriving the utmost value therefrom.*

*The combined businesses of the Transferor Company and the Transferee Company will be carried on more efficiently and economically pursuant to the amalgamation as a result, inter alia, of pooling and more effective utilisation of the combined resources of*

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<sup>3</sup> Page 100-114-Annexure A4, Page 275-307-Annexure A13

<sup>4</sup> Page 115-117-Annexure A5, Page 308-311-Annexure A14

<sup>5</sup> Annexure A1-Page 42 of the Application

*the said companies, reduction in overheads, costs and expenses, economies of scale, elimination of duplication of work and rationalization and reduction of compliance requirements which will be facilitated by and follow the amalgamation.*

*The amalgamation will lead to reduction and rationalization of multiple entity in the group and result in a more simplified corporate structure of the Transferee Company and its businesses, thereby leading to more efficient utilization of capital and creation of a consolidated base for future growth of the Transferee Company.*

*This amalgamation would bring concentrated management focus, integration, streamlining of the management structure, seamless implementation of policy changes and shall also help enhance the efficiency and control of undertaking of the Transferor Company and the Transferee Company.*

*The Scheme is proposed to the advantage of the Transferor Company and the Transferee Company and will have beneficial results for the said companies, their shareholders, employees and all concerned.*

*The merger seeks to leverage the strong balance sheet position and healthy net worth of the companies to enhance financial strength, optimise capital structure, and support long-term growth objectives.*

**8.** The Transferor and Transferee Companies have placed on record certificates issued by their respective Statutory Auditors in relation to the proposed accounting treatment under the Scheme. The said certificates confirm that the accounting treatment contemplated in the Scheme is in conformity with the applicable accounting standards<sup>6</sup> prescribed under Section 133 of the Companies Act, 2013.

**9.** Clause 7 of the Scheme refers to the status of all staff, workmen, and employees<sup>7</sup> of the Transferor Company on the effective date following the proposed amalgamation with and into the Transferee Company:

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<sup>6</sup> Page 312-315-ANNEXURE A-15 (Colly) and Page 316-319-ANNEXURE A-16 (Colly).

<sup>7</sup> Page 52, Annexure 1 of the Application

## 7. STAFF, WORKMEN AND EMPLOYEES

7.1. *On the Scheme becoming effective, permanent staff and employees, if any of the Transferor Company in service on the Effective Date, shall be deemed to have become staff and employees of the Transferee Company without any break or interruption in continuation of their service and on the terms and conditions of their employment not less favorable than those subsisting.*

7.2. *It is expressly provided that, upon the Scheme becoming effective, the Provident Fund, Gratuity Fund, Pension Fund, Superannuation Fund or any other Special Fund or Trusts (hereinafter referred to as Fund or Funds) created or existing for the benefit of the staff, workmen and employees of the Transferor Company, if any, shall become trusts/funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such Fund or Funds shall become those of the Transferee Company. It is clarified that the services of the staff and employees of the Transferor Company will be treated as having been continuous for the purpose of the said Fund or Funds.*

7.3. *In relation to the employees of the Transferor Company who are not covered under the Provident Fund Trust of the Transferor Company and for whom the Transferor Company is making contributions to the Government Provident Fund, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, including those relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, in respect of such employees.*

*7.4. In relation to any other fund created or existing for the benefit of the employees engaged of the Transferor Company, the Transferee Company shall stand substituted for all purposes whatsoever, including those relating to the obligation to make contributions to the said funds in accordance with the provisions of such scheme, funds, bye laws, etc. in respect of such employees.*

*7.5. The Transferee Company undertakes to continue to abide by any agreement(s)/settlement(s) entered into with any labour unions/employees by the Transferor Company. The Transferee Company agrees that, for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, the past services of such employees of the Transferor Company shall also be taken into account and agrees and undertakes to pay the same as and when payable under applicable law.*

**10.** The Following documents have been furnished on the record:

- i. Certificate of Incorporation, Master Data and Memorandum and Articles of Association of Transferor and Transferee Companies.
- ii. A copy of the proposed Scheme of Amalgamation.
- iii. List of Shareholders of Transferor Company, as on 03.03.2026, along with their Consent Affidavits respectively.
- iv. NIL Secured creditor certificate for the Transferor Company, as on 31.12.2025
- v. List of Unsecured Creditors along with the Chartered Accountant certificate, certifying the status of Unsecured Creditors of the Transferor Company and amount outstanding in the books of accounts as on 31.03.2025.
- vi. List of Directors of Transferor Company
- vii. Copy of the resolution passed by the Board of Directors of both the Companies approving the Scheme of Arrangement.

- viii. Certificates of Statutory Auditors to the effect that accounting treatment proposed in the Scheme conforms to Section 133 of the Companies Act, 2013 by both the Companies.
- ix. Audited Balance Sheet as on 31.03.2025 of Transferor Company.
- x. Provisional Balance Sheet as on 31.03.2025 of Transferor Company.
- xi. A copy of 134-137 Certificate of Chartered Accountant verifying the indicative pre amalgamation and post amalgamation net worth of Transferor Company and Transferee Company.

**11.** The Transferor and Transferee Company has stated on Affidavit<sup>8</sup> the following material facts relating in terms of Section 230(2):

- a. There is no investigation or any other legal proceedings pending against any of the Applicant Companies under the Companies Act 2013 and/or the Companies Act, 1956 and/or any other applicable law/ statute.
- b. No reduction of share capital in terms of Section 66 of the Act is envisaged in the proposed Scheme.
- c. It is further noted that the Transferor Company and Transferee Company have not entered into any Corporate Debt Restructuring arrangement.

**12.** The details regarding the number and value of shareholders and creditors of the Transferor Company, along with the status of their consent<sup>9</sup> to the proposed Scheme, have been provided in the application in a tabulated format for ease of reference.

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<sup>8</sup> Annexure A17(Colly)-Page 320-322 of application

<sup>9</sup> AnnexureA6,A7,A8,A9-Page 118-133 of the application

<b>Company</b>	<b>Equity Shareholders Nos</b>	<b>Shareholders Consent (%)</b>	<b>Secured creditors Nos.</b>	<b>Secured creditors Consent (%)</b>	<b>Unsecured creditors Nos.</b>	<b>Unsecured creditors Consent (%)</b>
Transferor Company	2	100%	0	NA	17	Not obtained

**13.** With regards to the Shareholders of the Transferor Company, the Applicants have prayed for dispensing with the requirement of convening a meeting of shareholders since 100% of the shareholders of the Applicant Companies have provided their consent/no-objection to the proposed Scheme by way of affidavits.

**14.** Insofar as the meeting of Secured Creditors is concerned, the same is not required to be convened as the Applicant Company does not have any Secured Creditors.

**15.** With regard to unsecured Creditors, the Applicant Company has sought dispensation from convening their meeting on the ground that the proposed Scheme does not involve any compromise or arrangement with the Unsecured Creditors. The Applicant Company being a wholly owned subsidiary of the Transferee Company and no shares being issued pursuant to the Scheme, the rights and interests of the Unsecured Creditors shall remain unaffected<sup>10</sup>.

**16.** Section 232(1) of the Companies Act, 2013 confers discretion upon the Tribunal to dispense with convening meetings in appropriate cases. At this stage, it would be relevant to refer to the Delhi High Court judgement in

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<sup>10</sup> Para 17, Page -19-20 of Application

**Mazda Theatres v. New Bank of India** wherein the Hon'ble Delhi High Court carved out exceptions where shareholders' meetings under Sections 391 – 394 of the 1956 Act could be dispensed with. The relevant extract of the judgment is reproduced below for ease of reference:

*“Inroads have, however, been made on this formal doctrine. Firstly, **the consent of all the shareholders given even outside a meeting is sufficient to comply with the requirement of a meeting ...***

...

*The second inroad on the requirement of a formal meeting is that **the consent of the shareholders may be ascertained without calling any meeting at all.** Further, the doctrine of lifting the veil of incorporation and looking at the reality of the action of the members of the company enables us to hold that the **consent of the overwhelming majority of the shareholders outside a meeting is sufficient to show that the resolution was supported virtually by all the members of the company ...”***

*[Emphasis Supplied]*

17. The above judgment was subsequently affirmed by the Hon'ble Delhi High Court in **Adobe Properties Private Limited with AMP Motors Private Limited** wherein the Hon'ble High Court dealt with the question of dispensing with the requirement of convening meeting of the equity shareholders, secured and unsecured creditors to consider and approve the scheme of amalgamation of the Applicant companies therein. The Hon'ble High Court made reference to several judicial precedents before taking the view that a court/ tribunal has the discretionary power to order the convening of such meeting or dispensing with the same. However, such power has to be exercised judicially, to further the ultimate aim and object of the statute. Relevant extract of the judgment reads thus:

“25. The legal position that emerges from a conspectus of the above decisions can be summarized as follows:

- i. The Court may dispense with the requirement of convening meetings of members and/or creditors or a class thereof, in view of the circumstance that a scheme is not being proposed to members and/or creditors or a class thereof.
- ii. The Court may dispense with the requirement of convening meetings of the members and/or creditors of the holding company in the event a wholly owned subsidiary is being amalgamated into its holding company and no variation of rights is being caused to such members and/or creditors of the holding company.
- iii. **The Court may dispense with the requirement of convening meetings of creditors or a class thereof, of the wholly owned subsidiary, in the event a wholly owned subsidiary is being amalgamated into its holding company and the rights of creditors of wholly owned subsidiary remain unaffected therein.**
- iv. The Court may exercise its discretion to dispense with the requirement of convening meetings of members and/or creditors, or a class thereof, in view of the consent obtained from majority in number and three-fourths in value of such members and/or creditors, or a class thereof, as the case may be, in writing to the proposed scheme.”

*(Emphasis Supplied)*

**18.** In ***Eurokids India Pvt. Ltd.***<sup>11</sup> , the Hon’ble High Court of Bombay observed as hereunder:

*“The Applicant Company is Wholly Owned Subsidiary of the Transferee Company and there is no reorganization of share capital of the Transferee Company and no new shares are being issued by the Transferee Company as all shares will be cancelled as per Clause 5 of the Scheme and rights of creditors of Transferee Company are not affected as mention in para 19 of the Affidavit in support of Summons for Direction and also in view of observations made by this court in Mahaamba Investment Ltd vs. IDI Ltd.*

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<sup>11</sup> C.S.D. No. 911 of 2014

*(2001) 105 Co cases page 16 to 18, the filing of separate Company Summons for Direction and Company Scheme Petition under Section 391 and 394 of the Companies Act, 1956 by Eurokids International Private Limited, the Transferee Company is dispensed with.”*

**19.** Further in **Patel Hydro Power Private Limited & Ors. With Patel Engineering Limited**<sup>12</sup>, the Hon’ble NCLAT held:

*12. To reiterate, we observe that the rights and liabilities of Secured and Unsecured Creditors were not getting affected in any manner by way of the proposed scheme as no new shares are being issued by the ‘Transferor Company’ and no compromise is offered to any Secured and Unsecured Creditors of the ‘Transferee Company’. Therefore, we are of the considered view that **when the ‘Transferor and Transferee Company’ involve a parent Company and a Wholly Owned Subsidiary the meeting of Equity Shareholders, Secured Creditors and Unsecured Creditors can be dispensed with** as the facts of this case substantiate that the rights of the Equity Shareholders of the ‘Transferee Company’ are not being affected. Therefore, we hold that obtaining 90% consent Affidavits from its unsecured creditors is not required keeping in view the facts of the attendant case.*

*(Emphasis Supplied)*

**20.** In the present case, the proposed amalgamation is between the Holding Company (Transferee) and its Wholly Owned Subsidiary (Transferor) and does not affect the rights or interests of the Shareholders or Creditors of Transferor Company. The net worth as on 31.12.2025 of the Transferor Company is Rs 4.87 crores. Post merger, the net worth of the Transferee Company is to be Rs 1,698.64 crores.

**21.** Accordingly, in view of the facts of the case and the aforementioned

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<sup>12</sup> Company Appeal (AT) No. 137 of 2021

judicial precedents, this Tribunal deems it fit to dispense with meetings of Shareholders and Unsecured Creditors. In the absence of secured creditors, convening of meeting of secured creditors does not arise. The prayer made by the Applicant Company for dispensing from the requirement of convening meetings of their shareholders and creditors, for the purpose of seeking approval of the proposed Scheme of Amalgamation, is hereby granted.

**22.** The present order would be notified to the following:

- i. Central Government through the Regional Director (Northern Region), Ministry of Corporate Affairs;
- ii. Registrar of Companies, NCT of Delhi & Haryana;
- iii. Official Liquidator, High Court of Delhi;
- iv. Jurisdictional Assessing Officer, & Principal Chief Commissioner of Income Tax, New Delhi.

**23.** On completion of the exercise as above, the Applicant Companies shall be entitled to move an appropriate application.

- a. All the aforesaid directions are to be complied with strictly in accordance with the applicable laws including forms and formats contained in the Rules as well as the provisions of the Companies Act, 2013 by the Applicant Company.
- b. The Court Officer/Registry is directed to send a copy of this order to the Applicant Company for necessary steps to be taken at their end.

**24. The Application CA (CAA)-13/ND/2026 is allowed on the aforesaid terms.**

**Sd/-**  
**(REENA SINHA PURI)**  
**MEMBER (T)**

**Sd/-**  
**(ASHOK KUMAR BHARDWAJ)**  
**MEMBER (J)**