



IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH (COURT- I) CHENNAI

ATTENDANCE CUM ORDER SHEET OF THE HEARING
HELD ON **02.05.2025** THROUGH VIDEO CONFERENCING

PRESENT: HON'BLE SHRI. SANJIV JAIN, MEMBER (JUDICIAL)
HON'BLE SHRI. VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

APPLICATION NUMBER : CA(CAA)/23(CHE)/2025
PETITION NUMBER :
NAME OF THE PETITIONER(S) : ZF Rane Automotive India Pvt Ltd & Anr
NAME OF THE RESPONDENTS :
UNDER SECTION : Sec 230-232 of CA, 2013

ORDER

Present: None for the Applicant.

Vide separate order pronounced in the Open Court, the application is allowed. Meeting is ordered.

Sd/-

(VENKATARAMAN SUBRAMANIAM)
MEMBER (TECHNICAL)

MG

Date: 02.05.2025

Sd/-

(SANJIV JAIN)
MEMBER (JUDICIAL)



**IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH - I, CHENNAI**

CA(CAA)/23(CHE)/2025

(Under Sections 230 to 232 of the Companies Act, 2013

In the matter of Scheme of Demerger between

ZF RANE AUTOMOTIVE INDIA PRIVATE LIMITED

CIN: U35999TN1987PTC014600

Registered Office: "Maithri", 132, Cathedral Road,
Chennai – 600 086.

Represented by its Authorised Signatory, Mr. Senthilnathan

...1st Applicant /Demerging/Transferor Company

ZF LIFETEC RANE AUTOMOTIVE INDIA PRIVATE LIMITED

CIN: U29302TN2024PTC171639

Registered Office: "Maithri", 132, Cathedral Road,
Chennai – 600 086.

Represented by its Authorised Signatory, Mr. L.K. Segar

... 2nd Applicant /Resulting/Transferee Company

and their respective Shareholders and Creditors.

Order Pronounced on 2nd May, 2025

CORAM:

SANJIV JAIN, MEMBER (JUDICIAL)

VENKATRAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

For Applicant: Thriyambak J Kannan, Advocate



ORDER

1. This is an Application filed by M/s. ZF Rane Automotive India Private Limited (hereinafter referred as the “1st Applicant/Demerging/Transferor Company”) and M/s ZF Lifetec Rane Automotive India Private Limited (hereinafter “2nd Applicant/Resulting/Transferee Company) and its Shareholders under section 230-232 of Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the Scheme of Demerger (hereinafter referred to as the “SCHEME”) proposed by the Applicant Companies herein with its Shareholders. The Scheme is placed in **Page no. 433-457** of the Application Typeset.

2. The Applicant Companies in this Company Application have sought for the following reliefs;

PARTICULARS	EQUITY SHAREHOLDERS	PREFERENCE SHAREHOLDERS	SECURED CREDITORS	UNSECURED CREDITORS
DEMERGED COMPANY/ APPLICANT COMPANY No.1	To Dispense with the meeting	Not Applicable	To Dispense with the meeting	Seeking direction from the Tribunal for convening meeting of Unsecured Creditors
RESULTING COMPANY APPLICANT COMPANY No.2	To Dispense with the meeting	Not Applicable	Not Applicable	Not Applicable



3. The **RATIONALE OF THE SCHEME** is as under:

“The Demerged Company operates in components for transportation industry under two divisions, viz.: Steering Gear Division (SGD), which manufactures fully integrated hydraulic steering gears, hydraulic pumps, power-rack and pinion, power steering fluid and plastic reservoirs for transportation industry and Occupant Safety Division (OSD), which manufactures and supplies safety seat belts and airbags to major OEMs in India and in the overseas market and exports cushions to various ZF locations.

As part of an overall strategy for the optimum running, growth and development of the said businesses it is considered desirable and expedient to reorganise and reconstruct by demerging its Occupant Safety Division (OSD) INTO THE Resulting Company in the manner as provided for in this Scheme. This will result in the creation of two separate robust entities viz., the Demerged Company and the Resulting Company focussing exclusively on Steering Gear Division (SGD) and Occupant Safety Division (OSD) businesses respectively.

The proposed Scheme is expected, inter alia, to result in following benefits:

- (i) Offer opportunities to the management of the Demerged Company and Resulting Company to vigorously pursue growth and expansion opportunities for each business separately;*
- (ii) Value unlocking of respective businesses with ability to achieve valuation based on respective-risk return profile and cash flows;*
- (iii) Attracting specific investors and strategic partners and providing better flexibility in accessing capital, focused strategy and specialisation for sustained growth and thereby enable deleveraging of the respective divisions in the longer-term;*
- (iv) Focussed management approach for pursuing the growth in the respective business’ verticals and de-risk the businesses from each other.*

It is stated that, the Scheme will have beneficial results for both the Demerged Company and the Resulting Company and their respective stakeholders.”



4. It is stated that the (i) Demerged/Transferor Company viz., M/s. ZF Rane Automotive India Private Limited Company was incorporated under the provisions of the Indian Companies Act, 1956 on 03.07.1987 with CIN: **U35999TN1987PTC014600**. The Authorized/Issued/Subscribed and paid up Share Capital of the Demerged Company as on 19.12.2024 as stated in the Application are as follows:-

Particulars	Amount in Rs.
Authorised Share Capital	
90,00,000 Equity Shares of Rs.10/- each	9,00,00,000
Total	9,00,00,000
Issued Share Capital	
88,04,000 Equity Shares of Rs.10/- each	8,80,40,000
Total	8,80,40,000
Subscribed and Paid up Share Capital	
87,38,246 Equity Shares of Rs.10/- each	8,73,82,460
Total	8,73,82,460

- (ii) The Resulting/Transferee Company viz., M/s ZF Lifetec Rane Automotive India Private Limited Company was incorporated under the provisions of Companies Act, 2013 on 04.07.2024 with CIN No. **U29302TN2024PTC171639**. The Authorized/Issued/Subscribed and Paid up Share Capital of the Resulting Company as on 19.12.2024 as stated in the Application are as follows:-



Particulars	Amount in Rs.
Authorised Share Capital	
1,00,000, Equity Shares of Rs.10/- each	10,00,000
Total	10,00,000
Issued, Subscribed and Paid up Share Capital	
10,000 Equity Shares of Rs.10/- each	1,00,000
Total	1,00,000

5. It is stated that this Application is being filed in relation to a Scheme of Arrangement between ZF Rane Automotive India Private Limited (Demerged Company) and ZF Lifetec Rane Automotive India Private Limited (Resulting Company) and their respective shareholders and creditors.

6. Ld. Counsel for the Applicants submits that, this Tribunal may dispense with the meetings of Equity Shareholders, Secured Creditors of the Demerged/Transferor Company and Resulting/Transferee Company. He has however sought for directions from the Tribunal for convening meeting of Unsecured Creditors of the Demerged /Transferor Company

7. Affidavits in support of the above application, on behalf of the Demerged Company have been sworn in by Mr. Senthilnathan in the capacity of Authorized Signatory and on behalf of the Resulting Company by Mr. L K Segar in the capacity of Authorised Signatory. It is also represented that the registered offices of both the Applicant



Companies are situated in the State of Tamil Nadu and therefore it is within the jurisdiction of this Tribunal.

8. We have perused the application and the connected documents/papers filed therewith including the Scheme contemplated by the Applicant companies.

9. The Applicant Companies have filed the Memorandum of Association (MOA) and Articles of Association (AOA) *inter alia* delineating their object clauses. The Demerged Company has submitted its last available Audited Financial Statements for the year ended 31.03.2024 and Provisional/ Unaudited Financial Statements as on 31.12.2024. The Resulting Company has submitted its Provisional/ Unaudited Financial Statements as on 31.12.2024.

10. The Board of Directors of the Applicant Companies vide meeting held on 19.12.2024 have unanimously approved the proposed Scheme of Arrangement as contemplated above. (Copies of the resolutions passed thereon have been placed on record by the Applicant Companies at **Page No.266-273.**)

11. As per the Scheme, the Appointed date is specified as, *“Appointed Date shall mean Effective Date or such other date as maybe decided by the boards of parties”* and the *“Effective Date means last of the date on which the certified copy of the order sanctioning this Scheme, is filed by the respective parties with the Jurisdictional Registrar of Companies”*.

12. The Statutory Auditors of the Demerged Company and Resulting Company have examined the Scheme in terms of provisions



of Sec. 232 of Companies Act, 2013 and the Rules made thereunder and certified that the Accounting Standards are in compliance with Section 133 of the Companies Act, 2013. The Accounting Treatment Certificates for the Applicant Companies are placed at **Page No.274-279** of the Applicant Companies typesets.

13. Taking into consideration the application filed by the Applicant Companies and the documents filed therewith as well as the position of law, this Tribunal issues the following directions: -

**A. ZF RANE AUTOMOTIVE PRIVATE LIMITED
(DEMERGED COMPANY)**

I. EQUITY SHAREHOLDERS

(i) It is represented that there are **Two (2)** Equity Shareholders as on date of filing the Application whose consent affidavits amounting to 100% are placed at **Page No. 284-299**. The Certificate issued by the Authorised Signatory of Demerged Company certifying the list of Equity Shareholders is placed at **Page No.282** of the Application. They have sought for dispensation with holding of meeting.

(ii) Since it is represented by the Demerged Company that there are 2 (**Two**) Equity Shareholders in the Company whose consent by way of Affidavits have been obtained and are placed on record, the necessity of convening and holding the meeting is *dispensed with.*

II. SECURED CREDITORS



- (i) There are Three **(3)** Secured Creditors, whose consent affidavits amounting to 100% of the total value of credit are placed at **Page No.320-356**. The Certificate issued by the Chartered Accountant certifying the list of Secured Creditors of demerged company is placed at **Page No. 357-360**. They have sought for dispensation with holding, conducting and convening of meeting.
- (ii) Since it is represented by the Demerged Company that there are Three **(3)** Secured Creditors in the Company whose consent by way of Affidavits have been obtained and are placed on record, the necessity of convening and holding the meeting is *dispensed with*.

III. UNSECURED CREDITORS

- (i) There are **Thousand Two Hundred and Five (1205)** Unsecured Creditors. The Certificate by the Chartered Accountant certifying the list of Unsecured Creditors is placed at **Page no. 365-421** of the typed set filed with the Application. It has sought for directions from the Tribunal for convening the meeting.
- (ii) The meeting is directed to be held on **15.06.2025** at **10.00 AM** in the registered office of the Demerged Company or through video conferencing or if not convenient at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.



**B. ZF LIFETEC RANE AUTOMOTIVE INDIA PRIVATE LIMITED
(RESULTING COMPANY)**

I. EQUITY SHAREHOLDERS

(i) There are **Two (02)** Equity Shareholders, whose consent affidavits amounting to 100% are placed at **Page No. 300-311**. The Certificate issued by the Authorised Signatory of the Resulting Company certifying the list of Equity Shareholders is placed at **Page No.283**. They have sought for dispensation with holding of meeting.

(ii) Since it is represented by the Resulting Company that there are **Two (02)** Equity Shareholders in the Company whose consent by way of Affidavits have been obtained and are placed on record, the necessity of convening and holding the meeting is *dispensed with*.

II. SECURED CREDITORS & UNSECURED CREDITORS

(i) There is no Secured and Unsecured Creditors. A Certificate issued by the Chartered Accountant certifying that there are no Secured & Unsecured Secured Creditors at the Resulting Company as on 17.02.2025 is placed at **Page No. 361-364** and **Page No. 422-425** of the application.

(ii) Since it is represented that there are Nil Secured & Unsecured Creditors, the necessity for convening and holding the meeting *does not arise*.

14. The quorum for the meeting of the Demerged Company shall be as follows;



S.No	Class	Quorum
1	Unsecured Creditors	134

- i) The Chairperson appointed for the above said meetings shall be **Mrs. Sucharitha J (Mob: 9444028065)**. The Fee of the Chairperson for the aforesaid meeting shall be **Rs. 1,00,000/- (Rupees One Lakh Only)** in addition to meeting her incidental expenses. The Chairperson(s) will file the reports of the meeting within a week from the date of holding of the above said meetings
- ii) **Mr. Sriram Ananth V (Mob: 8056279887)** is appointed as a Scrutinizer and would be entitled to a fee of **Rs. 50,000/- (Rupees Thirty Thousand Only)** for services in addition to meeting incidental expenses.
- iii) In case the quorum as noted above, for the above meeting of the Applicant Companies is not present at the meeting, then the meeting shall be adjourned by half an hour, and thereafter the person(s) present and voting shall be deemed to constitute the quorum. For the purpose of computing the quorum the valid proxies shall also be considered, if the proxy in the prescribed form, duly signed by the person entitled to attend and vote at the meeting, is filed with the registered office of the applicant companies at least 48 hours before the meeting. The Chairperson appointed herein along with Scrutinizer shall



ensure that the proxy registers are properly maintained. However, every endeavour should be made by the applicant companies to attain at least the quorum fixed, if not more in relation to approval of the scheme.

- iv) The meeting shall be conducted as per applicable procedure prescribed under the MCA Circular MCA General Circular Nos. (i) 20/2020 dated 5th May, 2020 (AGM Circular), (ii) 14/2020, dated 08.04.2020 (EGM Circular-I) and (iii) 17/2020 dated 13.04.2020 (EGM Circular-II);
- v) That individual notices of the above said meeting shall be sent by the Applicant Company through registered post or speed post or through courier or e-mail, 30 days in advance before the scheduled date of the meeting, indicating the day, date, the place and the time as aforesaid, together with a copy of Scheme, copy of explanatory statement, required to be sent under the Companies Act, 2013 and the prescribed form of proxy shall also be sent along and in addition to the above any other documents as may be prescribed under the Act or rules may also be duly sent with the notice.
- vi) That the Applicant Company shall publish advertisement with a gap of atleast 30 clear days before the aforesaid meetings, indicating the day, date and the place and time



as aforesaid, to be published in the English Daily "*Business Standard*" (*All India Edition*), and "*Dina Malar*" *Tamil (Tamil Nadu Edition)* in Vernacular stating the copies of Scheme, the Explanatory Statement required to be furnished pursuant to Section 230 of the Companies Act, 2013 and the form of proxy shall be provided free of charge at the registered office of the respective Applicant Companies.

- vii) The Chairperson shall as aforesaid be responsible to report the result of the meeting within a period of 3 days of the conclusion of the meeting with details of voting on the proposed scheme.
- viii) The companies shall individually send notice to concerned Regional Director, MCA, Registrar of Companies Coimbatore, Reserve Bank of India (RBI) and the Income Tax Authorities as well as other Sectoral regulators who may have significant bearing on the operation of the applicant companies or the Scheme *per se* along with copy of required documents and disclosures required under the provisions of Companies Act, 2013 read with Companies (Compromises, Arrangements, Amalgamations) Rules, 2016.
- ix) The applicant companies shall further furnish copy of the Scheme free of charge within 1 day of any requisition for



the Scheme made by every creditor or member of the applicant companies entitled to attend the meetings as aforesaid.

- x) The Authorized Representative of the Applicant Companies shall furnish an affidavit of service of notice of meetings and publication of advertisement and compliance of all directions contained herein at least a week before the proposed meetings.
- xi) All the aforesaid directions are to be complied with strictly in accordance with the applicable law including forms and formats contained in the Companies (Compromises, Arrangements, Amalgamations) Rules, 2016 as well as the provisions of the Companies Act, 2013 by the Applicants.

15. Accordingly, the Application stands **disposed of**.

-Sd-

VENKATARAMAN SUBRAMANIAM
Member (Technical)

-Sd-

SANJIV JAIN
Member (Judicial)

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