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**NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH**

**PRESENT: HON'BLE SHRI RATAKONDA MURALI- MEMBER JUDICIAL**

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 10.08.2018 AT 10.30 AM**

|                                  |   |
|----------------------------------|---|
| TRANSFER PETITION NO.            |   |
| COMPANY PETITION/APPLICATION NO. | CA (CAA) No.845/230/HDB/2018  |
| NAME OF THE COMPANY              | Jayam Optimal Bussiness Solutions Pvt Ltd<br>(Transferor Co.) & Jayam Solutions Pvt Ltd<br>(Transferee Co.) |
| NAME OF THE PETITIONER(S)        |   |
| NAME OF THE RESPONDENT(S)        |   |
| UNDER SECTION                    | 230   |

**Counsel for Petitioner(s):**

| Name of the Counsel(s) | Designation           | E-mail & Telephone No.   | Signature     |
|------------------------|-----------------------|--------------------------|---------------|
| Prashant Kumar Jain    | Partner<br>(Advocate) | PrashantKSambh@legals.in | Prashant Jain |
|                        |                       |                          |               |

**Counsel for Respondent(s):**

| Name of the Counsel(s) | Designation | E-mail & Telephone No. | Signature |
|------------------------|-------------|------------------------|-----------|
|                        |             |                        |           |
|                        |             |                        |           |

ORDER

Orders passed vide separate order

  
Member(Judl)

Pavani

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

CA (CAA) NO. 845/230/HDB/2018  
U/s 230 to 232 of the Companies Act, 2013  
R/w Rule 3 of Companies (Compromises,  
Arrangements and Amalgamations) Rules, 2016.

In the matter of Scheme of Merger  
Between  
Jayam Optimal Business Solutions Private Limited  
(Transferor Company)

And

Jayam Solutions Private Limited (Transferee Company)

And

Their Respective Shareholder's

M/s Jayam Optimal Business Solutions Private Limited  
Having registered office at  
D No 12/7/134/277, Plot No 277,  
Jayam Nilayam, Anjaneya Nagar Colony,  
Moosapet, Hyderabad – 500018  
Telangana

1<sup>st</sup> Applicant /Transferor Company

**AND**

M/s Jayam Solutions Private Limited  
Having registered office at  
D No 12/7/134/277, Plot No 277, Jayam Nilayam,  
Anjaneya Nagar Colony,  
Moosapet, Hyderabad-500018,  
Telangana

2<sup>nd</sup> Applicant /Transferee Company

**Date of order: 10.09.2018**

**Coram:**

Hon'ble Shri Ratakonda Murali, Member (Judicial)



Counsels / Parties Present

For the Applicants : Mr. Prashant Kumar Jain, Advocate.

**Per: Hon'ble Shri Ratakonda Murali, Member (Judicial)**

Heard on: 20.08.2018 and 29.08.2018.

**ORDER**

1. The present joint Company Application bearing CA (CAA)NO. 845/230/HDB/2018 is filed by M/s. Jayam Optimal Business Solutions Private Limited, 1<sup>st</sup> Applicant/Transferor Company and M/s. Jayam Solutions Private Limited, 2<sup>nd</sup> Applicant/Transferee Company respectively, under Section 230-232 of the Companies Act, 2013 praying for an order for dispensation of holding of meetings of Equity Shareholders and Secured creditors of Applicant Companies for the purpose of considering the proposed scheme of merger between 1<sup>st</sup> Applicant/Transferor Company with the 2<sup>nd</sup> Applicant/Transferee Company. The Registered Offices of the applicant Companies are situated in the State of Telangana and therefore, they are within the jurisdiction of this Tribunal.
2. The averments made in the application are briefly described as under:

**Transferor Company**

- a. **M/s. Jayam Optimal Business Solutions Private Limited**, (1<sup>st</sup> Applicant/ Transferor Company) is a private limited company incorporated under the provisions of the Act, 1956 on September 30, 2011, in the then state of Andhra Pradesh.
- b. The Authorized, issued and paid-up share capital of the 1<sup>st</sup> Applicant/Transferor Company as on March 31, 2017 is as under:


| <b>Particulars</b>   | <b>Amount<br/>in Rs.</b> |
|--|--------------------------|
| <u>Authorised</u><br>10,000 Equity Shares of Rs. 10 each                     | 1,00,000                 |
| <u>Issued, subscribed and paid up</u><br>10,000 Equity Shares of Rs. 10 each | 1,00,000                 |

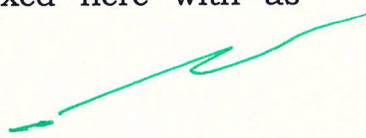
- c. The main objects of the 1<sup>st</sup> Applicant/Transferor Company are set out in the Memorandum of Association which is annexed hereto as Annexure-A. The main objects of the company are to engage in designing, developing, implementation, exploring, consultancy, ideas/concept selling, import and export, training in software technologies, hardware, e-commerce, e-business, web-development, web-design, web-hosting, multimedia application, enterprise wise business solutions of all types and managing Cyber Café, internet of all types and varieties. The 1<sup>st</sup> Applicant/Transferor Company is presently engaged *inter alia* in the business of providing annual maintenance for the software products.

**Transferee Company:**

- a. **Jayam Solutions Private Limited** (Applicant No. 2/ Transferee Company) CIN No. U72900TG2002PTC038849, is a private limited company incorporated under the provisions of the Act on April 24, 2002.
- b. The authorized, issued and paid-up share capital of the 2nd Applicant/Transferee Company as on March 31, 2017 is as under:

| <b>Particulars</b>   | <b>Amount<br/>in Rs.</b> |
|--|--------------------------|
| <u>Authorised</u><br>10,000 Equity Shares of Rs. 10 each                     | 1,00,000                 |
| <u>Issued, subscribed and paid up</u><br>10,000 Equity Shares of Rs. 10 each | 1,00,000                 |

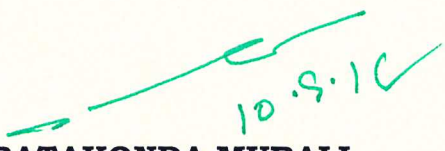
- c. The main objects of the 2nd Applicant/Transferee Company as set out in its Memorandum of Association which is annexed hereto as Annexure-C. The Main objects of the company are to engage in designing, developing, implementation, exploring, consultancy, ideas/concept selling, import and export, training in software technologies, hardware, e-commerce, e-business, web-development, web-design, web-hosting, multimedia application, enterprise wise business solutions of all types and managing Cyber Café, internet of all types and varieties. The 2nd Applicant/Transferee Company is engaged *inter alia* in the business of software development.
3. The Board of Directors of the Transferor and Transferee companies in their respective Board Meetings held on April 07, 2018 approved the Scheme of Merger, subject to the approval of their shareholders and this Hon'ble Bench with the appointed date being 01.04.2017. A certified copy of the Board Resolutions of both the 1<sup>st</sup> Applicant/ Transferor Company & 2nd Applicant/Transferee Company approving the Scheme of merger is annexed hereto and marked as **Annexure E &F**.
4. The proposed Scheme of merger of the Transferor Company with the Transferee Company is having the following benefits.
- i. Consolidation of operations of both the companies to achieve better synergies and reduce redundancy and repetition of works and projects undertaken;
  - ii. Greater integration, financial strength and flexibility for the Transferee Company, which will improve the financial position of the Transferee Company;
  - iii. Greater efficiency in cash management of the Transferee Company, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund growth opportunities, to further improve shareholder's value;
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- iv. Improved organizational capability and leadership, arising from the pooling of human capital that has the diverse skills, talent and vast experience to compete successfully in a competitive industry;
  - v. The Transferor Company and Transferee Company are engaged in the similar line of business and intend to achieve synergies in economies of scale, unified control of operations and efficiency by consolidating the business operations of both the Transferor Company and the Transferee Company; and
  - vi. Greater leverage in operations planning, cost savings are expected to flow from more focused operational efforts, standardisation and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses.
5. In view of the above rationale, the Board of Directors of the Transferor and Transferee companies are of the opinion that the Scheme of Merger would benefit the shareholders, creditors, employees and other stakeholders of the applicant companies and the said scheme shall not in any manner be prejudicial to the interest of concerned shareholders, creditors and/ or general public at large.
  6. It is further averred that no investigation or proceedings have been instituted or pending against the 1<sup>st</sup> Applicant / Transferor Company and the 2<sup>nd</sup> Applicant / Transferee Company under the Companies Act, 2013. It is further averred that both the companies are closely held private and unlisted companies.
  7. The 1<sup>st</sup> applicant/Transferor Company has filed certificate of auditor stating that as on 06.09.2018 there are 2(Two) Equity shareholders in the Transferor Company. Both the Equity Shareholders have given their consent in the form of affidavits agreeing to the proposed Scheme of merger. The consent affidavits of the Shareholders were annexed here with as **Annexure H.**
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8. The 2<sup>nd</sup> applicant/Transferee Company has filed certificate of auditor stating that as on 06.09.2018 there are 3(three) Equity shareholders in the Transferee Company. All the three Equity Shareholders have given their consent in the form of affidavits agreeing to the proposed Scheme of Amalgamation. The consent affidavits of the Shareholders were annexed herewith as **Annexure I**.
9. The 1<sup>st</sup> applicant/Transferor Company has filed certificate of auditor stating that as on 30.06.2018 there are 1 (one) secured creditor of the 1<sup>st</sup> Applicant/Transferor Company and it has given its consent to the proposed Scheme by means of affidavit. A copy of the list of the creditors and copy of the consent affidavit obtained from the secured creditor is annexed hereto as **Annexure J**. The Company does not have any unsecured creditors or trade creditors in the Company.
10. The 2<sup>nd</sup> applicant/Transferee Company has filed certificate of auditor stating that as on 30.06.2018, the Transferee Company has 2 (two) secured creditors and 1 (one) unsecured creditor and all of them have given their consent to the proposed Scheme by means of affidavit. A copy of the list of the creditors and copies of the consent affidavit obtained from the secured and unsecured creditors is annexed hereto as **Annexure k**.
11. In the light of above facts, the Applicant Companies prays for the following reliefs:-
  - (a) To dispense with the meetings of the Equity Shareholders and Secured Creditors of the 1st Applicant / Transferor Company.
  - (b) To dispense with the meetings of the Equity Shareholders, Secured Creditor and Unsecured Creditors of the 2<sup>nd</sup> Applicant / Transferee Company.
  - (c) Pass such other order or orders as the Tribunal may deem fit and proper in the circumstances of the case.



12. I have heard the counsel and I have seen the consent Affidavits filed by shareholders of the Applicant Companies. I have also seen the consent given by secured creditors and also consent affidavit given by unsecured creditors by the Applicant Companies.
13. After hearing counsel and after perusing the documents filed, I pass the following order:-
- (a) Hereby dispensed with convening the meetings of the Equity Shareholders and Secured Creditors of the 1st Applicant / Transferor Company.
  - (b) Hereby dispensed with convening the meetings of the Equity Shareholders, Secured Creditor and Unsecured Creditors of the 2<sup>nd</sup> Applicant / Transferee Company.
  - (c) In any eventuality when the Applicant Companies approach this Tribunal for seeking approval of the Scheme, it would be open for any person who is interested in the Scheme of Amalgamation to put forth their contentions before this Tribunal.

  
**RATAKONDA MURALI**  
**MEMBER (JUDICIAL)**

Pavani