

**NATIONAL COMPANY LAW TRIBUNAL  
GUWAHATI BENCH**

**CP (CAA) No. 1/GB/2021  
IN  
CA (CAA) No. 5/GB/2021**

**Coram: Hon'ble Mr. H. V. SUBBA RAO, MEMBER (J)**

**Hon'ble Mr. PRASANTA KUMAR MOHANTY, MEMBER (T)**

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF THE NATIONAL  
COMPANY LAW TRIBUNAL, GUWAHATI BENCH ON 23/08/2021.**

Name of the Company: **1. Zonet Cable TV Private Limited (Demerged  
Company)**

**2. Zonet TV Private Limited (Resulting Company)**

Section: Section 230-232 of Companies Act

<b>S.NO.</b>	<b>NAME (CAPITAL LETTERS)</b>	<b>DESIGNATION</b>	<b>REPRESENTATION</b>	<b>SIGNATURE</b>
1.	MR D. N. SHARMA	Advocate	Petitioner	Through
2.	MR B. DEBNATH	PCS	Petitioner	Video Conference
3.	MR SAROJ KR. RAY	PCS	Petitioner	

**ORDER**

The Applicant is represented through respective Learned Counsel (s).

The case is fixed for pronouncement of order.

The Petition is allowed and disposed of.

The Order is pronounced in the open court, through Video Conferencing vide separate sheet.

**Sd/-**

**(PRASANTA KUMAR MOHANTY)  
MEMBER (T)**

*//Tanmay/Deka-23.08.2021//*

**Sd/-**

**(H. V. SUBBA RAO)  
MEMBER (J)**

**NATIONAL COMPANY LAW TRIBUNAL  
GUWAHATI BENCH  
GUWAHATI**

**CP (CAA) No. 1/GB/2021  
IN  
CA (CAA) No. 5/GB/2021**

**In the matter of:**

**ZONET CABLE TV PRIVATE LIMITED**

**(CIN: U92100MZ2011PTC008262),**

A Company incorporated under the provisions of the Companies Act, 1956, having its registered office at Zorum, 3<sup>rd</sup> Floor, Rev. Zairema Building, Zarkawt, Aizawl- 796001.

... Demerged Company

AND

**ZONET TV PRIVATE LIMITED**

**(CIN: U74999MZ2020PTC013373),**

A Company incorporated under the Provisions of the Companies Act, 2013 and having its registered office at Building No. B-58, 3<sup>rd</sup> Floor Zorun, Zairema Building, Zarkawt, Aizawl- 796007.

... Resulting Company

Order delivered on **23.08.2021**

**Coram: Hon'ble Mr. H. V. SUBBA RAO, MEMBER (J)**

**Hon'ble Mr. PRASANTA KUMAR MOHANTY, MEMBER (T)**

**ORDER**

**[Per: Mr. Prasanta Kumar Mohanty, Member (T)]**

The Petitioner Companies have preferred the present joint application under Sections 230-232 of the Companies Act, 2013 seeking sanction of this Tribunal to a Composite Scheme of Arrangement of **Zonet Cable TV Private Limited** and **Zonet**

**TV Private Limited** and their respective Shareholders [“Scheme” for short] with effect from the Appointed Date as mentioned in the Scheme.

2. The Rational of the proposed company Scheme is stated as under:

i. The Demerged Company is engaged in 2 (two) distinct lines of business namely:

(a) Information, Communication and Broadcasting service and uplink of News and Current Affairs Channel in all languages throughout India (collectively referred to as the “**Broadcasting Business**”); and

(b) Distribution of Cable TV Network in the State of Mizoram (referred to as the “**Cable Distribution Business**”).

ii. The nature of risk and competition involved in each of the Broadcasting Business and cable Distribution Business is distinct, necessitating different management approaches and focus. Moreover, the competitive dynamics of these businesses are also different.

iii. The separation of the Broadcasting Business, by way of this Scheme from the Demerged Company would lead to significant benefits for both businesses including:

(i) Enable a dedicated management focus and to accelerate growth of the Broadcasting and Cable Distribution Business unlocking significant value for the shareholders of Zonet Cable TV Private Limited;

And

(ii) Access to varied sources of funds for the rapid growth of broadcasting businesses.

- iv. With a view to achieve the aforesaid growth potential, the Demerged Company proposes to re-organize and segregate, by way of the Scheme, its business, undertaking and investments in the Cable Distribution Business.
- v. The separation of Broadcasting Business will draw the attention of investors from all over the country to invest in the Broadcasting Business.
- vi. The reduction in share capital of the Demerged Company is to enable the Demerged Company to have an equitable share capital in proportion to its size and requirements post demerger of the Cable Distribution Business of the Demerged Company.
- vii. The Scheme does not have any adverse effect on either the shareholders or the employees or the creditors of the Demerged Company.

3. This Company Petition was filed by Zonet Cable TV Private Limited (ZCTPL) the Demerged Company and Zonet TV Private Limited (ZTPL), the Resulting Company came up for hearing for sanction of Scheme of Arrangement between the Demerged and the Resulting Company and their respective shareholders.

4. The Petitioner Companies have submitted that the Board of Directors of the Demerged Company and the Resulting Company, have at their respective meetings, by resolutions passed unanimously, approved the said Scheme of Arrangement on 6<sup>th</sup> November, 2020. Copies of the said board resolutions of the Demerged Company and the Resulting Company are annexed to the Petition and collectively marked as **Annexure "I"**.

5. That the Demerged Company, Zonet Cable TV Private Limited (ZCTPL) as on 31<sup>st</sup> October, 2020 has 12 Equity shareholders and 1 Secured Creditor and 1 Unsecured Creditor. A list of the Equity Shareholders, Secured Creditor and Unsecured Creditor as

certified by the Statutory Auditors are annexed to the Petition and marked as **Annexure "L"**.

6. That the Resulting Company, Zonet TV Private Limited (ZTPL) as on 31<sup>st</sup> October, 2020 had 12 Equity Shareholders and 4 Unsecured Creditors and no secured Creditor. A list of the Equity Shareholders, Secured Creditor and Nil Secured Creditors as certified by the Statutory Auditors are annexed to the Petition and marked as **Annexure "M"**.

7. All the Equity Shareholders, Secured Creditor and Unsecured Creditors of the Demerged Company have, by affidavits given their consent to the said Scheme of Arrangement.

8. All the Equity Shareholders and Unsecured Creditors of the Resulting Company have, by affidavits given their consent to the said Scheme of Arrangement.

9. Pursuant to order dated 23<sup>rd</sup> February, 2021 passed by this Tribunal in C.A (CAA)/5/2021, convening the meetings of Equity Shareholders, Secured Creditor and Unsecured Creditors of the Demerged Company and Equity Shareholders and Unsecured Creditors of the Resulting Company were dispensed with.

10. Pursuant to the directions made dated 23<sup>rd</sup> February, 2021 by this Tribunal ,the Petitioners also served Notice for hearing of the Petition Under Section 230(5) of the Act on (i) Central Government, through the Regional Director, North Eastern Region, Guwahati (ii) Registrar of Companies, Guwahati (iii) Official Liquidator, Guwahati and (iv) Income Tax Authorities having jurisdiction over the Petitioner Companies and have filed an affidavit of compliance with this Tribunal on 12<sup>th</sup> March, 2021 in this regard being **Annexure "O"** to the Petition.

11. Pursuant to the directions made dated 21<sup>st</sup> June, 2021 by this Tribunal, Notice for hearing of the Petition was also advertised once in the "**The Sentinel**" in English in

the Guwahati Region, once in the "**Mizoram Post**" in English and once the in "**Vanglaini**" in Mizo where the Registered Office of the Petitioner Companies are situated in their respective issues dated the 30<sup>th</sup> day of June 2021. An Affidavit of Compliance with the copies of the News Papers published has been filed with this Tribunal on 22<sup>nd</sup> July, 2021.

12. That the Regional Director, North Eastern Region, Guwahati vide its Affidavit dated 18<sup>th</sup> June, 2021 has submitted his no objection to the proposed Scheme of the Petitioner Companies.

That the observations made by the Central Government on the Composite Scheme of Arrangement are as under:

a) It is submitted that as per instructions of the Ministry of Corporate Affairs, New Delhi, a letter was forwarded to the Income Tax Department on 18.12.2020 with a request to forward their comments/observations/objections, if any, on the Scheme of Arrangement for Demerger between the Demerged Company and Resulting Company. However, the said authority has not forwarded their report to this Directorate till date.

b) That this Directorate vide letter dated 04.05.2021 requested respondent companies to provide proof of services of having served copy of notices to sectoral regulators. The demerged undertaking is stated to be Cable Distribution business in Clause C (iii) of the scheme whereas Para no. 5.2(iii) of the petition speaks about the demerger of "broadcasting business". Vide the said letter this Directorate requested to clarify the same. A copy of the letter dated 04.05.2021 is attached herewith and marked as 'Annexure- A'.

c) That the representative of demerged company vide email dated 01.06.2021 & 03.06.2021 attached the proof of service of notice to concerned regulatory authorities and submitted that due to typing error it was mentioned in

the application as "Broadcasting Business", which may be read as "Cable Distribution Business". A copy of the emails dated 01.06.2021 & 03.06.2021 are attached herewith and marked as 'Annexure-B'.

d) That it is submitted that vide letter dated 16.06.2021 of the Registrar of Companies, North-East Region, Ministry of Corporate Affairs, Guwahati, reported that no complaint/ prosecution/ Inspection/ Investigation/ Technical Scrutiny is carried out against the respondent companies.

3. It is further submitted that the proposed scheme, subject to the above observations, may be considered and the Hon'ble NCLT may pass such order(s) as deemed fit and proper.

4. The statement made in paragraph 2 are derived from the records of this office and the humble submissions made in paragraph 3 may be considered by the Hon'ble National Company Law Tribunal, Guwahati Bench for kind consideration and disposal of the case on its merits.

13. That despite the publication of notice of hearing in newspapers in Form No. NCLT 3A of the National Company Law Tribunal Rules, 2016, no other person has filed any opposition or objection before this Tribunal in the instant matter. Hence, it is construed that they do not have any objections or submissions to this proposal / arrangement between the Demerged and the Resulting Company.

14. Considering the aforesaid factual position of the present case for sanctioning of the Scheme of Arrangement, it seems that all statutory compliances have been fulfilled. Therefore, the Petition filed is made absolute in terms of prayers made in the Petition. **We therefore pass orders, sanctioning the Scheme of Arrangement as annexed to the** Petition and pass orders in terms of prayers of the said petition, which are reproduced below:

(a) The Scheme of Arrangement being **Annexure "A"** to the Petition be sanctioned by this Hon'ble Tribunal so as to be binding **with effect from the 1<sup>st</sup> of November, 2020 on all the Petitioner Companies their shares and creditors and all concerned. The appointed date is 01/11/2020 as resolved in the board meeting of the Applicant Companies.**

(b) All the properties, rights, interests and powers of the Demerged Undertaking of the Demerged Company Zonet Cable TV Private Limited (ZCTPL), be transferred to and vest without further act or deed to the Resulting Company Zonet TV Private Limited (ZTPL) and the same shall pursuant to Section 230-232 of the Companies Act, 2013 be transferred to and vest in Company Zonet TV Private Limited (ZTPL), the Resulting Company for all the estates and interests of the Demerged Undertaking, but subject nevertheless to all charges now affecting the same;

(c) All the debts, liabilities, duties and obligations of the Demerged Undertaking of the Demerged Company Zonet Cable TV Private Limited (ZCTPL), be transferred without further act or deed to the Resulting Company Zonet TV Private Limited (ZTPL) and accordingly the same shall, pursuant to Section 230-232 of the Companies Act, 2013 be transferred to and become the debts, liabilities, duties and obligations of Zonet TV Private Limited (ZTPL), the Resulting Company;

(d) All legal proceedings and/or suits and/or appeals now pending by or against the Demerged Undertaking of the Demerged Company Zonet Cable TV Private Limited (ZCTPL) be continued by or against Zonet TV Private Limited (ZTPL), the Resulting Company;

(e) While Approving the Scheme, **we make clear that this order should not be construed as an order in any way granting exemption from payment of Stamp Duty, taxes or any other charges, if any, and payment in accordance with law.**



(f) The Whole of the property, rights, and powers of Demerged Company be transferred without further act or deed to the Resulting Company and accordingly the same shall pursuant to Section 232 of the Companies Act, 2013, be transferred to and vest in the Resulting Company for all the state and interest of the Demerged Company therein but subject nevertheless to all charges now affecting the same; and

(g) All liabilities including taxes and charges, if any and duties of the Demerged Company be transferred without further act or deed to the Resulting Company and accordingly the same shall pursuant to section 232 of the Companies Act, 2013, be transferred to and become the liabilities and duties of the Resulting Company without in any way obstructing compliance of depositing outstanding tax dues, if any; and

(h) All employees of the Demerged Company will become employees of the Petitioner/Resulting Company without any break or interruption of service.

15. The legal fees and expenses of the office of the Regional Director are quantified at Rs.10,000.00 in respect of the Petitioner Companies. The said fees to the Regional Director shall be paid by the Resulting Company within four weeks from the date of issuance of certified copy of the Order by the Tribunal.

16. Filing and issuance of drawn up orders are dispensed with. All concerned authorities to act on a copy of this order along with the Scheme of Arrangement duly authenticated by the Registrar of this Tribunal. The Registrar of this Tribunal shall issue the certified copy of this order along with the Scheme of Arrangement immediately.

17. The petitioner companies are further directed to lodge a copy of this order, the schedule of immovable assets of the Demerged Company as on the date of this order and the Scheme duly authenticated by the Registrar of this Tribunal, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty, if any, on the same within 60 days from the date of the order.

18. The Petitioner Companies are further directed to file a copy of this order along with the copy of the Scheme of Arrangement with the concerned Registrar of Companies, electronically, along with Form INC-28 within 30 days from the date of issuance of the certified copy of the Order by the Tribunal in addition to physical copy as per relevant provisions of the Companies Act, 2013.

19. **With the aforesaid direction, the present joint Company Petition is allowed and accordingly stands disposed of.**

**Sd/-**  
**(PRASANTA KUMAR MOHANTY)**  
**MEMBER (T)**

**Sd/-**  
**(H. V. SUBBA RAO)**  
**MEMBER (J)**

*/Tanmay/Deka-23.08.2021//*