

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

**CP/156/CAA/2018
[CA/96/CAA/2018]**

Under section 230 to 232 of the Companies Act, 2013

In the matter of Scheme of Arrangement for Demerger

Between

M/s. PAYODA TECHNOLOGIES PRIVATE LIMITED

(CIN: U72200TZ2005PTC012269)

(Demerged Company)

And

M/s. APPVIEWX PRIVATE LIMITED

(CIN: U72900TZ2016FTC027936)

(Resulting Company)

And

THEIR RESPECTIVE MEMBERS

Order delivered on: 17.09.2018

Coram:

K. Anantha Padmanabha Swamy, Member (Judicial)

S. Vijayaraghavan, Member (Technical)

For the Petitioners: *Shri. V. Srinivasan, Advocate*

ORDER

Per: K. Anantha Padmanabha Swamy, Member (Judicial)

1. Under adjudication is a Joint Company Petition 156/CAA/2018 filed under section 230 of the Companies Act, 2013 r/w the Companies (Compromises, Arrangements and Amalgamations) Rules 2016. The instant petitions pertain to the proposed Scheme of Arrangement by virtue of “*Appbiewx Software Business Division*” undertaking of M/s. Payoda Technologies Private Limited (hereinafter referred to as ‘**Demerged Company**’) shall be demerged, transferred and vested with

M/s. Appviewx Private Limited (hereinafter referred to as '**Resulting Company**') in terms of the said scheme of Arrangement (Demerger).

2. The Authorised Share Capital, and issued, subscribed and paid up share capital and Secured & Unsecured Creditors of the Petitioner Companies are as under: -

Particulars	Authorized Capital	Issued, Subscribed & Paid up capital	Equity Share-holders	Secured Creditors	Unsecured Creditors/ Trade Creditors
Demerged Company	Rs.2,00,00,000/-	Rs.1,45,00,000/-	2	5	1/9
Resulting Company	Rs.3,00,00,000/-	Rs.1,24,31,140/-	2	Nil	Nil

3. The Demerged Company is a Private Limited Company and it was incorporated on 08.11.2005 under the Companies Act, 1956 having its registered office at No.42-A, Senguptha Street, Ramnagar, Coimbatore-641009 in Tamil Nadu. The Demerging Company is engaged in the business of computer technology, information processing and training etc. The Resulting Company is a Private Limited Company and it was incorporated on 26.08.2016 under the companies Act, 2013, having its registered office at No.42 Senguptha Street, Ramnagar, Coimbatore-641009 in Tamil Nadu. The Resulting Company is engaged in the business of e-commerce and e-marketing services by licensing or transferring computer software programme etc. The Board of Directors of Demerging Company and Resulting Company vide resolution dated 15.03.2018 unanimously approved the said scheme of Arrangement.

4. This Bench vide its order dated 15.05.2018, in CA/96/CAA/2018 has dispensed with the convening and holding of the meetings of the Equity shareholders and the meetings of secured and unsecured Creditors of the of the Demerging Company and Resulting Companies. The Petitioner Companies complied with all the directions passed by this Bench.

5. The learned counsel appearing for the Petitioner Companies submitted that the rationale of the Scheme of Arrangement for demerger will lead to better and more economic control and management and enable to carry on the business more conveniently and advantageously with greater focus for both the Demerging Company and the Resulting Company on their respective businesses and the Arrangement for Demerger would enable better utilization of the available resources. The said scheme of arrangement for demerger will create enhanced value for the shareholders and reap the benefits of synergy and also to give independent focus in core areas of the respective companies, focused strategy in operations to obtain greater facilities for raising capital, securing and conducting trade on favourable terms and other benefits which would be in the interest of both the Companies, their shareholders, creditors and all persons connected with them. It is further been submitted that the transfer of the Appviewx Software Business Division to Resulting Company will enable the Demerged Company to rationalize and streamline its management, business and finance and allow it to

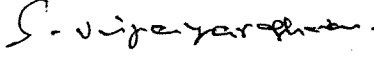
concentrate and focus on its remaining business. Further, submitted that there is no investigation proceedings, pending against the Companies under provisions of the Companies Act, 1956 or corresponding provisions of the Companies Act, 2013.


6. The Regional Director, Southern Region (In short, 'RD') in its Report Affidavit (for brevity, 'Report') dated 24.07.2018 has submitted that as per report of ROC, Coimbatore, the Demerged and Resulting Companies are regular in filing its statutory returns and no prosecution filed, no complaints and no investigation is pending against the company and as per para 4.8 of the Scheme the interest of the employees/staff of the Demerged undertaking. The RD submitted that there is no objection to the Scheme.
7. Further perusal of the scheme shows that the accounting treatment is in conformity with the established accounting standards. In short, there is no apprehension that any of the creditors would lose or be prejudiced if the proposed scheme is sanctioned. The said Scheme of Arrangement will not cast any additional burden on the stakeholders and also will not prejudicially affect the interests of any class of the creditors in any manner. **The Appointed date of the said Scheme is 01.04.2017.**
8. There is no requirement for any modification to the Scheme of Arrangement for demerger as same appears to be fair and reasonable, not

contrary to public policy and also not violative of any provisions of law. All the statutory compliances have been made under section 230 to 232 of the Companies Act, 2013 r/w the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. The Scheme of Arrangement between the Demerging Company and the Resulting Company has been duly approved by the shareholders of respective companies who have approved the scheme for Demerge. Taking into consideration all the above, the Company Petition is allowed and the scheme of Arrangement of Demerger annexed with the petition is hereby sanctioned which shall be binding on all the members, creditors and shareholders.

9. While approving the scheme as above, we further clarify that this order will not be construed as an order granting exemption from payment of stamp duty or taxes or any other charges, if payable, as per the relevant provisions of law or from any applicable permissions that may have to be obtained or, even compliances that may have to be made as per the mandate of law.
10. The Company to the said Scheme or other person interested, shall be at liberty to apply to this Bench for any direction that may be necessary with regard to the working of the said Scheme. The Petitioner Companies do file with the Registrar of Companies the certified copy of this Order within 30 days of the receipt of the order.

11. The Order of sanction to this Scheme shall be prepared by the Registry as per the format provided under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 as has been notified on 14th December, 2016.
12. Accordingly, the Scheme annexed with the petition stands sanctioned and CP/156/CAA/2018 stands disposed of.


S. Vijayaraghavan
Member (Technical)


K. Anantha Padmanabha Swamy
Member (Judicial)

tjs/knp