

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH

COMPANY SCHEME APPLICATION NO. 244 OF 2017

In the matter of the Companies Act, 2013;
AND

In the matter of Sections 230 to 232 of the Companies Act 2013);

AND

In the matter of Scheme of Arrangement between Speedon Network Limited having CIN U32202DN2011PLC000373 (Demerged Company), and Sterlite Technologies Limited having CIN L31300MH2000PLC269261 (Resulting Company) and their respective Shareholders

Sterlite Technologies Limited, a company)
incorporated under the provisions of Companies)
Act, 1956 with CIN L31300MH2000PLC269261)
and having its registered office at E1, MIDC)
Industrial Area, Waluj, Aurangabad, 431136,)
Maharashtra, India) Applicant

Called for Hearing

Mr. Hemant Sethi i/b Hemant Sethi & Co., Advocates for the Petitioner.

Coram : B.S.V. Prakash Kumar, Member (Judicial)

V. Nallasenapathy, Member (Technical)

Date : 3rd May 2017

MINUTES OF THE ORDER

1. The Counsel for the Applicant Company submits that the present Scheme is a Scheme of Arrangement between Speedon Network Limited ('Demerged Company') and Sterlite Technologies Limited ('the Resulting Company') and their respective

shareholders. The Scheme inter-alia provides for demerger of the Passive Infrastructure Business of the Demerged Company into the Applicant Company.

2. The Counsel for the Applicant Company further submits that the Demerged Company is engaged inter alia in the business of (i) deployment of passive telecom infrastructure network for providing last mile access to various Telecom Service Providers ('TSPs') and Internet Service providers ('ISPs') to deliver high speed broadband services to ultimate consumers; and (ii) equipment leasing. The Demerged Company has decided to segregate its Passive Infrastructure Business into the Applicant Company on a going concern basis.
3. The demerger of the Passive Infrastructure Business from the Demerged Company and consolidation of the same with the Telecom Product and Solutions business currently carried out by the Applicant Company would be in the best interest of the shareholders, creditors, employees and all other stakeholders of the Applicant Company and Demerged Company and is envisaged to yield specific benefits as follows:
 - Synergy benefits from integration of operations;
 - Optimal utilization of resources and better administration;
 - Rationalization and optimization of administrative expenses for both the companies by eliminating duplication of efforts
4. The meeting of the equity shareholders of the Applicant Company be convened and held at E1, MIDC Industrial Area Waluj Aurangabad Aurangabad - 431136 on Friday 23rd June 2017 at 12.30 pm for the purpose of considering and, if thought fit, approving with or without modification(s), the proposed arrangement embodied in the Scheme of Arrangement between Speedon Network Limited (Demerged Company) and Sterlite Technologies Limited (Resulting Company) and their respective Shareholders.

5. At least 30 (Thirty) days before the said meeting of the Equity Shareholders of the Applicant Company to be held as aforesaid, a notice convening the said Meeting at the place, date and time as aforesaid, together with a copy of the Scheme, a copy of statement disclosing all material facts as required under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 notified on 14th December 2016 and the prescribed Form of Proxy, shall be sent by Courier/ Registered Post/ Speed Post or through e-mail (to those shareholders whose e-mail addresses are duly registered with the Applicant Company for the purpose of receiving such notices by e-mail), addressed to each of the Equity Shareholders of the Applicant Company, at their last known address or e-mail addresses as per the records of the Applicant Company and / or Depositories and Form of Proxy can be obtained free of charge at the Registered Office of the Applicant Companies as aforesaid.
6. At least 30 (Thirty) days before the meeting of the Equity Shareholders of the Applicant Company to be held as aforesaid, a notice convening the said Meeting, indicating the place, date and time of the Meeting as aforesaid be published and stating that copies of the Scheme and the Statement required to be furnished pursuant to Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 notified on 14th December 2016 and the Form of Proxy can be obtained free of charge at the Registered Office of the Applicant Company as aforesaid and / or at the office of its Advocate, M/s. Hemant Sethi & Co., 1602, Nav Parmanu, Behind Amar Cinema, Chembur, Mumbai – 400071.
7. The notice of the Meeting shall be advertised in two local newspapers viz. "Indian Express" in English and "Loksatta" in Marathi, both circulated in Aurangabad not less than 30 days before the date fixed for the Meeting.

8. That Mr. Arun Lalchand Tadarwal, Director of the Applicant Company and failing him Mr. Anupam Jindal, Chief Financial Officer of the Applicant Company and failing him Mr. Amit Deshpande, Company Secretary of the Applicant Company, shall be the Chairman of the aforesaid meeting of the Equity Shareholders to be held at E1, MIDC Industrial Area Waluj Aurangabad Aurangabad - 431136 on Friday 23rd June 2017 at 12.30 pm or any adjournment(s) thereof.
9. That Mr. Abhishek Jagdale, Practicing Company Secretary is hereby appointed as Scrutinizer of the Meeting of Equity Shareholders of the Applicant Company to be held at E1, MIDC Industrial Area Waluj Aurangabad Aurangabad - 431136 on Friday 23rd June 2017 at 12.30 pm or any adjournment(s) thereof and his remuneration is fixed as Rs.25,000/-.
10. That the Chairman appointed for the said Meeting to issue the advertisement and send out the notices of the Meeting referred to above. The said Chairman shall have all powers as per Articles of Association and also under the Companies Act, 2013 in relation to the conduct of the Meeting, including for deciding procedural questions that may arise at the Meeting or at any adjournment(s) thereof or any other matter including an amendment to the Scheme or Resolution, if any, proposed at the Meeting by any person(s).
11. That the quorum of the aforesaid Meeting of the Equity Shareholders shall be as prescribed under Section 103 of the Companies Act, 2013.
12. That, voting by proxy or authorised representative in case of body corporate be permitted, provided that a Proxy in the prescribed form / authorization duly signed by the person entitled to attend and vote at the Meeting, is filed with the Applicant

Company at its Registered Office at E1, MIDC Industrial Area, Waluj, Aurangabad, 431136, Maharashtra, India, not later than 48 hours before the aforesaid Meeting.

13. That the value and number of the shares of each Equity Shareholder shall be in accordance with the Books / Registers of the Applicant Company or Depository Records and where the entries in the Books / Registers / Depository Records are disputed, the Chairman of the Meeting shall determine the value for the purpose of aforesaid Meeting and his decision in that behalf would be final.
14. That the Chairman to file an affidavit not less than 7 (Seven) days before the date fixed for holding of the Meeting and to report to this Tribunal that the directions regarding issue of notices and advertisement have been complied with.
15. That the Chairman of the Meeting to report to this Tribunal, the results of the aforesaid Meeting within 30 (Thirty) days of the conclusion of the Meeting.
16. The Counsel for the Applicant submits that since the Scheme is an arrangement between the Applicant Company and their respective shareholders only a meeting of the Equity Shareholders is proposed to be held in accordance with the provisions of Section 230(1)(b) of the Companies Act 2013. This bench hereby directs the Applicant Company to issue notice to all its secured and unsecured creditors of the Applicant Company as required under section 230(3) of the Companies Act 2013 with a direction that they may submit their representations, if any, to the Tribunal and copy of such representations shall simultaneously be served upon the Applicant Company.
17. That the Applicant Company is directed to serve notices along with copy of Scheme upon:- (i) Concerned Income Tax Authorities within whose jurisdiction the Applicant Company's assessments are made, (ii) Securities and Exchange Board of India, (iii)

Central Government through the office of Regional Director, Western Region, Mumbai, (iv) BSE Limited, (v) National Stock Exchange of India Limited, (vi) Reserve Bank of India (vi) Registrar of Companies, Mumbai with a direction that they may submit their representation(s), if any, within a period of 30 (Thirty) days from the date of receipt of such notice to the Tribunal with a copy/ies of such representation(s) shall simultaneously be served upon the Applicant Company, failing which, it shall be presumed that the authorities have no representation(s) to make on the arrangement as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

18. Applicant Company to file affidavit of service in the Registry proving dispatch of notices upon Creditors, publication of notices in newspapers and notices to Regulatory authorities as stated in clause 17 above and publication of notice in newspapers .

Sd/-

V. Nallasenapathy, Member (Technical)

Sd/-

B.S.V. Prakash Kumar, Member (Judicial)