

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,

MUMBAI BENCH

COMPANY SCHEME APPLICATION NO 170 OF 2017

In the matter of the Companies Act, 2013;
AND

In the matter of Section 391 to 394 of the Companies Act, 1956 (corresponding sections 230 to 231 of the Companies Act, 2013) read with sections 100 to 103 and other applicable provisions of the Companies Act, 1956 (corresponding section 66 of the Companies Act, 2013);

AND

In the matter of Scheme of Arrangement between Free A Billion Private Limited having CIN U72900MH2012PTC226614 ("the Demerged Company") and Netcore Solutions Private Limited ("the Resulting Company") having CIN U72200MH1992PTC065041 and their respective Shareholders

Netcore Solutions Private Limited }
a Company incorporated under the }
provisions of the Companies Act, 1956 }
and having its Registered Office at }
304, Tulsiani Chambers, }
Free Press Journal Marg, }
212, Nariman Point, }
Mumbai – 400021, Maharashtra, }..... Applicant Company

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

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

V. Nallasenapathy, Member (Technical)

DATE: 23rd February 2017

MINUTES OF THE ORDER

1. The present Scheme is an Arrangement between Free A Billion Private Limited ("the Demerged Company") and Netcore Solutions Private Limited ("the Resulting Company") and their respective Shareholders . The learned Counsel for the Applicant submits that the Applicant Company is presently engaged in offering solutions for enterprise communication and digital marketing .

2. The respective Board of Directors feel that the Scheme of Arrangement is beneficial to the respective shareholders, creditors, employees and all stakeholders of the Demerged Company and the Applicant Company. The proposed Scheme of Arrangement is aimed at achieving the benefits of Attribution of appropriate risk and valuation to different businesses based on their respective risk return profile and cash flows on an optimal consolidation basis, Greater visibility on the performance of business based on the commercial focus for various markets, Opportunities for strategic partnership and flexibility of fund raising capability for future growth and expansion and to create a structure geared to take advantage of growth opportunities, and the businesses and activities of the respective undertakings will be carried on more economically, conveniently and advantageously and the same will have beneficial results for the companies, their shareholders and all concerned.
3. That the meeting of the Equity Shareholders of the Applicant Company be convened and held at Peninsula Towers, 8th Floor, B Wing, Peninsula Corporate Park, G.K.Marg, Lower Parel (West), Mumbai - 400013 on Tuesday, 6th April, 2017 at 4:30 P.M. 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 Free A Billion Private Limited (“the Demerged Company”) and Netcore Solutions Private Limited (“the Resulting Company”) and their respective Shareholders.
4. That at least 30 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 Email (to those shareholders whose email addresses are duly registered with the Applicant Company for the purpose of receiving such notices by email), addressed to each of the Equity Shareholders of the Applicant Company, at their last known address or email addresses as per the records of the Applicant Company and / or Depositories.

5. That at least 30 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 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 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 Advocates, M/s Hemant Sethi & Co., 1602 NavParmanu, Behind Amar Cinema, Chembur, Mumbai – 400071.
6. That the Notice of the Meeting shall be advertised in two local newspapers viz. “Free Press Journal” in English and “Navshakti” in Marathi, both circulated in Mumbai not less than 30 days before the date fixed for the meeting.
7. That Ms. Bhavana Jain, Director of the Applicant Company, and failing her, Mr. Rajesh Jain, Director of the Applicant Company and failing him Mr. Chandanmal Jain, Director of the Applicant Company, shall be the Chairman of the aforesaid meeting of the Equity Shareholders to be held at Peninsula Towers, 8th Floor, B Wing, Peninsula Corporate Park, G.K.Marg, Lower Parel (West), Mumbai - 400013 on Tuesday, 6th April, 2017 at 4:30 P.M. or any adjournment or adjournments thereof.
8. That Mr. Vishal Thanvi, Practicing Chartered Accountant and failing him RDV & Co LLP, Chartered Accountants is hereby appointed as Scrutinizer of the meeting of Equity Shareholders of the Applicant Company to be held at Peninsula Towers, 8th Floor, B Wing, Peninsula Corporate Park, G.K.Marg, Lower Parel (West),

Mumbai - 400013 on Tuesday, 6th April, 2017 at 4:30 P.M. or any adjournment or adjournments thereof .

9. That the Chairman appointed for the aforesaid 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 or at any adjournment thereof or any other matter including an amendment to the Scheme or resolution, if any, proposed at the meeting by any person(s).
10. That the quorum of the aforesaid meeting of the Equity Shareholders shall be as prescribed under Section 103 of the Companies Act, 2013.
11. That voting by proxy or authorized representative in case of body corporate be permitted, provided that a proxy in the prescribed form/ authorisation duly signed by the person entitled to attend and vote at the meeting, is filed with the Applicant Company at its Registered Office at 304, Tulsiani Chambers, Free Press Journal Marg, 212, Nariman Point, Mumbai 400021 not later than 48 hours before the aforesaid meeting.
12. That the value and number of the shares of each Equity Shareholder shall be in accordance with the books/ register of the Applicant Company or depository records and where the entries in the books / register / depository records are disputed, the Chairman of the Meeting shall determine the value for the purpose of the aforesaid meeting and his decision in that behalf would be final.
13. That the Chairman to file an affidavit not less than seven (7) days before the date fixed for the holding of the meeting and do report this Tribunal that the direction regarding the issue of notices and the advertisement have been duly complied with.
14. That the Chairman of the meeting to report to this Tribunal, the results of the aforesaid meeting within thirty days of the conclusion of the meeting.

15. The Counsel for the Petitioner submits that there are no Secured Creditors in the Applicant Company, therefore issue of notice to Secured Creditors does not arise. That Counsel for the Applicant submit 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 Unsecured Creditors as on 1st February 2107 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.
16. The Applicant Company is directed to serve notices along with copy of scheme upon:- (i) concerned Income Tax Authority within whose jurisdiction the Applicant Company's assessments are made,(ii) the Central Government through the office of Regional Director, Western region, Mumbai (iii) Registrar of Companies, Mumbai with a direction that they may submit their representations, if any, within a period of thirty days from the date of receipt of such notice to the Tribunal with copy of such representations shall simultaneously be served upon the Applicant Company, failing which, it shall be presumed that the authorities have no representations to make on the proposals.
17. Applicant Company to file affidavit of service in the Registry proving dispatch of notices upon shareholders, Creditors, notices to Regulatory authorities as stated in clause 16 above and publication of notice in newspapers.

Sd/-

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

Sd/-

V. Nallasenapathy, Member (Technical)