

IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, CHENNAI
CA/109-111/CAA/2017

Under Section 230 of the Companies Act, 2013

In the matter of Scheme of Arrangement & Amalgamation

M/s.CSS Corp Private Ltd
and
M/s.Slash Support SEZ Private Ltd
with
M/s.Glow Networks Private Ltd.

Order delivered on 13th July 2017

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CH. MOHD SHARIEF TARIQ, MEMBER (J)
S.VIJAYARAGHAVAN, MEMBER (T)

For Applicant : Mr.Pawan Jhabakh, Mr.Abishek Raman and
Mr.C.P.Surana, Advocates

ORDER

1. Under consideration are three applications CA 109/CAA/2017, CA 110/CAA/2017 and CA 111/CAA/2017. M/s.CSS Corp Private Ltd. is the Transferor-1 company, M/s.Slash Support SEZ Private Ltd. is the Transferor-2 company and M/s.Glow Networks Private Ltd. is the Transferee company. The applications have been filed under section 230 to 232 of the Companies Act, 2013. Since all the three applications are in relation to the Scheme of Amalgamation, we take them together to pass a common order.

2. **In relation to Transferor-1 company,** there are only two equity shareholders. Both of them have given their affidavits [placed at Page 143 to 146 of the application] deposing that they consent to the scheme and did agree to dispense with the meeting of the equity shareholders. The requirement of law is fulfilled. We order to dispense with the meeting of the equity shareholders.

3. There is no secured creditor. However, the Transferor-1 company is enjoying “Non Fund based facility” from IndusInd Bank. The Applicant’s counsel undertakes to file consent affidavit of IndusInd Bank as a matter of record. Auditor’s certificate to this effect is placed at Page 140. There are 171 unsecured creditors. The list of unsecured creditors is provided in the Auditor’s certificate at Page 176 to 188. We order for convening, holding and conducting of the meeting of unsecured creditors on 21.08.2017 at 11.30 a.m. in the premises of Registered Office of the Transferor-1 company at 32-A&B, Sixth floor, Ambit IT Park, Industrial Estate, Ambattur, Chennai-600058.

4. We appoint the Ms.Lakshmi CM., Company Secretary of the Transferor-1 company to be the Chairman for the meeting of the unsecured creditors. We fix the quorum for meeting at 50 (fifty) representing not less than 25% of the value of outstanding credit. In case the quorum is not there at the designated time, when the meeting is called, then, the meeting shall be adjourned by half an hour, and thereafter, the persons present for voting shall be deemed to constitute the quorum.

5. The notice of the meeting of unsecured creditors shall be issued at least not less than 30 days prior to the date fixed for meeting. The service of notice shall be effected by speed post/through electronic means, provided the e-mail address of the creditors available with Transferor-1 company.

6. The Transferor-1 company is also directed to make available the facility for voting by making appropriate arrangements. The information about such arrangements shall be given to unsecured creditors well before the date fixed for the meeting. Those who received the notices may vote in the meeting either in person or through proxy or through postal ballot or through electronic means to the adoption of the scheme. The Chairman shall ensure that the proceedings of the meeting may take place in a just, free and fair manner, and after one week of the meeting, the Chairman shall file the report before this Bench.

7. **In relation to the Transferor-2 company**, there are only two equity shareholders. Both of them have given their consent affidavits [placed at Page 127 to 130 of the application] deposing that they consent to the scheme and did agree to dispense with the meeting of the equity shareholders. The requirement of law is fulfilled. We order to dispense with the meeting of the equity shareholders.

8. There is no secured creditor. The Auditor's certificate is placed at Page 125. But there are 52 unsecured creditors. The credit value of one

of the particular unsecured creditors is Rs.31,00,00,000/- which is equal to 97.62% of the total value of Unsecured Credit and he has given consent affidavit. Hence the requirement of law is fulfilled. We order to dispense with the meeting of the Unsecured Creditors.

9. **In relation to the Transferee company,** there are only two equity shareholders. Both of them have given their affidavits [placed at Page 1 to 6 of the Index to typed set] deposing that they consent to the scheme and did agree to dispense with the meeting of the equity shareholders. The requirement of law is fulfilled. We order to dispense with the meeting of the equity shareholders.

10. There is no secured creditors. But there are 16 unsecured creditors. Of them, the credit value of three unsecured creditors constitutes 99.99% of the total value of Unsecured Credit and they have given consent affidavit. Hence the requirement of law is fulfilled. We order to dispense with the meeting of the Unsecured Creditors.

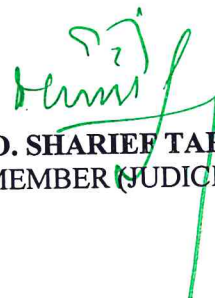
11. Looking to the contents of the applications and the scheme, we direct the Registry to issue notice to Regional Director, Ministry of Corporate Affairs, ROC concerned and Income Tax authorities. In respect of the Transferor-1 and Transferor-2 companies, we direct the Registry to issue notice to the Official Liquidator also. The OL is directed to appoint a Chartered Accountant for the purpose of drawing a report and to submit the same within four weeks from the date, ^{on which} the copy of the order is received. R

In case the authorities are desirous of making any objection/representation, they may do so within 30 days from the date of receipt of the notice. In case no objection/representation is made, it shall be presumed that they/any of them have/has no objection/representation to make.

12. The Applicant companies are directed to effect publication in newspapers one in English "Business Standard" (Tamilnadu edition) and another in vernacular language "Malai Chudar" (Chennai edition) having wide circulation in the State of Tamilnadu, at least not less than 30 days before the meeting and presentation of the petitions. The applicant companies are directed to upload the notices on its website and also display it on the notice board at its Registered Offices. The Registry is also directed to display the notice on the notice board of this Bench. The Applicant companies are directed to issue private notices to the regulators by way of speed post/hand delivery and file the proof of sending and effecting the services thereon along with the newspaper publication by way of an affidavit.

13. The applicant companies are directed to present the company petitions on or before 30.08.2017


(S.VIJAYARAGHAVAN)
(MEMBER (TECHNICAL))


(CH. MOHD. SHARIEF TARIQ)
(MEMBER (JUDICIAL))