

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

CA/206/CAA/2017

In the matter of Scheme of Amalgamation

M/s. INDIGO TX SOFTWARE PRIVATE LIMITED
(Transferor Company 1)

And

M/s LASER SOFT INFOSYSTEMS LIMITED
(Transferor Company 2)

With

M/s. INTELLECT DESIGN ARENA LIMITED
(Transferee Company)

And

Their Respective Shareholders and Creditors

Order delivered on: 04.12.2017

CORAM

K. ANANTHA PADMANABHA SWAMY, MEMBER (J)
S VIJAYARAGHAVAN, MEMBER (T)

For the Petitioner: Mr.T K Bhaskar, Advocate

PER: K. ANANTHA PADMANABHA SWAMY, MEMBER (J)

ORDER

Under Consideration is a joint Company Petition No. CA/206/CAA/2017 filed under section 230 of the Companies Act 2013, pertaining to the proposed Scheme of Amalgamation.

The Applicant Companies, M/s. Indigo TX Software Private Limited (Transferor Company 1), M/s Laser Soft Infosystems Limited (Transferor Company 2) and M/s. Intellect Design Arena Limited (Transferee Company) through this application has prayed for seeking directions:

- (i) For dispensing with the convening and holding the meeting of Equity Shareholders of the Transferor Company 1,

- (ii) For convening, holding and conducting of the meeting of Equity Shareholders of the Transferor Company 2 and Transferee Company, fix the date, time, place, quorum and appointment of Chairman for the meeting
- (iii) For dispensing with the convening, holding and conducting of the meeting of the Secured Creditors & unsecured creditors of the Transferor 1 & 2 companies and Secured and Unsecured Creditors of the Transferee Company
- (iv) Dispense with the publication of the notice of meeting of the meeting of the equity shareholders of the Transferor Company 1
- (v) Dispense with the publication of the notice of the secured and unsecured creditors of the Transferor Company 1, Transferor Company 2 and the Transferee Company
- (vi) Fix a date for filing company petition.

M/s. Indigo TX Software Private Limited (Transferor Company 1)

There are 7 Equity Shareholders in the Transferor Company 1 whose particulars are placed at page 66 in the typed set of Volume I, certified by the Authorised Signatory of the company and they have given their consent to the said scheme of amalgamation by way of consent affidavits, which are placed from Pages 67 to 87 in Volume I of the typed set.

All the requirements under law have been fulfilled, hence, the holding of the meeting of the Equity shareholders of the Transferor Company (1) is dispensed with.

There are no Secured Creditors or Unsecured Creditors in the Transferor Company 1, as certified by M/s Chakrala and Associates, Chartered Accountants, (page 88 in Volume I of the typed set).

Looking to the prayers made in the application in respect of the Transferor Company 1, in relation to the scheme of amalgamation, this Bench is inclined to issue notice to the Regional Director, Ministry of Corporate Affairs, ROC concerned, Income Tax authorities and OL. As the company is a private company, there is no requirement to send notice to SEBI, or Stock Exchanges. The authorities are directed to make objections/representations, if any, within 30 days from the date

of the receipt of notice. In case no objection/representation is received within the stipulated time it shall be deemed that they do not have any objections.

M/s Laser Soft Infosystems Limited (Transferor Company 2)

There are 36 Equity Shareholders in the Transferor Company 2, whose particulars are given at page 166 to 167, in Volume I of the typed set, certified by the Authorised Signatory of the Company.

This Bench appoints Mr. S Swaminathan, Director, failing him, Mr V V Naresh, Company Secretary as Chairman for conducting the meeting of Equity Shareholders on 18.01.2018 at 10.30 A.M. at The Music Academy, Mini Hall, New No.168, TTK Road, Royapettah, Chennai 600 014. The quorum for meeting of the Equity Shareholders shall be in terms of Section 103 of the Companies Act 2013 or such a number which is mentioned in the Application, whichever is higher. In case, the said quorum is not present at fixed time for meeting, the meeting shall be adjourned by half an hour and thereafter, the persons present for voting shall be deemed to constitute the quorum.

The notices in respect of the above meeting 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 members are available with the applicant company.

There is one Secured Creditor in the Transferor Company 2 (page 168-169 in Volume I of the typed set), as certified by M/s Chakrala and Associates, Chartered Accountants and they have given the consent to the said scheme of amalgamation by way of consent affidavit (Page 170 in Volume I of the typed set.)

Since the requirements under the law have been fulfilled, the holding of the meeting of the Secured Creditors of the Transferor Company is dispensed with.

There is no Unsecured Creditor in the Transferor Company 2, as certified by M/s.Chakrala and Associates, Chartered Accountants, (page 185 in Volume I of the typed set).

With respect to the prayers made in the application in respect of the Transferor Company 2, in relation to the scheme of amalgamation, this Bench is inclined to issue notice to the Regional Director, Ministry of Corporate Affairs, ROC concerned, Income Tax authorities and OL. The company is a Unlisted Public Limited Company. Hence, no notice is required to be sent to SEBI and other stock exchanges. The authorities are directed to make objections/representations, if any, within 30 days from the date of the receipt of notice. In case no

objection/representation is received within the stipulated time it shall be deemed that they do not have any objections.

The Registry is also directed to issue notice to the Official Liquidator who in turn, shall appoint a Chartered Accountant and submit a report with regard to both Transferor Companies within four weeks from the date of receipt of this order.

M/s. Intellect Design Arena Limited (Transferee Company)

There are 66,965 Equity Shareholders as on 31.10.2017 in the Transferee Company.

This Bench appoints Mr. Arun Jain, Chairman & Managing Director, failing him, Mr. Arun Shekhar Aran, Director as Chairman for conducting the meeting of Equity Shareholders on 18.01.2018 at 11.30 A.M. at The Music Academy, Mini Hall, New No.168, TTK Road, Royapettah, Chennai 600 014. The quorum for meeting of the Equity Shareholders shall be in terms of Section 103 of the Companies Act 2013 or such a number which is mentioned in the Application, whichever is higher. In case, the said quorum is not present at fixed time for meeting, the meeting shall be adjourned by half an hour and thereafter, the persons present for voting shall be deemed to constitute the quorum.

The notices in respect of the above meeting 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 members are available with the applicant company.

The applicant company is also directed to send the notice regarding the scheme of amalgamation to the shareholders well before the date fixed for the meeting. The shareholders may vote in the meetings either in person or through proxy.

Since the transferee company is having more than 1000 shareholders normally the transferee company should provide to its Members the facility for exercising their voting rights through postal ballot and also by electronic means as provided under Rule 20 of the Companies (Management and Administration Rules). In this case the transferee company has filed an undertaking (page 633 of Vol.II of CA 206/CAA/2017) stating that the conditions prescribed under clause 9 of the SEBI Circular are not applicable in the proposed scheme of merger. In view of this no directions are given to the transferee company for promotion of postal ballot and e-voting.

The Chairman shall ensure that the proceedings of the meeting takes place in a just, free and fair manner. Within a

week of the meetings, the Chairman shall file reports regarding the outcome of this meeting before this Bench.

There are 4 Secured Creditors in the Transferee Company (page 524 in Volume II of the typed set) as certified by M/s. Chakrala and Associates, Chartered Accountants. The unsecured Creditors have given their consent to the said scheme of amalgamation by way of consent affidavits, which is placed from Pages 526 to 573 in Volume II of the typed set.

Since the requirements under the law have been fulfilled, the holding of the meeting of the Secured Creditors of the Transferee Company is dispensed with.

There are 300 Unsecured Creditors in the Transferee Company (page 575 to 582 in Volume II of the typed set) as certified by M/s Chakrala and Associates, Chartered Accountants and 91.56% of total value of Unsecured Creditors have given their consent to the said scheme of amalgamation by way of consent affidavit (Pages 584 to 631 in the typed set).

Since the requirements under law have been fulfilled, the holding of the meeting of the Unsecured Creditors of the Transferee Company is dispensed with.

In respect of the Transferee Company, regarding the scheme of amalgamation, this Bench directs to issue notice to the Regional Director, Ministry of Corporate Affairs, ROC

concerned, Income Tax authorities and SEBI. The Transferee Company is a listed company in the National Stock Exchange and BSE who have conveyed their No-objection to the scheme of amalgamation vide their letter dated 28.3.2017 and 29.3.2017 (Page 657 and Page 659 of Volume II of the typed set). It has been stated that the companies are exempt from approaching the Competition Commission of India with respect to the Scheme of Amalgamation as it falls within the purview of Section 4 of the CCI Regulations. An affidavit to this effect has already been filed. The authorities to whom notices will be issued are directed to make objections/representations, if any, within 30 days from the date of the receipt of notice. In case no objection/representation is received within the stipulated time it shall be deemed that they do not have any objections.

The Applicants are also directed to send private notices to the authorities/regulators by way of speed post/hand delivery separately and file the proof of sending and effecting service of notice along with the paper publication by way of an affidavit before the next date of hearing.

In respect of the Transferor Companies and the Transferee Company, the publication of notice shall be made in the newspapers, one in English "The Business Line" (All India Edition) and another in Tamil "Makkal Kural" (Tamil Nadu

Edition), not less than 30 days before the date fixed for the hearing. The Petitioner Companies are directed to display the notice on the notice board at its registered offices and the Registry is also directed to display the notice on the board of this Tribunal.

The Applicant Company is directed to present the Company petition on or before 10.01.2018.

S. Vijayaraghavan

(S.VIJAYARAGHAVAN)
MEMBER (TECHNICAL)

K. Anantha Padmanabha Swamy

(K.ANANTHA PADMANABHA SWAMY)
MEMBER (JUDICIAL)

bc/pb