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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED:11.03.2015

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THE HONOURABLE MR. **JUSTICE R.MAHADEVAN**

Company Petition Nos.39 to 41 of 2015

Span Ventures Private Limited,
a company registered
under the Companies Act, 2013
and having its Registered Office
at Rathinam Software Park,
Pollachi Main Road,Eachanari,
Coimbatore-641 021rep.by its Director
Mr.S.Vasudevan ... Petitioner in C.P.
No.39 of 2010/
Transferor Company

Span Shelters Private Limited,
a Company registered under
the Companies Act, 2013 and
having its Registered Office
at No.77, Main Road,
Podanur, Coimbatore-641 023
rep.by its Director Mr.S.Vasudevan ...Petitioner in
C.P.No.40/2015/
Transferee Company No.1

Span Edutech Ventures Private Limited,
a Company registered under
the Companies Act, 2013, and
having its Registered office at No.77,
Main Road,Podanur, Coimbatore 641 023,
rep.by its Director Mr.S.Vasudevan ... Petitioner in
C.P.No.41/2015/
Transferee Company No.2

Petitions filed under Sections 391 to 394 of the
Companies Act, 1956 to sanction the scheme of arrangement
(Demerger).



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For Transferor and : Mr.V.Srinivasan
Transferee companies
Mr.M.Gopikrishnan,

Addl.Central Government
Standing Counsel, for
Regional Director,
Ministry of Corporate Affairs
Chennai.

COMMON ORDER

The petitioner in C.P.No.39 of 2015 viz., Span Ventures Private Limited (herein after called as the Transferor Company) has come up with the said petition praying for framing a scheme of arrangement for:

(a) Demerger of the Real Estate Development Business/Division of the petitioner company and transmitting/merging/vesting of the same into the Transferee Company No.1., viz., Span Shelters Private Limited, as per the Scheme - Annexure 3, as a going concern;

(b) Demerger of the Educational Development Division of the Transferor company and transmitting/merging of the same into the Transferee Company-2, namely, M/s.Span Edutech Ventures Private Limited, as per the Scheme, Annexure-3, as a going concern
with effect from 1.11.2014.

2. The petitioners in C.P.Nos.40 and 41 of 2015 viz.,

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Span Shelters Private Limited, (herein after called as the



Transferee company No.1) and Span Edutech Ventures Private Limited (herein after called as the Transferee Company No.2) have come up with the said petitions for the same purpose for which the Transferor company has filed the petition in C.P.No.39 of 2015.

3.The facts set out by the Transferor company in its petition in C.P.No.39 of 2015, in nutshell, are set out here under:-

(a) The Transferor company was incorporated on 4.1.2005 in the name and style of Samp Granites Private Limited. Later, the name was changed into the present name and a fresh certificate of incorporation was granted by the Registrar of Companies on 22.5.2006. The main object of the company was set out in paragraph 5. The Board of Directors of the Transferor company, at its meeting held on 8.11.2014, has approved a scheme of arrangement, under which, the Real Estate Business/Division and Educational Development Division of the petitioner company would be transferred and vested with the Transferee company No.1 and Transferee Company No.2, respectively, as a going concern. The scheme of arrangement had been circulated to all the equity shareholders of the Transferor company and all the shareholders have given their consent for the said scheme.



along with the petition.

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(b) This Court, in Company Application No.1226 of 2014, by an order dated 19.12.2014, dispensed with the convening and conducting of the meeting of the equity shareholders of the petitioner company and also directed to file a petition for sanction of the scheme of arrangement within two weeks from the date of that order. There are no secured creditors in the petitioner company. The Chartered Accountant Certificate to that effect is filed as Annexure-6. The Transferor Company has 2 long term unsecured creditors. The list of long term unsecured creditors is filed as annexure-7. They have all given consent affidavits/No objection letter for the purpose of approving the said scheme of Arrangement for Demerger. A copy of which is filed as Annexure-9. The interest of the creditors of the company is not affected by virtue of the scheme and it would only be for the benefit and interest of the equity shareholders of the Transferor company. Hence, the Transferor company has come up with the present petition in C.P.No.39 of 2010.

4.The facts set out by the Transferee Company No.1, in its petition in C.P.No.40 of 2015, in nutshell, are set out here under:-



shareholders, consenting to the Scheme of Arrangement, is filed as Annexure-8. The interest of the creditors of the Transferee Company No.1 is not affected by virtue of scheme of arrangement, rather, it will be beneficial to the equity shareholders.

Hence, the Transferee Company No.1 has come up with the company petition in C.P.No.40 of 2015.

5.The facts set out by the Transferee Company No.1, in its petition in C.P.No.41 of 2015, in nutshell, are set out here under:-

(a) The Transferee Company No.2 was incorporated on 10.10.2014. The object of the company was set out in paragraph No.5 of the petition. The Board of Directors of the Transferee company No.2, at its meeting held on 08.11.2014, have approved the scheme of arrangement, under which, the Educational Development Business/Division of the Transferor Company, namely, Span Ventures Private Limited, is proposed to be transferred and vested with the petitioner company, viz., Span Edutech Ventures Private Limited, as a going concern.

(b) The scheme of arrangement had been circulated to

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all the shareholders of the Transferee Company and all the



shareholders have given their consent for the scheme.

Copies of the consent affidavits have been filed.

(c) This Court, in Company Application No.1228 of 2014, by an order dated 19.12.2014, dispensed with the convening and conducting of the meeting of the equity shareholders of the company and also directed the company to file a petition for sanction of the scheme of arrangement within two weeks from the date of that order. The Transferee Company No.2 has no secured creditors and the Chartered Accountant Certificate to that effect is filed as Annexure-6. The petitioner company has two shareholders. The list of equity Shareholders of the petitioner company is filed as Annexure-7. The consent affidavits of the equity shareholders, consenting to the Scheme of Arrangement, is filed as Annexure-8. The interest of the creditors of the Transferee Company No.2 is not affected by virtue of scheme of arrangement, rather, it will be beneficial to the equity shareholders.

Hence, the Transferee Company No.2 has come up with the company petition in C.P.No.41 of 2015.

5. Affidavit was filed by the Regional Director,

Ministry of Corporate Affairs, Chennai on behalf of the

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Central Government, wherein it is stated that the scheme



protects the interest of all the employees of the demerged undertaking of the demerged company. Paragraphs Nos.5 and 6 of the said affidavit are re-produced here under:-

" 5.It is respectfully submitted that as per para Nos.4.8 and 4.9 of the scheme, all staff, workmen and employees in relation to the Real Estate Business and Educational Development Business in service of the Demerged/Transferor Company on the effective date, shall be deemed to have become the staff, workmen and employee of the Resultant/Transferee Company Nos.1 and 2, respectively.

6.It is humbly submitted that as per the report of ROC, Coimbatore, the Demerged/Transferor Company has filed their statutory returns upto date and Resultant/Transferee Companies 1 and 2 are not due for filing their statutory returns. There are no prosecution filed, no complaints received and no scrutiny, inspection has been made in the Demerged/Transferor and Resultant/Transferee Companies.

6.In view of the above facts and circumstances, I am
of the considered view that there is no objectionable



feature detrimental to the interest of the employees of the Transferor Company or of the Transferee Companies. Further, the scheme is not violative of any statutory provisions or against any public policy or public interest. That apart, no proceedings are pending under Sections 231 to 237 of the Companies Act, 1956. Further, all the statutory provisions have been complied with.

7. In fine, there shall be an order approving the scheme of arrangement of the Transferor Company viz., M/s.Span Ventures Private Limited with the Transferee Companies/ Resulting Companies viz., M/s.Span Shelters Private Limited and M/s.Span Edutech Ventures Private Limited, with effect from 01.11.2014 as the procedure laid down under Sections 391 and 394 of the Companies Act were duly complied with. All these petitions shall stand allowed. A sum of Rs.5,000/- (Rupees five thousand only) each is ordered to be paid by the Transferor Company as well as the Transferee Companies to Mr.M.Gopikrishnan, learned Additional Central Government Standing Counsel.

sd/.R.M.D.J
11.03.2015

//Certified to be a true copy//

Dated this the day of 2015.

R.s/20.03.2015

COURT OFFICER

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