

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 15.10.2015

Coram

The Hon'ble **Mrs.Justice PUSHPA SATHYANARAYANA**

C.P.Nos.238 and 239 of 2014

M/s.Limras Eronet Broadband Service
Private Limited,
Having its Registered Office at
No.18/7, First Floor,
Postal Colony, III Street,
West Mambalam,
Chennai 600 033,
Tamil Nadu, India.

.. Petitioner in C.P.No.238 of 2014
/Transferor Company

M/s.Blue Lotus Support
Services Private Limited,
Having its Registered Office at
No.18/7, First Floor,
Postal Colony, III Street,
West Mambalam,
Chennai 600 033,
Tamil Nadu, India.

.. Petitioner in C.P.No.312 of 2015
/Transferee Company

Company Petitions filed under Sections 391 to 394 of the Companies Act, 1956 to sanction the Scheme of Amalgamation between the Transferor Company viz., M/s. Limras Eronet Broadband Service Private Limited, and the Transferee Company viz., M/s.Blue Lotus Support Services Private Limited, annexed as Sl.No. 3 in both the petitions so as

to be binding on all the Shareholders and Creditors of the Petitioner Companies, with effect from 01.04.2013 and the Transferor Company/Petitioner in C.P.No.238 of 2014 viz., M/s.Limras Eronet Broadband Service Private Limited, be dissolved without the process of winding up.

For Petitioners : Mr.S.Giritharan

Mr.G.Venkatesan,
Central Government Counsel
for Regional Director
Ministry of Corporate Affairs,Chennai.

Mr.P.Achutha Ramaiah
Official Liquidator

COMMON ORDER

These Company Petitions are preferred under Sections 391 to 394 of the Companies Act, 1956, for sanctioning the Scheme of Amalgamation of the Transferor Company with the Transferee Company with effect from 01.04.2013. The Scheme of Amalgamation is annexed as Sl.No.3 in both the petitions.

2. The petitioner in C.P.No.238 of 2014 - M/s.Limras Eronet Broadband Service Private Limited is the Transferor Company and the

petitioner in C.P.No.239 of 2014 - M/s.Blue Lotus Support Services Private Limited, is the Transferee Company.

3. A perusal of the records shows that the petitioners have complied with the prescribed procedure. The copies of Resolution, dated 17th January 2014 of Board of the Directors of the Transferor company and the Transferee Company adopting the Scheme of Amalgamation are annexed as Sl.No.2 in both the petitions. There are no secured creditors for the Transferor Company/petitioner in C.P.No.238 of 2014 and the Transferee Company/ petitioner in C.P.No.239 of 2014 and the certificates of the Chartered Accountant confirming the same are annexed as Sl.No.6 in both the petitions. In the said Auditor certificates, it is stated that the Transferor company and the Transferee company have unsecured loans from Directors as on 31.12.2013 of Rs.2,02,45,200/- and Rs.3,03,881/- respectively and the No Objection Certificates issued by the unsecured creditors are annexed as Sl.Nos.9 and 10 in C.P.Nos.238 and 239 of 2014 respectively.

4. By order dated 28.02.2014, in Comp.A.Nos.290 and 291 of 2014 in the case of the Transferor and the Transferee Companies respectively,

this Court dispensed with the convening, holding and conducting the meeting of the equity shareholders for the purpose of considering and if thought fit, approving with or without modification, the Scheme of Amalgamation of the Transferor Company with the Transferee Company.

5. There are 5 equity share holders in the Transferor Company and 4 equity share holders in the Transferee Company. The list of equity shareholders is annexed as Sl.No.7 in both the petitions. The consent affidavits from the equity shareholders of both the Transferor and the Transferee companies to the Scheme of Amalgamation are annexed as Sl.No.8 in both the petitions.

6. On notice, the Regional Director, Ministry of Corporate Affairs, Chennai, has filed his report without making any objection to the Scheme being sanctioned. However, it is stated in the report of the Regional Director that as both the companies are providing Internet/bandwidth, necessary approvals from the authorities if any may be obtained by the companies.

7. The Official Liquidator has also filed his report along with the report of the Chartered Accountant. The report of the chartered accountant states that they have examined all the statutory books and registers and books of accounts required to be maintained under Section 209 of the Companies Act, 1956 for a period of 3 (three) years ending 31.03.2012, 31.03.2013 and 31.03.2014 and the audited Balance Sheets and Profit and Loss Accounts for the above said period and minutes of the board meetings of the members and directors for the above said period of M/s. Limras Eronet Broadband Service Private Limited, the Transferor Company. The accounts and records of the Transferor Company have been audited and the auditor's reports were not qualificatory in nature excepting for the provision relating to internal audit system, though it had adequate internal control system. The report further states that the affairs of the transferor company have not been conducted in a manner prejudicial to the interest of its members or to the public and that they do not come across any act of misfeasance by the Directors attracting the provisions of Sections 542 and 543 of the Companies Act, 1956. The Transferor Company has no unpaid or unclaimed dividends and hence the question of commenting on compliance of Section 205 A of the Companies Act, 1956 does not arise. All the statutory provisions are complied with. It

is also stated that the records maintained in the office of the Registrar of Companies were also caused to be inspected by the said Chartered Accountant and there are no materials to indicate that the affairs of the transferor company were being conducted in a manner prejudicial to the interest of its members or public interest.

8. I have perused the Scheme filed in the Company Petitions and find it beneficial to the working of the Transferee Company and is in the interests of the Transferor Company. There is no objectionable feature in the Scheme of Amalgamation detrimental either to the employees of the Transferor Company or to the Transferee Company. The said Scheme is not violative of any statutory provisions. The Scheme is fair, just, sound and is not against any public policy or public interest.

9. Consequently, there shall be an order approving the Scheme of Amalgamation between the Transferor Company viz., M/s. Limras Eronet Broadband Service Private Limited, the petitioner in C.P.No.238 of 2014 and the Transferee Company viz., M/s.Blue Lotus Support Services Private Limited, the petitioner in C.P.No.239 of 2014, as provided in Sl.No.3 in both the Company Petitions, with effect from 01.04.2013, so as

to be binding on all the shareholders of the petitioners company, as the procedure laid down under Sections 391 to 394 of the Companies Act are duly complied with. These Company Petitions are allowed.

10. Taking note of the report by the Chartered Accountant as enclosed by the Official Liquidator, in terms of the order passed by this Court, the Transferor company, viz., M/s. Limras Eronet Broadband Service Private Limited, the petitioner in C.P.No.238 of 2014 shall stand dissolved without winding up.

11. Learned Additional Central Government Counsel is entitled to a fee of Rs.10,000/- from the Transferee Company.

15.10.2015

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PUSHPA SATHYANARAYANA ,J

cla

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