HON'BLE SRI JUSTICE C.V.NAGARJUNA REDDY

COMPANY PETITION No.7 of 2015

Date:27.04.2015

M/s Tanla Mobile Private Limited,

Hyderabad, reptd by its Director-

D.Uday Kumar Reddy

**..... Petitioner**

Counsel for the petitioner: Sri Chetluru Srinivas

The Court made the following:
ORDER:

This Company Petition is filed by M/s Tanla Mobile Private Limited ("Transferor Company") for approval of the proposed scheme of amalgamation.

The petitioner averred that it is a Private Limited Company incorporated under the Companies Act, 1956 on 29.06.2009; that its authorized share capital is Rs.1 crore divided into 10 lakhs equity shares of Rs.10/- each; that its issued, subscribed and paid up capital is Rs.1 crore divided into 10 lakhs equity shares of Rs.10/- each; that its main objects are to carry on the business of designing, developing, researching and otherwise dealing or handling all types of telecom products, computers and computer related systems, software systems, hardware system, communication systems, very large scale standard and semi custom integrated circuits as well as components and parts, etc; that its Board of Directors, vide resolution, dated 11.12.2014, has approved the proposed scheme of amalgamation of the petitioner with M/s Mufithumb Corporation Private Limited (transferee company); and that the appointed date is 01.04.2014.

The petitioner has further averred that it has two shareholders and both of them have given their consent to the proposed scheme of amalgamation and that it has no secured and unsecured creditors.

The petitioner has filed Company Application No.1603 of 2014 for dispensing with the holding of meeting of the shareholders. In view of the consent given by the shareholders, this Court by order, dated 31.12.2014, has allowed the said Company Application. The petitioner has filed the present Company Petition for approving the proposed scheme of amalgamation.

This Court by order, dated 02.02.2015, ordered notices to the Official Liquidator attached to this Court and also to the Regional Director, South Eastern Region, Ministry of Corporate Affairs, Hyderabad. Advertisement was also ordered to be published in two daily newspapers, *viz.*, ‘Business Standard’ (English) and ‘Andhra Bhoomi’ (Telugu) having circulation in the State of Telangana. The petitioner has filed proof of publication through memo, vide USR.No.1233 of 2015, dated 24.03.2015 and no objections are stated to have been received.

In response to the notices, both the Official Liquidator and the Regional Director have filed their respective reports.

In his report, dated 13.03.2015, the Regional Director has stated that in pursuance of General Circular No.1/2014, dated 15.01.2014, issued by the Ministry of Corporate Affairs, New Delhi, comments from the Income Tax Department have been called for, vide letter, dated 24.02.2015, and that no comments/objections were received, in turn, till the date of filing of the report. He has, however, pointed out that as per the information received from the Registrar of Companies, Hyderabad, the petitioner’s current liabilities are to a tune of Rs.11,66,095/- as on 31.03.2014 as per the Balance sheet of the petitioner and that this Court in its order, dated 31.12.2014, in Company Application Nos.1603 of 2014 has directed the petitioner (transferor company) to file the consent affidavits of the unsecured creditors at the time of filing of the Company Petition.

On behalf of the petitioner, one of its Directors has filed an affidavit, dated 23.04.2015, wherein he has mentioned that the balance sheet of the petitioner-company as on 31.03.2014 discloses “Trade payables” of Rs.7,89,332/- and “Other current liabilities” of Rs.3,76,763/- totalling Rs.11,66,095/-. He has given break up of these liabilities. As regards the “Trade payables”, he has mentioned that a sum of Rs.1,86,024/- is payable to the creditors for supplies and a sum of Rs.6.04,308/- is payable to the creditors towards salaries and wages and with regard to “Other current liabilities”, a sum of Rs.1,72,043/- is payable towards statutory remittances and Rs.2,04,720/- is payable towards other liabilities; and that he has filed letter, dated 24.04.2015, of the statutory Auditor-Ramaswamy Koteswara Rao & Co., wherein it is stated that the petitioner is liable to pay a sum of Rs.2,04,720/- to it towards audit fees and that they do not have any objection for amalgamation between the petitioner and the transferee company.

With regard to filing of the consent affidavits of the unsecured creditors, Sri Chetluru Srinivas, learned counsel for the petitioner, submitted that the petitioner has no unsecured creditors.

From the details given by the petitioner, it is evident that except the suppliers, there are no secured and unsecured creditors to the petitioner and that the petitioner owes debts to the creditors for supplies and towards salaries and wages, statutory remittances and audit fees.

In the light of these facts, the objections raised by the Regional Director in his report need not be countenanced.

In his report, dated 03.03.2015, the Official Liquidator has *inter alia* stated that basing on the information furnished by the petitioner, it is found that the affairs of the petitioner-company involved in the proposed scheme of amalgamation are not conducted in a manner prejudicial to the interests of the members of the petitioner or to the public interest.

Having regard to the reports of the Regional Director, South Eastern Region, Ministry of Corporate Affairs, Hyderabad and the Official Liquidator and the submission of learned counsel for the petitioner and as no objections are stated to have been received in pursuance of the advertisement for approving the proposed scheme of amalgamation, this Court is of the opinion that the proposed scheme of amalgamation is in conformity with the provisions of the Act and the same does not in any manner affect the interests of any of the stake holders including the public.

Therefore, the proposed scheme of amalgamation is approved with effect from the appointed date i.e., 01.04.2014. The petitioner (transferor-company) is ordered to be dissolved without going through the process of winding up. The petitioner shall, within 30 days from the date of receipt of a copy of this order, cause a certified copy of the same to be delivered to the Registrar of Companies, Telangana and Andhra Pradesh, Hyderabad and take all other consequential actions in pursuance of the approval of the scheme of amalgamation.

The Company Petition is, accordingly, allowed.

*JUSTICE C.V.NAGARJUNA REDDY*

*27$^{th}$ April, 2015*

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