

IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY SUMMONS FOR DIRECTION NO. 715 OF 2016

In the matter of Companies Act, 1956 (1 of  
1956) or any corresponding provisions of the  
Companies Act, 2013;

AND

In the matter of Sections 391 to 394 read  
with Sections 100 to 103 of the Companies  
Act, 1956 or any other corresponding  
provisions of the Companies Act, 2013;

AND

In the matter of Scheme of Arrangement  
between CMS Traffic Systems Limited and  
CMS Computers Limited and their  
respective shareholders and creditors

**CMS Traffic Systems Limited**, a company )  
incorporated under the provisions of the )  
Companies Act, 1956 having its registered )  
office at CMS Lake Road Centre, 70, Lake )  
Road, Kaycee Industrial Compound, )  
Bhandup (West), Mumbai -400078 ) ...Applicant Company  
Maharashtra, India.

**Called Summons for Directions for hearing**

Mr. Hemant Sethi with Mr. Ajit Singh Tawar i/b. Hemant Sethi & Co., for Applicant

Coram: B. P. Colabawalla, J.

Date: 12<sup>th</sup> August, 2016

**MINUTES OF THE ORDER**

UPON the application of the Applicant Company above named by a Company Summons for Directions AND UPON HEARING Mr. Hemant Sethi instructed by M/S Hemant Sethi & Co., Advocates for the Applicant Company, AND UPON READING the Affidavit dated 24<sup>th</sup> day of June, 2016 of Mr Chandra Prakash Jain, Authorised Signatory of the Applicant Company, in support of Summons for Directions and the Exhibits therein referred to, IT IS ORDERED THAT:

1. The convening and holding the meeting of the Equity Shareholders of the Applicant Company for the purpose of considering and, if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement between CMS Traffic Systems Limited and CMS Computers Limited and their respective shareholders and creditors is dispensed with, in view of consent given by all the Seven Equity Shareholders of the Applicant Company, which are annexed as Exhibits “C1 to C7” to the Affidavit in support of the Summons for Directions.
2. That the convening and holding the meeting of the Secured Creditors of the Applicant Company for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed Scheme of Arrangement between CMS Traffic Systems Limited and CMS Computers Limited and their respective shareholders and creditors is dispensed with, in view of the averments made in paragraph 12 of the Affidavit in support of Company Summons for Direction, inter-alia stating therein that the Scheme is

an arrangement between the Applicant Company and its shareholders as contemplated under Section 391(1)(b) and not in accordance with the provisions of Section 391(1)(a) of the Act as there is no Compromise and/or Arrangement with the Secured Creditors and no sacrifice is called for. Further the rights of Secured Creditors of the Applicant Company will not be affected adversely with the proposed Scheme as all the Secured Creditors will be paid off in the ordinary course of business and that the Applicant Company undertakes to issue individual notices of hearing of the Petition by R.P.A.D to its Secured Creditor by RPAD and also publish the notices of the same in 'Free Press Journal', in English and translation thereof in 'Navshakti', in Marathi language and both having circulation in Mumbai. The said undertaking is accepted.

3. That the convening and holding the meeting of the Unsecured Creditors of the Applicant Company for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed Scheme of Arrangement between CMS Traffic Systems Limited and CMS Computers Limited and their respective shareholders and creditors is dispensed with in view of the averments made in paragraph 13 of the Affidavit in support of Company Summons for Direction, inter-alia stating therein that the Scheme is an arrangement between the Applicant Company and its shareholders as contemplated under Section 391(1)(b) and not in accordance with the provisions of Section 391(1)(a) of the Act as there is no Compromise and/or Arrangement with the Unsecured Creditors and no sacrifice is called for. Further the rights of Unsecured Creditors of the Applicant Company will not be affected adversely with the proposed Scheme as all the Unsecured Creditors will be paid off in the ordinary course of business and that the Applicant

Company undertakes to issue individual notices of hearing of the Petition by R.P.A.D to all its Unsecured Creditors having an outstanding balance of Rs. 1,00,000/- and above and also publish the notices of the same in 'Free Press Journal', in English and translation thereof in 'Navshakti', in Marathi language and both having circulation in Mumbai. The said undertaking is accepted.

(B. P. COLABAWALLA, J.)

#### CERTIFICATE

I certify that this Order uploaded is a true and correct copy of original signed order.

Uploaded by: Shankar Gawde, Stenographer