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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ CO.APPL.(M) 25/2016

IN THE MATTER OF
HT MEDIA LIMITED
..... Applicant/ Transferor Company

WITH

HT DIGITAL STREAMS LTD.
..... Non- Applicant/ Transferee Company.
Through: Mr Anirudh Das, Mr Kamaljeet Singh & Mr Manu Krishnan, Advs.

CORAM:
HON'BLE MR. JUSTICE RAJIV SHAKDHER

<u>O R D E R</u>

% **12.02.2016**

<u>CA 464/2016 (Exemption)</u>

1. Allowed subject to just exceptions.

<u>CO.APPL.(M) 25/2016</u>

2. This is a first motion application filed by HT Media Limited (applicant/ transferor company) (hereafter referred to as the transferor company) under Section 391 to 394 of the Companies Act, 1956 (in short the 1956 Act) for approval of the scheme of amalgamation (hereafter referred to as the scheme) with HT Digital Streams Limited (non-applicant/ transferee company) (hereafter referred to as the transferee company). A copy of the scheme is enclosed with the application.

3. The registered office of the transferor company is located within the territorial jurisdiction of this court. The registered office of the transferee company is located at Patna, within the jurisdiction of the High Court of

Patna.

4. The details qua incorporation of the transferor company, its authorized, issued, subscribed and paid up capital have been set out in paragraphs 1 and 5 of the scheme.

5. The copies of Memorandum and Articles of Association, as well as, the profit and loss account and the balance sheet as on 31.03.2015, have been filed by the transferor company.

6. Copy of the Board of Directors' resolution dated 19.11.2015, concerning the transferor company, whereby, the scheme has been approved, has also been filed with the application.

7. The transferor company avers that there are no proceedings pending against it, under Sections 235 to 251 of the 1956 Act or the corresponding sections of the Companies Act, 2013, to the extent applicable.

8. As regards the position with regard to shareholders and creditors (i.e. secured and unsecured creditors) of the transferor company are concerned, the same is set forth in the table as follows:

Company	No. Of Shareholders	Consent given	No. of Secured creditors	Consent given	No. Of unsecured creditors	Consent given
Transferor Company	29367	Nil	5	Nil	1197	Nil

9. I may also note, the transferor company has informed this court that as the transferee company has its registered office in Patna, the appropriate High Court has been moved by way of a similar application.

10. The transferor company has 29,367 shareholders as on 29.01.2016. Consent has not been obtained from them qua the scheme. A prayer has

been made to convene their meeting.

11. In so far as the secured creditors are concerned, the transferor company avers that it has five (5) secured creditors which represent a debt owed to them amounting to Rs. 1,33,92,39,163 by the transferor company as on 31.12.2015. A certificate of the Chartered Accountant (CA) to that effect has been appended to the application. Accordingly, transferor company prays that their meeting be convened.

12. As regards the unsecured creditors, the transferor company avers that it has 1197 unsecured creditors which represent a debt owed to them amounting to Rs. 9,77,33,17,393.47 by the transferor company as on 31.12.2015. A certificate of the CA certifying the said figure is annexed to the application. In this case also, it is prayed that their meeting be convened.

13. Thus, as prayed, the transferor company is directed to convene a meeting of its shareholders, and creditors (i.e. secured and unsecured creditors). The meeting of the shareholders of the transferor company shall be convened on 26.03.2016 at 10.30 a.m. at Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi – 110 003. As regards the secured creditors and the unsecured creditors of the transferor company, the meetings with respect to the same will be held on the same date at the same venue at 12.30 p.m. and 2.30 p.m. respectively.

13.1 Mrs Santosh Kohli, Advocate (Mb 9958323029) is appointed as a Chairperson and Mr. U.N. Singh, Advocate (Mb. 9891249549) is appointed as an Alternate Chairperson to convene the meeting of the shareholders of the transferor company. Mr Peeyoosh Kalra, Advocate (Mb 9810651177) is appointed as a Chairperson and Mr. Yogendra Pal Singh, Advocate (Mb. 9953711028) is appointed as an Alternate Chairperson to convene the meeting of the secured creditors of the transferor company. Mr Naushad Ahmed Khan, Advocate (Mb 9810094957) is appointed as a Chairperson and Ms Ruchi Khurana, Advocate (Mb. 9868111799) is appointed as an Alternate Chairperson to convene the meeting of the unsecured creditors of the transferor company.

13.2 The **quorum** with respect to those meetings will be as follows:

Company	Shareholders		Secured creditors		Unsecured creditors	
	In number	In value (%)	In number	In value (%)	In number	In value (%)
Transferor company	2937	25	1	25	120	25

13.3 In case the quorum, as mentioned above, with respect to the shareholders, secured and unsecured creditors of the transferor company is not in place, at the designated time when the meeting is called to order, then, the meeting shall be adjourned by half-hour, and thereafter, the persons present for voting shall be deemed to constitute the quorum. For the purposes of computing the quorum, any valid instrument of proxy filed shall be considered, if filed in the prescribed format, and is, duly signed by the person entitled to attend the meeting and furthermore is deposited with the registered office of the transferor company, at least 48 hours before the meeting so convened. The Chairpersons and/or alternate Chairpersons, so appointed, shall ensure that proxy registers are properly maintained.

14. The Chairpersons and/or Alternate Chairpersons shall also ensure that notices for convening the aforementioned meetings of the shareholders, secured and unsecured creditors of the transferor company, along with the scheme, and a statement as required under Section 393 of the 1956 Act is

sent to them by ordinary post at their registered or last known address at least 21 clear days before the date appointed for the said meetings, in their presence or in the presence of their authorised representative. The notice with respect to each of the meetings referred to above, shall be separately published in the Hindustan Times (English), Delhi edition and in the Hindustan (Hindi), Delhi edition in terms of the Companies (Court) Rules, 1959, at least 21 clear days before the date appointed for the said meetings.

15. The Chairpersons and/or Alternate Chairpersons shall be entitled to issue suitable directions to the management of the transferor company so as to ensure that the aforementioned meetings are conducted in a just, free and fair manner. For their efforts, the Chairpersons and the Alternate Chairpersons for each of the meeting will be paid a fee of Rs. 50,000/- each. This will be in addition to reimbursement of any out of pocket expenses incurred by them. The reimbursement will be on actual basis. The Chairpersons of the respective meetings will file their reports within two weeks of holding the aforesaid meetings.

16. The application stands allowed in the aforesaid terms.

17. Dasti.

RAJIV SHAKDHER, J

FEBRUARY 12, 2016

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