

IN THE NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH, BENGALURU

CA (CAA) No.04/BB/2022

U/s. 230 to 232 of the Companies Act, 2013
R/w the Companies (CAA) Rules, 2016

IN THE MATTER OF SCHEME:

EASTERN CONDIMENTS PRIVATE LIMITED

Regd. Office: No.1, 2nd & 3rd Floor,
100 Feet Inner Ring Road Ejipura,
Ashwini Layout, Vivek Nagar,
Bengaluru -560047. - Transferor Company /Applicant Company No. 1

AND

MTR FOODS PRIVATE LIMITED

Regd. Office: No.1, 2nd & 3rd Floor,
100 Feet Inner Ring Road Ejipura,
Ashwini Layout, Vivek Nagar,
Bengaluru - 560047. - Transferee Company/Applicant Company No. 2

Order delivered on: 23rd June, 2022

CORAM: 1. Hon'ble Shri Ajay Kumar Vatsavayi, Member (Judicial)
2. Hon'ble Shri Manoj Kumar Dubey, Member (Technical)

PRESENT:

For the Applicant Companies : Shri Pradeep Kulkarni, PCS

ORDER

Per: Manoj Kumar Dubey, Member (Technical)

1. The present first motion application has been jointly filed by the Applicant Companies **M/s. EASTERN CONDIMENTS PRIVATE LIMITED**, Transferor Company (described in short as "Applicant Company No. 1/ Transferor Company) and **M/s. MTR FOODS PRIVATE LIMITED**, Transferee Company (described in short as "Applicant Company No. 2/Transferee Company) under section 230-232 of the Companies Act, 2013 *inter alia*, seeking for dispensation of the meeting of the Equity Shareholders of the Applicant Companies and alternatively seeking to convene the meetings of the Equity Shareholders of the Applicant Companies, if dispensation is not

considered; and to convene the meeting for the Creditors of the Transferor Company and Transferee Company. The Scheme of Amalgamation is placed on record at Annexure-H of the Application.

2. The Transferor Company was originally incorporated as a Private Limited Company bearing CIN: U15499KA1989PTC153490, under the Companies Act, 1956 as 'Eastern Condiments Private Limited' vide Certificate of Incorporation dated 17.08.1989. Subsequently, by Special Resolution M/s. Eastern Condiments Private Limited altered the provisions of its Memorandum of Association with respect to the place of the Registered Office by changing it from the State of Kerala to Karnataka vide Certificate of Registration of Regional Director order for change of State dated 23.10.2021. The registered office of the Transferor Company is situated No.1st, 2nd and 3rd Floor, 100 Feet Inner Ring Road, Ejipura, Ashwini Layout, Vivek Nagar, Bangalore-560047. The copy of certificate of incorporation issued by the ROC Kerala and certificate of Registration of Regional Director order for change of State and Memorandum of Association and Articles of Association is found attached as Annexure-A series of the Application. As per the Memorandum of Association, the main objects of Transferor Company are as follows:

“(a) To carry on the business of manufacture of all types of curry powder, spices and condiments.

(b) to carry on the business of manufacture and trading of all kinds of coffee powder, rice powder, heat flour, fruit preparations, vegetables, milk, egg, meat and fish preparations; tinned foods, bread, biscuits, cakes, chocolates, cocoa products, baby foods, instant foods, soft drinks and beverages, table delicacies, vinegar, essences, food flavouring materials, natural essential edible oils, and allied food preparations and products thereof;

(c) to carry on the business of all kinds of farming agricultural, poultry, dairy, horticulture and gardening, and to grow, produce, manufacture, process, prepare, refine, extract, manipulate, buy, sell, export, import or otherwise deal in all kinds of produce and product of such business including food grains, seeds, oil seeds, trees, plants, flowers, vegetables, fruits, edible oils, meat, fish, eggs, milk and foods and food products and preparations of any nature or description what so ever;

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(d) to construct and run rice mills for separation of husks, and flour mills of all kinds to buy, sell and deal in all kinds of flours; and

(e) to carry on the business of planters and cultivators in tea, coffee, cocoa, cashew, cardamom, coconut, rubber and other produce and do the business of cultivators, vendors and buyers of every kind of agricultural, vegetable, mineral and other products of the soil.”

3. The Authorized Share Capital of the Transferor Company is INR 59,00,00,000/- (Indian Rupees Fifty Nine Crores) divided into 1,50,00,000 (One Crore and Fifty Lakhs) equity shares having face value of INR 10/- (Indian Rupees Ten) each and 44,00,000 (Forty Four Lakhs) redeemable optionally convertible cumulative preference shares having face value of INR 100 (Indian Rupees Hundred each). Its Paid-up Share Capital is INR 9,65,69,000/- (Indian Rupees Nine Crore Sixty Five Lakh Sixty Nine Thousand only) divided into 96,56,900 (Ninety Six Lakh Fifty Six Thousand and Nine Hundred) equity shares having face value of INR 10 (Indian Rupees Ten) each.
4. The Transferee Company was incorporated as 'MTR Foods Limited' on 21.08.1996 under the Companies Act, 1956 bearing CIN: U15136KA1996PTC021007. Subsequently, the name of the Transferee Company was changed to 'MTR Foods Private Limited' vide Certificate dated 04.11.2008. The registered office of the Transferee Company is situated at No.1, 2nd & 3rd Floor, 100 Feet Inner Ring Road Ejipura, Ashwini Layout, Vivek Nagar, Bangalore 560047. The copy of Certificate of Incorporation issued by the Registrar of Companies, Karnataka and Fresh Certificate of Incorporation consequent upon change of name on conversion to private company and Articles of Association is found attached as Annexure-B series of the Application. As per the Memorandum of Association, the main objects of Transferee Company are as follows:

“(a) to carry on the business of manufacturing, producing, buying, selling, importing, exporting, marketing and to act as dealers and agents of food products, ready to eat items, spices, pickles, condiments, agro products, frozen foods, instant food mixes of every kind and taste and without limiting the generality of the foregoing, to carry on the business in the manufacture and sale of instant mixes like gulab jamoon, badam, vade, dosai, idli, rasam, sambhar, chutney and garam masala, and dehydrated vegetables,

dehydrated foods, wheat products, rice products, pasta products, vermicilli, noodles, macronni and all kinds of spice powders and blends;

(b) to carry on the business of purveyors, caterers, dealers, and/or contractors in food products of all kinds and description, drinks, provisions and other products and/or refreshment contractors, sugar and sweetmeats merchants, bakers, confectioners, butchers, fish mongers, milk sellers, butter sellers, poulterers, green grocers, ice-cream manufacturers, fruiterers, bacon factors, meat sellers, cheesemongers, corn and flower merchants, launderers, cleaners, dry cleaners and carpet beaters, manufacturers and dealers of glassware of various kinds, crockery, cutlery, linen and as licensed victuallers, wine, beer, alcohol and spirit merchants, brewers, distillers, importers, manufacturers and dealers of aerated, miner and artificial waters and other alcoholic and non-alcoholic drinks, furniture and furnishings, and all other articles and thinks required in the said business;

(c) to carry on the business of purchasing, leasing, selling, exchanging or otherwise acquiring and dealing in all kinds of agricultural lands, plantations, estates, farms and to use the same for carrying on business of the Transferee Company or otherwise;

(d) to carry on the business of selling agents, purchasing agents, general agents, commission agents, sub-agents, distribution agents, stockists, dealers and manufacturer's representatives, marketing agents or consultants, indenting agents of all types and kinds of goods, commodities and services and to do all such other acts and things which are conducive to the aforesaid business and/or ancillary or incidental to the same; and

(e) to carry on business as importers, exporters, dealers, agents, merchants, wholesalers or retailers, processors, manufacturers, and to act as carriers, or in any other capacity in India or elsewhere and to deal with any commodity or articles as may be suitable for the Transferee Company.”

5. The Authorised Share Capital of the Transferee Company is INR 50,00,00,000/- (Indian Rupees Fifty Crores) divided into 5,00,00,000 (Five Crores) equity shares having face value of 10/- (Indian Rupees Ten) each. Its Paid-up Share Capital is INR 9,80,92,690/- (Indian Rupees Nine Crores Eighty Lakhs Ninety Two Thousand Six Hundred and Ninety) divided into 98,09,269 (Ninety Eight Lakhs Nine Thousand Two Hundred and Sixty Nine) equity shares having face value of 10/- (Indian Rupees Ten) each. The Transferee Company issued further equity shares on 26 March 2021 to the existing shareholders of the Transferee Company. Accordingly, the

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authorized, issued, subscribed and paid-up share capital of the Transferee Company as on the date of the application is 5,00,00,000 equity shares having face value of INR 10 each and 1,23,30,269 equity shares having face value of INR 10 each fully paid-up.

6. The preamble of the proposed Scheme is at Annexure –H of this Application and the same reads as under:-

“This Scheme of Amalgamation (Scheme) is presented for the amalgamation of Eastern Condiments Private Limited(Transferor Company) with MTR Foods Private Limited (Transferee Company) pursuant to the provisions of Sections 230-232 and all other applicable provisions of the Act (as defined below).

The Scheme is divided in to the following parts.”

1. *PART A- which deals with introduction, rationale of the Scheme and the definitions of the terms used in this Scheme and sets out the share capital of the Transferor Company and the Transferee Company;*
2. *PART B-which deals with amalgamation of the business of the Transferor Company in to the Transferee Company and related matters ;and*
3. *PART C-which deals with dissolution of the Transferor Company ,modifications or amendments to the Scheme, effect of non -- receipt of approvals, other general terms and conditions applicable to this Scheme and other consequential and integral matters.”*

7. The Board of Directors of the Transferor Company and the Transferee Company have at their respective Board meeting held on 20.10.2021, approved the Scheme, subject to sanctioning of the same by the Tribunal. The aforesaid Board Resolutions of the Transferor and Transferee Companies are at Annexure-F & G to the application.
8. It is stated in Para 10 (Page No.24) of the Application that no investigation proceedings are pending against the Applicant Companies under the Companies Act, 2013. The Learned PCS for the Applicant Companies has submitted separate affidavit that vide Diary No.3709 dated 22.12.2021 stating the details of the pending investigations and legal proceedings before statutory and regulatory authorities, judicial and quasi-judicial authorities, and courts and tribunals against applicant companies are annexed as Annexure A of the compliance memo.



9. The instant application has been filed with prayer for dispensation of the meeting of equity shareholders of the Applicant Companies and to convene the meetings of Creditors of the Applicant Companies, and the same read as under:-

- (a) *“Dispense with meeting of Equity Shareholders of Transferor Company / Applicant No. 1 as required to hold under section 232 of Companies Act 2013 or alternatively, if Transferor Company / Applicant No. 1’s prayer for dispensation of the said meeting is rejected, direct that the Meeting of Equity shareholders of Transferor Company / Applicant No. 1 be held on such date and time as this Hon’ble Tribunal may deem fit and that a Chairman be appointed for the Meeting, and pass necessary directions with regards to issue of notice, convening, holding and conducting of the Meeting, and pass orders dispensing with the publication of the notice of the Meeting in the newspapers, if said meeting is not convened in Indian Express and Prajavani Newspaper.*
- (b) *Dispense with meeting of Equity shareholders of Transferee Company / Applicant No. 2 as required to hold under section 232 of Companies Act 2013 or alternatively, if Transferee Company / Applicant No. 2’s prayer for dispensation of the said meeting is rejected, direct that the Meeting of Equity shareholders of Transferee Company / Applicant No. 2 be held on such date and time as this Hon’ble tribunal may deem fit and that a Chairman be appointed for the Meeting, and pass necessary directions with regards to issue of notice, convening, holding and conducting of the Meeting, and pass orders dispensing with the publication of the notice of the Meeting in the newspapers, if said meeting is not convened;*
- (c) *Direct that the Meeting of the Creditors of Transferor Company / Applicant No. 1 be held on such date and time as this Hon’ble tribunal may deem fit and that a Chairman be appointed for the Meeting, and pass necessary directions with regards to issue of notice, convening, holding and conducting of the Meeting, and pass appropriate orders for the publications of the notice of the meeting in the newspapers;*
- (d) *Direct that the Meeting of the Creditors of Transferee Company / Applicant No. 2 be held on such date and time as this Hon’ble tribunal may deem fit and that a Chairman be appointed for the Meeting, and pass necessary directions with regards to issue of notice, convening, holding and conducting of the Meeting, and pass appropriate orders for the publication of the notice of the Meeting in the newspapers,*
- (e) *Allow Joint Applicants to file joint petition for Amalgamation;*

(f) Pass such order or further order(s) with this Hon'ble Tribunal may deem fit, proper and just under the circumstances of the case."

10. The Learned PCS for the Transferor Company have submitted that as per the Certificate dated 20.10.2021 (Document No.1 of the compliance memo) of U.Veerappan, Chartered Accountant, there are 03 (Three) Equity Shareholders in the Transferor Company as on 30.09.2021. The details are given below:-

Sl. No.	Name of the Equity Shareholder	Registered Address	Number of equity shares held of INR 10 each
1.	MTR Foods Private Limited	No.1.2 nd & 3 rd Floor, 100 Feet Inner Ring Road,Ejipura, Ashwini Layout, Vivek Nagar, Bengaluru- 560047	65,49,310
2.	Navas Meeran	Promenade Gardens, Villa No.2,Padivattom, Kochi-682024	15,53,795
3.	Feroz Meeran	Manalumparayil House,Adimali PO, Idukki,Kerala-685561	15,53,795
Total			96,56,900

All the Equity Shareholders of the Transferor Company have given their consent by way of affidavits to the Scheme. The Consent affidavits are at Annexure-J Series of the Application.

11. The Learned PCS for the Transferee Company have submitted that as per the Certificate dated 20.10.2021 (Document No.2 of the compliance memo) of U.Veerappan, Chartered Accountant there are 02 (Two) Equity Shareholders in the Transferee Company as on 30.09.2021. The details are given below:-

Sl. No.	Name of the Shareholders	Registered address	Number of equity shares held of INR 10 each
1.	Orkla Asia Pacific Pte Ltd. Singapore	168 Robinson Road, Singapore, Singapore 068912	1,23,30,209
2.	Orkla Food Ingredients As. Norway	Nedre Skoyen Vei,260276,Oslo, Norway	60
Total			1,23,30,269



All the Equity Shareholders of the Transferee Company have given their consent by way of affidavits to the Scheme. The Consent affidavits are at Annexure-J series of the Application.

- 12.** The Learned PCS for the Applicant Companies have submitted that as per the Certificate dated 12.05.2022 (Document No.1 of the memo for production of documents filed vide Diary No.2068 dated 12.05.2022) of M/s.Kalbhairav & Associates, Chartered Accountants, there are 02 (two) Secured Creditors in the Transferor Company as on 30.09.2021.
- 13.** The Learned PCS for the Applicant Companies have submitted that as per the Certificate dated 12.05.2022 (Document No.03 of the memo for production of documents filed vide Diary No.2068 dated 12.05.2022) of M/s. Kalbhairav & Associates, Chartered Accountants, there are no Secured Creditors in the Transferee Company as on 30.09.2021.
- 14.** The Learned PCS for the Applicant Companies have submitted that as per the Certificate dated 12.05.2022 (Document No.2 of the memo for production of documents filed vide Diary No.2068 dated 12.05.2022) of M/s. Kalbhairav & Associates, Chartered Accountants, there are 677 (Six Hundred and Seventy Seven only) Unsecured Creditors in the Transferor Company as on 30.09.2021.
- 15.** The Learned PCS for the Applicant Companies have submitted that as per the Certificate dated 12.05.2022 (Document No.4 of the memo for production of documents filed vide Diary No.2068 dated 12.05.2022) of M/s. Kalbhairav & Associates, Chartered Accountants, there are 1456 (One Thousand Four Hundred and Fifty Six) Unsecured Creditors in the Transferee Company as on 30.09.2021.
- 16.** The Learned PCS for the Applicant Companies have filed separate affidavits stating that there is no capital or debt restructuring, including any buy-back , pursuant to the Scheme becoming effective and the merger between the Transferor and Transferee Companies. The aforesaid is supported by an affidavits filed vide Diary Nos. 2049 & 2050 dated 10.05.2022.

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- 17.** It is represented that the rationale for Scheme of Amalgamation of the Transferor Company with the Transferee Company is, inter alia, as follows:

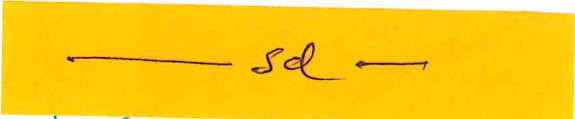
“2.The rationale for the amalgamation of the Transferor Company with the Transferee Company is, inter alia, as follows:

2.1. Both the Transferor Company and the Transferee Company are currently engaged in similar business activities, i.e., manufacturing, distribution and sale of spices and condiments, convenience foods and other food products. Hence, the amalgamation will result in (i) the optimum utilization of resources by bringing them under one entity and consequent consolidation of technical and managerial expertise of the two companies, (ii) the expansion of the existing business operations of the Transferee Company by combining with the business of the Transferor Company, (iii) the creation of enhanced value for the shareholders of both the Transferee Company and the Transferor Company by way of improved financial structure and cash flow, enhanced asset base, consolidated revenues and higher profitability, (iv) improved product availability for customers due to significant synergies in research and development enabling the amalgamated entity to cater to a large array of consumers and the existing customers with a better selection of products; (v) enhanced scale of operations by optimal utilization of resources and distribution network of the combined entity.”

- 18.** It is further submitted that the certified copy of the Valuation of Shares dated 20.10.2021 issued by CA Harsh Chandrakant Ruparelia (Registered Valuer-Securities or Financial Assets) is attached as Annexure-I of the application.
- 19.** The Learned PCS for the Applicant Companies also submitted that the certificate of the statutory auditors has been filed stating that the proposed accounting specified in Clause 13 of Part B of the Proposed Scheme, is in conformity with the Indian Accounting Standards specified u/s 133 of the Act r/w the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other generally accepted accounting principles. The aforesaid certificate date 28.10.2021 of S.R. Batliboi & Associates LLP, Chartered Accountants, is attached as Annexure L of the Application.
- 20.** The Learned PCS for the Applicant Companies further represented that the Transferor Company have filed audited financial statement for year ending on 31.03.2020 and Transferee have filed audited financial statements for year ending on 31.03.2020 and the Transferor and Transferee Companies

filed unaudited financial statements as on 30.09.2021 as Annexure D series and E series of the Application.

21. Clause 8 of the Scheme stated that, all staff, workmen and employees of the Transferor Company in service on the Appointed Date and who continue to be in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company without any break or interruption in their service and on the basis of continuity of service, with effect from the later of the Appointed Date or the actual date of joining the Transferor Company.
22. We have heard the learned PCS for the Applicant Companies and have perused the records and the supporting documents/papers filed along with the "Scheme" contemplated between the Applicant Companies with the assistance of learned PCS for the Applicant Companies.
23. In view of the above the following directions are issued with respect to the dispensation of calling and convening the meeting of the Equity Shareholders of the Applicant Companies and directions are issued with respect to calling and convening the meeting of the Secured creditors of the Transferor Company and unsecured creditors of the Applicant Companies. Since there is no secured creditors in the Transferee Company, there is nothing to convene their meeting as well as issuance of notices including by way of publication in Newspapers which are as follows:
 - a) Since 3 Equity Shareholders of the Transferor Company constituting 100% of the total value as on appointed date have given consent to the "Scheme", the meeting of the Equity Shareholders is dispensed.
 - b) Since 2 Equity Shareholders of the Transferee Company constituting 100% of the total value as on appointed date have given consent to the "Scheme", the meeting of the Equity shareholders is dispensed.
 - c) Meeting of the two (02) Secured Creditors of the Transferor Company is to be convened on **03.08.2022 at 11 AM** through



Video Conferencing or Other Audio Visual Means (OAVM) as per the guidelines issued by MCA or at Bengaluru, subject to the notice of the meeting being issued through post.

For the purpose of completing the quorum, the valid proxies and Authorized Representatives shall also be considered, if the proxy in the prescribed form, duly signed by the person entitled to attend and vote at the meeting, is filed through email or otherwise at the respective registered office of the Transferor Company. The Chairperson along with Scrutinizer shall ensure that the proxy register is properly maintained. The Scrutinizer is also duty bound to record all proceedings of the meeting conducted through Video Conference.

Ms. Ramya B.T, advocate having address at Thiru & Thiru Chambers No.31, Nandidurg Road, Bengaluru- 560046, email Id:ramya1097@gmail.com, Contact No. 9611960464 is appointed as the Chairperson for the above meeting to be called under this order. She shall be paid fee of Rs.50,000/- for her services as the Chairperson.

Shri. Deepak Athreyas, PCS, having address at No.303, 4th Block 10th Main Road, Rajajinagar, Bengaluru-560010 email Id: deepakathreyas@gmail.com, Contact No.9900895215 is appointed as the Scrutinizer for the above meeting to be called under this order. He shall be paid fee of Rs.30,000/- for his services as the Scrutinizer.

- d) Meeting of the Unsecured Creditors of the Transferor Company is to be convened on **03.08.2022 at 12 Noon** through video conferencing or Other Audio Visual Means (OAVM) as per the guidelines issued by MCA or at Bengaluru, subject to the notice of the meeting being issued through post. The quorum of the meeting of the unsecured creditors shall be 40% in total value of the unsecured creditors either personally present or through proxy.

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In case the required quorum as noted above for the meetings of the unsecured creditors of the Transferor Company is not present at the commencement of the meetings, the respective meetings shall be adjourned by 30 minutes, and thereafter, the persons present and voting shall be deemed to constitute the quorum. For the purpose of completing the quorum, the valid proxies and Authorized Representatives shall also be considered, if the proxy in the prescribed form, duly signed by the person entitled to attend and vote at the meeting, is filed through email or otherwise at the respective registered office of the Transferor Company. The Chairperson along with Scrutinizer shall ensure that the proxy register is properly maintained. The Scrutinizer is also duty bound to record all proceedings of the meeting conducted through Video Conference.

Ms. Ramya B.T., advocate having address at Thiru & Thiru Chambers No.31, Nandidurg Road, Bengaluru-560046, email Id: ramya1097@gmail.com, Contact No. 9611960464, is appointed as the Chairperson for the above meeting to be called under this order. She shall be paid fee of Rs.50,000/- for her services as the Chairperson.

Shri. Deepak Athreyas, PCS, having address at No.303, 4th Block 10th Main Road, Rajajinagar, Bengaluru-560010 email Id: deepakathreyas@gmail.com, Contact No.9900895215 is appointed as the Scrutinizer for the above meeting to be called under this order. He shall be paid fee of Rs.30,000/- for his services as the Scrutinizer.

- e) Meeting of the unsecured creditors of the Transferee Company is to be convened on **03.08.2022 at 2 PM** through video conferencing or Other Audio Visual Means (OAVM) as per the guidelines issued by MCA or at Bengaluru, subject to the notice of the meeting being issued through post. The quorum of the meeting of the unsecured creditors shall be 40% in total value of

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the unsecured creditors either personally present or through proxy.

In case the required quorum as noted above for the meetings of the unsecured creditors of the Transferee Company is not present at the commencement of the meetings, the respective meetings shall be adjourned by 30 minutes, and thereafter, the persons present and voting shall be deemed to constitute the quorum. For the purpose of completing the quorum, the valid proxies and Authorized Representatives shall also be considered, if the proxy in the prescribed form, duly signed by the person entitled to attend and vote at the meeting, is filed through email or otherwise at the respective registered office of the Transferee Company. The Chairperson along with Scrutinizer shall ensure that the proxy register is properly maintained. The Scrutinizer is also duty bound to record all proceedings of the meeting conducted through Video Conference.

Shri. Rishi Aggarwal, Advocate, having address at M25, 25th Main, 5th Cross, JP Nagar 1st Phase, Bangalore-560078, email Id: rishi.7200@gmail.com, Contact No. 9844018421 is appointed as the Chairperson for the above meeting to be called under this order. He shall be paid fee of Rs.1,00,000/- for his services as the Chairperson.

Shri.L.Dhanmjay Reddy, PCS, having address at Flat No.504, 5th Floor, Afzal Commercial Complex, Near MMTS Railway Station Lakdi-ka-pul, Hyderabad-04., email Id: l.d.reddy@gmail.com, Contact No.9849269757 is appointed as the Scrutinizer for the above meeting to be called under this order. He shall be paid fee of Rs.60,000/- for his services as the Scrutinizer.

- f) It is further directed that individual notices of the said meeting shall be sent by the Applicant Companies to the respective shareholders and creditors through registered post or speed post or through courier, 30 days in advance before the scheduled date of meeting, indicating the day, date, time and link to meeting

through Video Conference as aforesaid, together with a copy of the Scheme, copy of explanatory statement required to be sent under the Companies Act, 2013 and the applicable Rules along with the proxy forms and any other documents as may be prescribed under the Act shall also be duly sent with the notice.

- g) It is further directed that along with the notice applicant companies shall also send, statement explaining the effect of the Scheme on the Creditors, key managerial personnel, promoters and non-promoter members etc., along with effect of the arrangement for amalgamation on any material interests of the Directors of the Company as provided under sub-section 3 of the Section 230 of the Act.
- h) That the Applicant Company shall publish with a gap of at least 30 clear days before the aforesaid meetings, indicating the day, date, time and link of the meeting to be conducted through video Conference as aforesaid, to be published in “Udayavani” and “Financial Times” both in Kannada and English Edition. It is to be stated in the advertisement that the copies of “Scheme”, the Explanatory Statement required to be published pursuant to Section 230 to 232 of the Act and the form of proxy shall be provided free of charge at the registered office of the Applicant Company. The applicant company shall also publish the notice on its respective website, if any.
- i) The Authorized Representative of the Applicant Companies shall furnish affidavit of service of notice of meetings and publication of advertisement and compliance of all directions contained herein at least ten (10) days before the date of proposed meetings.
- j) Voting shall be allowed on the “Scheme” in person or by proxy or through electronic means as may be applicable to the Applicant Companies under the Act and the Rules framed there under.
- k) The Chairpersons shall be responsible to report the result of the meeting to the Tribunal in Form No. CAA 4, as per Rule 14 of the Companies (Compromises, Arrangement and Amalgamation)

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Rules, 2016 within 07 (seven) days of the conclusion of the meetings. He would be fully assisted by the Authorized Representative/Company Secretary of the respective Applicant Companies and the Scrutinizer, who will assist the Hon'ble Chairperson and Alternate Chairperson in preparing and finalizing the reports.

- l) The Applicant Companies shall individually and in compliance of sub-section (5) of section 230 and Rule 8 of the Companies (Compromises, Arrangement and Amalgamation) Rules, 2016 send notices in Form No. CAA 3 along with a copy of the Scheme, the Explanatory Statement and the disclosures mentioned in Rule 6 of the " Rules" to (i) the Central Government through the office of the Regional Director (South East Region); (ii) Concerned Registrar of Companies; (iii) Official Liquidator (iv) Nodal Officer of Income Tax Department having jurisdiction over the Applicant Company are assessed by mentioning their respective PAN Number; (v) Competition Commission of India (CCI) (vi) Reserve Bank of India (RBI) and other Sectoral Regulators / Authorities, if any, stating that representations, if any, to be made by them shall be sent to the Tribunal within a period of 30 days from the date of receipt of such notice and copy of such representation shall simultaneously be sent to the concerned companies, failing which it shall be presumed that they have no objection to the proposed Scheme.
- m) The Applicant Companies shall file detailed affidavits explaining the prescribed penalties / punishments with regard to the pending investigations and legal proceedings and the impact thereon, in the event of passing of adverse orders, if any, along with the Second Motion Petition.
- n) The Applicant Companies shall furnish copy of the Scheme free of charge within one day of any requisition for the "Scheme" made by any shareholder entitled to attend the aforesaid meetings.

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- o) It shall be the responsibility of the Applicant Companies to ensure that the notices are sent under the signature and supervision of the authorized representative of the Company on the basis of Board Resolutions.
- p) All the aforesaid directions are to be compiled with strictly in accordance with the applicable laws including forms and formats contained in the "Rules" as well as the provisions of the Companies Act, 2013, by the Applicant Companies.
24. With the aforesaid directions, this First Motion Application stands disposed of. A copy of this order be supplied to the learned PCS for the Applicant Companies, who in turn shall supply copy of the same to the Chairperson and the Scrutinizer.

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(MANOJ KUMAR DUBEY)
MEMBER (TECHNICAL)

— sd —

(AJAY KUMAR VATSAVAYI)
MEMBER (JUDICIAL)