

IN THE NATIONAL COMPANY LAW TRIBUNAL
INDORE BENCH
COURT NO. 1

ITEM No.301
CA(CAA)/5(MP)2022

Proceedings under Section 230-232

IN THE MATTER OF:

Enter 10 Television Pvt Ltd
Cinemakers Media Production Pvt Ltd

.....Applicants

Order delivered on 22/07/2022

Coram:

Madan B. Gosavi, Hon'ble Member(J)
Kaushalendra Kumar Singh Hon'ble Member(T)

PRESENT:

For the Applicant :
For the Respondent :

ORDER

The case is fixed for pronouncement of order.

The order is pronounced in open Court vide separate sheet.

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KAUSHALENDRA KUMAR SINGH
MEMBER (TECHNICAL)

Braj Mohan

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MADAN B. GOSAVI
MEMBER (JUDICIAL)



BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
INDORE BENCH

CA(CAA)/5/MP/2022

*[An Application filed under Section 230-232 of the Companies Act, 2013
for (compromise, arrangements, and amalgamations)]*

In the matter of:

M/S Enter 10 Television Pvt. Ltd.

CIN: U51102MP1998PTC012813

A private limited Company incorporated
under the provisions of the Companies Act, 1956,
having its registered office at:
141, Saket Nagar,
Indore,
Madhya Pradesh- 45 2001

..... Applicant/Demerged Company

M/S Cinemakers Media Production Pvt. Ltd.

CIN: U92490MP2022PTC059098

A private limited Company incorporated
Under the provisions of the Companies Act, 2013,
Having its registered address at:
141, Saket Nagar,
Indore,
Madhya Pradesh- 452001

..... Applicant/Resulting Company

Order Reserved on: 08.07.2022
Order Pronounced on: 22.07.2022

Coram: Madan B. Gosavi, Member (Judicial)
Kaushalendra Kumar Singh, Member (Technical)

Appearance:

Learned PCS Mr. Dilip Kumar Jain appeared for the Applicant Companies.



ORDER

1. This joint application is filed by the applicant companies under Section 230-232 of the Companies Act, 2013, namely **M/s Enter 10 Television Private Limited (Applicant Demerged Company) and M/s Cinemakers Media Production Private Limited (Applicant Resulting Company)** for dispensation of the meetings of Shareholders, Secured Creditors and Unsecured Creditors of both the Applicant Companies for considering and approving with or without modification, a composite scheme of demerger.

2. The registered office of the Applicant Companies is situated in the State of Madhya Pradesh and is under the jurisdiction of the National Company Law Tribunal, Bench at Indore.

3. Applicant Demerged Company is a private limited company having CIN: U51102MP1998PTC012813, incorporated under the provisions of the Companies Act, 1956 on 08.05.1998 in the name of Asian Sky Shop Private Limited, subsequently, the name was changed to Enter 10 Television Private Limited on 11.03.2004 and its registered address is at 141, Saket Nagar, Indore, MP- 452001. Applicant Demerged Company is carrying on business relating to commercial programming broadcasting through satellite networks, channels, cables, internet, and other media and to carry on the business of producer, distributors, video serial, telefilms, etc. in India or elsewhere. Presently Applicant Demerged Company is having two business undertakings i.e., (a) Telecasting & Broadcasting segment/undertaking, and (b) Production segment/undertaking (Own Produced Content) to cater the requirements of business activities.

4. Applicant Resulting Company is a private limited company having CIN: U92490MP2022PTC059098, incorporated under the provisions of the Companies Act, 2013 on 10.01.2022, and its registered address is at 141, Saket Nagar, Indore, Madhya Pradesh- 452001. Applicant Resulting Company is carrying on business relating to organizing, producing, and developing commercial future films, episodes, animation, graphics, sound effects, production work, production house, and other media contents, etc.



5. Submissions made by the Applicant Companies in its application and presented by the learned PCS are summarized here as under:

i. Owing to the different segments pertaining to Telecasting and Broadcasting division and Production division, the management believes that demerger of the Applicant Demerged Company will enable it to give desired attention and help to achieve greater focus on the Telecasting and Broadcasting business activities with the specified users which will result in the better and more efficient management of the Telecasting and Broadcasting business activities of Applicant Demerged Company.

ii. The Board of Directors of the Applicant Companies in their respective Board Meeting held on 02.06.2022 passed a resolution for the preparation of the proposed scheme of demerger as placed before the Board. The Applicant Companies have filed its audited balance sheets, the same is placed on record.

iii. The accounting treatment proposed in the Scheme of Arrangement is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013. The Certificates from the respective Statutory Auditors of the Applicant Companies have been filed along with the Application.

iv. No investigation or proceedings against the Applicant Companies under Section 201 to 226 of the Companies Act, 2013 as well as Sections 235 to 251 of the Companies Act, 1956, or the like are pending. Except, case No. 4047 of 2017 is filed by the Registrar of Companies before the Chief Judicial Magistrate, Gwalior for violation of the provisions of section 134(3) and 135 of the Companies Act, 2013 against ENTER10 (Applicant Demerged Company) and its directors, which is in process.

v. The Applicant Companies are not carrying out any business activities which are regulated by the Reserve Bank of India since none of the Applicant Companies are registered with the Reserve Bank of



India as a Non-Banking Finance Company (NBFC) and none of the Company has non-resident shareholders.

vi. The provisions of the Competition Act, 2002 are not applicable in the present case as the total value of the assets and turnover of the companies is less than the threshold limit.

vii. The Applicant Companies are not carrying out any business activities which are regulated by the Security Exchanges and Security and Exchange Board of India since none of the Applicant Companies are listed on any Stock Exchange.

6. The Learned PCS of the Applicant Companies submitted that as per the audit report placed on record by the applicant Companies the details of Shareholders, Secured Creditors, and Un-Secured Creditors are as follows:

i. The Applicant Demerged Company has 4 shareholders holding 65,10,000 equity shares of Rs 10/- each.

ii. The Applicant Resulting Company has 4 shareholders holding 10,000 equity shares of Rs 10/- each.

iii. The Applicant Demerged Company does not have any Secured Creditors.

iv. The Applicant Resulting Company does not have any Secured Creditors.

v. The Applicant Demerged Company has 90 Unsecured Creditors having an outstanding of Rs 45,02,04,575/-.

vi. The Applicant Resulting Company does not have any Unsecured Creditors.

7. The Ld. PCS in application contended with respect to the dispensation and convening of the meetings of the creditors and shareholders of the applicant companies as under:

i. This Tribunal may please to dispense with the meeting of Equity Shareholders of Demerged Company as the consent has been received



in writing by way of affidavits from all 4 shareholders holding the entire 65,10,000 equity shares.

ii. This Tribunal may please to dispense with the meeting of Secured Creditors of Demerged Company as there are no Secured Creditors in the Demerged Company.

iii. This Tribunal may please to dispense with the meeting of Unsecured Creditors of Demerged Company as the consent has been received by way of an affidavit from 22 Unsecured Creditors for Rs 41,21,79,940/- being 91.55% value of Unsecured Creditors.

iv. This Tribunal may please to dispense with the meeting of Equity Shareholders of Resulting Company as the consent has been received by way of an affidavit from 4 shareholders holding entire 10,000 equity shares.

v. This Tribunal may please to dispense with the meeting of Secured Creditors and Unsecured Creditors as there are no Secured Creditors or Unsecured Creditors in the Resulting Company.

8. On perusal of the record and submission made by the Learned PCS of the applicant companies, it is noted that there is no Secured Creditor in both the applicant companies, and also there is no Unsecured Creditor in the Resulting Company as per the CA certificate. Further, consent affidavits from shareholders of both the applicant companies is received and consent affidavits from 22 Unsecured for Rs 41,21,79,940/- being 91.55% value of the Demerged Company is also received. Accordingly, the meetings of shareholders of both the applicant companies are dispensed with; there are no Secured Creditors in either of the Applicant Companies, so no meetings of Secured Creditors are warranted. Moreover, there are no Unsecured Creditors in Applicant Resulting Company, therefore, no meeting of Unsecured Creditors of Applicant Resulting Company is warranted. The number of Unsecured Creditors in Demerged Company is quite large and therefore the meeting of Unsecured Creditors of the Applicant Demerged Company will have to be convened.



9. This Tribunal, therefore, directs to hold the meeting of Unsecured Creditors of Applicant Demerged Company on Saturday, 10.09.2022 at 11:00 AM, through video conference or other Audio-Visual means for the purpose of considering and, if thought fit, approving with or without modification(s) of the Scheme.

10. At least one month before the date of the aforesaid meeting, an advertisement about the convening of the said meeting, indicating the day, date, place, and time, as aforesaid, shall be published in English daily, i.e., **“Free Press”** and in Hindi Daily, i.e., **“Dainik Bhaskar”** in their all editions within the State of Madhya Pradesh. The publication shall indicate the time within which copies of the Scheme shall be made available to the concerned persons free of charge from the registered office of the Applicant Demerged Company. The publication shall also indicate that the statement required to be furnished according to section 102 of the Act read with sections 230 to 232 of the Act.

11. At least one month before the date of the meeting to be held as aforesaid, a notice in Form No. CAA 2 convening the said meeting, indicating the day, date, place, and time aforesaid, together with a copy of the Scheme of Arrangement, a copy of the statement required to be furnished pursuant to Sections 230 and 232 read with Section 102 of the Companies Act, 2013, and Rule 6 of the Companies (CAA) Rules, 2016 shall be sent by Registered Post or Speed Post or Registered Post or by Courier or E-Mail or Hand Delivery, addressed to each of the Unsecured Creditors of the Applicant Demerged Company, as the case may be, at their respective registered or last known addresses or e-mail addresses as per the records of the Applicant Demerged Company.

12. Mr. Dinesh Ajmera, Chartered Accountant having membership no. 402629 shall be the Chairman/Chairperson of the aforesaid meetings of Applicant Demerged Company to be held on 10.09.2022 and in respect of any adjournment thereof.



13. Adv. Jatin Sehgal (Registration No. MP1857 of 2011) is appointed as the Scrutinizer for the aforesaid meeting of the Applicant Demerged Company.

14. The quorum for the meeting of the Applicant Demerged Company shall be as prescribed under Section 103 of the Companies Act, 2013.

15. It is further directed that the voting through a valid proxy has been dispensed by the Ministry of Corporate Affairs vide circular no. 14/2020 dated 08.04.2020, hence, meeting of members of shareholders and any class of creditors shall not be conducted or counted through proxy.

16. The Chairperson appointed for the aforesaid meeting shall issue the advertisements and send out the notices of the aforesaid meeting. The Chairperson is free to avail the services of the Applicant Demerged Company or any agency for carrying out the aforesaid directions. The Chairperson shall have all the powers under the Articles of Association of the Applicant Demerged Company and also under the Rules in relation to the conduct of the meeting, including to decide any procedural questions that may arise at the meeting or adjournment(s) to the aforesaid scheme or resolution, if any, proposed at the aforesaid meeting by any person(s) and to ascertain the decision of the sense of the meeting by ballot/polling paper.

17. The Chairperson to file an Affidavit not less than 7 (seven) days before the date fixed for the hearing of the meetings and to report to this Tribunal that the directions regarding issuance of notices and advertisement of the meetings have been duly complied with as per Rule 12 of the Companies (CAA) Rules, 2016.

18. It is further ordered that the Chairperson shall report to this Tribunal on the result of the meeting in Form No. CAA-4 along with an affidavit, as per Rule 14 of the Companies (CAA) Rules, 2016 within 7 (seven) working days from the date of conclusion of the aforesaid meeting.

19. In compliance with sub-section (5) of Section 230 and Rule 8 of the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016, the Demerged Company shall send a notice in Form No.CAA.3 along with



disclosures mentioned under Rule 6 to, (i) the Central Government through the Regional Director, North-Western Region, (ii) the Registrar of Companies, Gwalior, (iii) the Income Tax Authorities concerned, stating that the representation, if any, to be made by them shall be made within a period of 30 days from the date of receipt of such notice, failing which it shall be presumed that they have no objection to make on the proposed scheme. The said notices shall be sent forthwith by registered post or by speed post or by courier or by hand delivery or by e-mail at the office of the authority as required by sub-rule (2) of Rule 8 of the Companies (CAA) Rules, 2016. The aforesaid authorities, who desire to make any representations under subsection (5) of Section 230, shall send the same to the Tribunal within a period of 30 days from the date of receipt of such notice, failing which, it will be deemed that they have no representation to make on the proposed arrangement.

20. With the above directions, CA (CAA) No. 5 of 2022 is allowed and stands disposed of accordingly.

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(Kaushalendra Kumar Singh)
Member (Technical)

(Madan B. Gosavi)
Member (Judicial)

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