

**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH - II, CHENNAI**

In CA (CAA)/ 14 (CHE)/ 2024

(Under Sections 230 to 232 of the Companies Act, 2013)

In the matter of *Scheme of Amalgamation between*
M/s. UDAYA FM PRIVATE LIMITED, M/s. KAL RADIO LIMITED & THEIR SHAREHOLDERS

M/s. KAL RADIO LIMITED

(CIN: U92131TN2005PLC057755)

Having Registered Office at Murasoli Maran Towers, 73,
MRC Nagar Main Road, MRC Nagar, Chennai, Tamil Nadu – 600 028.

Represented by, Ms. Uma Madhu, Company Secretary,

... Applicant / Transferee Company

And

In CA (CAA)/ 18 (CHE)/ 2024

Under Sections 230 to 232 of the Companies Act, 2013

In the matter of *Scheme of Amalgamation between*
M/s. UDAYA FM PRIVATE LIMITED, M/s. KAL RADIO LIMITED & THEIR SHAREHOLDERS

M/s. UDAYA FM PRIVATE LIMITED

(CIN: U92490TN1994PTC027431)

Having Registered Office at Murasoli Maran Towers, 73,
MRC Nagar Main Road, MRC Nagar, Chennai, Tamil Nadu – 600 028.

Represented by, Mr. Vijay Kumar K, Director,

... Applicant / Transferor Company

Order Pronounced on 12th July 2024

CORAM

Shri JYOTI KUMAR TRIPATHI, MEMBER (JUDICIAL)

Shri RAVICHANDRAN RAMASAMY, MEMBER (TECHNICAL)

*For Applicants: M/s. Lakshmi Subramanian & Associates,
Practising Company Secretaries*

ORDER

1. The above applications have been filed by the Applicant Companies, namely **M/s. UDAYA FM PRIVATE LIMITED** (hereinafter “*Transferor Company or UFPL*”) and **M/s. KAL RADIO LIMITED** (hereinafter “*Transferee Company or*”

KRL”) under section 230-232 of Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the Scheme of Amalgamation (hereinafter referred to as the “SCHEME”) proposed by the Applicant Companies. The said Scheme is appended as “**Annexure 1**” in both application.

2. The Applicant Companies in this Company Application have sought for the following reliefs;

	EQUITY SHAREHOLDERS	PREFERENCE SHAREHOLDERS	SECURED CREDITORS	UNSECURED CREDITORS
TRANSFEROR COMPANY	To dispense with the meeting	NA	To dispense with the meeting	To dispense with the meeting
TRANSFeree COMPANY	To dispense with the meeting	To dispense with the meeting	To dispense with the meeting	To dispense with the meeting

3. Affidavits in support of the present Application sworn for and on behalf of the Applicant Companies have been filed by authorized signatories, details of which are listed hereunder: -

- i) **Mr. Vijay Kumar K**, on behalf **Transferor Company** in the capacity of the Director.
- ii) **Ms. Uma Madhu**, on behalf **Transferee Company** in the capacity of the Company Secretary.

Board Resolutions dated 04.01.2024 authorizing the above persons as Authorized Signatory of their respective companies are placed in the application at **Annexure 9 of CA (CAA)/ 18 (CHE)/ 2024 and Annexure 11 of CA (CAA)/ 14 (CHE)/ 2024**. Further, it is represented that the registered offices of both the Applicant Companies are situated within the territorial jurisdiction of the Bench of this Tribunal and falling within the purview of Registrar of Companies, Chennai.

4. The Transferor Company is a private Limited company, incorporated under the provisions of Companies Act, 1956 on 02.05.1994 with name and style ***Udaya TV Private Limited*** and subsequently changed its name as ***Udaya FM private Limited on 22.05.2007***. The Share Capital of the Transferor Company as on 31.12.2023 is as follows:

PARTICULARS	AMOUNT IN Rs.
<u>AUTHORISED CAPITAL</u> 30,00,000 equity shares of Rs.10/- each.	3,00,00,000
20,00,000 – 12% Non – Cumulative Non - Convertible Preference shares of Rs.10/- each	2,00,00,000
Total	5,00,00,000
<u>ISSUED, SUBSCRIBED AND PAID UP CAPITAL</u> 6,00,000 equity shares of Rs.10/- each.	60,00,000

MAIN OBJECTS OF THE TRANSFEROR COMPANY IN BRIEF:

To produce, manufacture, import, export, buy, sell, design, exhibit, put to use, distribute or otherwise deal in all kinds of video films cine films, film magazines and related software.

Detailed objects of the Transferor Company has been placed as ***Annexure 2 of CA (CAA)/ 18 (CHE)/ 2024.***

5. The Transferee Company is an Unlisted Public Limited company, incorporated under the provisions of the Companies Act, 1956 on 07.10.2005 with name and style KAL Radio Private Limited and subsequently changed its name as KAL Radio Limited on 27.12.2005. The Share Capital of the Transferor Company as on 31.12.2023 is as follows:

PARTICULARS	AMOUNT IN Rs.
<u>AUTHORISED CAPITAL</u> 19,50,00,000 equity shares of Rs.10/- each	195,00,00,000
7,50,00,000 Preference shares of Rs.10/- each	75,00,00,000
Total	270,00,00,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL	
15,11,65,000 equity shares of Rs.10/- each fully paid	151,16,50,000
5,28,80,000 – 0.1% Compulsorily Convertible Preference shares classified as Equity of Rs.10/- each fully paid	52,88,00,000
Total	204,04,50,000

MAIN OBJECTS OF THE TRANSFEROR COMPANY IN BRIEF:

To carry on the business of all types of Radio Broadcasting including Frequency Modulated Radio Broadcasting, Satellite Radio, Internet Radio and to carry on the business of procuring, leasing, establishing and operating all types of telecommunication and space linkage systems.

Detailed objects of the Transferor Company has been placed as ***Annexure 2 of CA (CAA)/ 14 (CHE)/ 2024.***

6. Applicant companies have filed their respective Memoranda and Articles of Association inter alia delineating their object clauses. The Applicant Companies have filed their audited financial Statements as on 31.03.2023 and the Provisional Financial Statements as on 31.12.2023.

7. The Present Scheme provides Amalgamation of Applicant companies with rationale as under,

“The Transferor Company and Transferee Company, both are engaged in the business of FM radio broadcasting business and their proposed merger will create synergies between the businesses, including, pooling of their financial, managerial, technical, distribution, marketing and other resources.

The amalgamation is expected to, inter alia, result in reduction of costs, better alignment, coordination and streamlining of day-to-day operations of the entities.

The amalgamation will result in earning predictability, stronger revenue and improved competitiveness. This will provide Transferee Company with size and scale and hence, with greater opportunities to secure investments from new set of financial investors and will enhance Transferee Company's ability to raise further capital from the financial markets.”

8. The Board of Directors of the Transferor Company and the Transferee Company in the meeting held on 04.01.2024, have approved the proposed Scheme as contemplated above. Certified Copies of the Board resolutions passed thereon have been placed on record by the companies.

9. The Appointed date as specified in the Scheme is proposed as **01.04.2023**.

10. The Statutory Auditors of both the Applicant Companies have certified that the Accounting Standards are in compliance with Section 133 of the Companies Act, 2013.

11. The both the applicants have placed their approval obtained under clause 9.4(d) of FM Radio Phase - III policy for amalgamation of entities from the competent authority, Ministry of Information and Broadcasting, Government of India dated 06.09.2023.

12. With respect to *M/s. UDAYA FM PRIVATE LIMITED (Transferor Company)*, it is submitted as under:

- (i) There are **3** (Three) Equity Shareholders and the List of shareholders to this effect is placed on record as a certificate issued by the Chartered Accountant. Consent by way of Affidavits given by all the Equity Shareholders is also placed on record. It has been sought for dispensation to hold a meeting.
- (ii) There is **Nil** Preference Shareholder. Therefore necessity to hold a meeting does not arise.
- (iii) There is **Nil** Secured Creditors. Certificate has been issued by the Chartered Accountant to this effect which is placed along with the application. Therefore necessity to hold a meeting does not arise.
- (iv) There is **Nil** Unsecured Creditors. Certificate has been issued by the Chartered Accountant to this effect which is placed along with the application. Therefore necessity to hold a meeting does not arise.

13. With respect to *M/s. KAL RADIO LIMITED (Transferee Company)*, it is submitted as under:

- (i) There are **7** (Seven) Equity Shareholders. List of shareholders to this effect is placed on record as a certificate issued by the Chartered Accountant. Consents by

way of Affidavits given by all the Equity Shareholders is also placed on record. It has been sought for dispensation to hold a meeting.

- (ii) There are **1** (One) Preference Shareholder. Certificate issued by the Chartered Accountant to this effect is placed on record. Consent by way of Affidavit given by the Preference Shareholder is also placed on record. It has been sought for dispensation to hold a meeting.
- (iii) There is **Nil** Secured Creditors. Certificate has been issued by the Chartered Accountant to this effect which is placed along with the application. Therefore necessity to hold a meeting does not arise.
- (iv) There are **1** (One) Unsecured Creditors. Certificate has been issued by the Chartered Accountant to this effect. Consents by way of Affidavits given by the Unsecured Trade Creditor is also placed on record. It has been sought for dispensation to hold a meeting.

14. Taking into consideration the submissions and the documents on record, this Tribunal issues the following directions: -

A) IN RELATION FIRST TRANSFEROR COMPANY:

I) With respect to Equity shareholders:

Since, it is represented that there are **3** (Three) Equity Shareholders in the Company whose consents by way of affidavits have been obtained and are placed on record, the necessity to convene and hold a meeting is *dispensed with*.

II) With respect to Preference shareholders:

Since it is represented that there **Nil** Preference shareholders in the Company. Therefore the necessity to convene and hold a meeting *does not arise*.

III) With respect to Secured Creditors:

Since it is represented that there **Nil** Secured Creditors in the Company. Therefore the necessity to convene and hold a meeting *does not arise*.

IV) With respect to Unsecured Creditors:

Since it is represented that there **Nil** Unsecured Creditors in the Company. Therefore the necessity to convene and hold a meeting *does not arise*.

B) IN RELATION SECOND TRANSFEREE COMPANY:

I) With respect to Equity shareholders:

Since, it is represented that there are **7** (Seven) Equity Shareholders in the Company whose consents by way of affidavits forming 100% in value have been

obtained and are placed on record, the necessity to convene and hold a meeting is *dispensed with*.

II) With respect to Preference shareholders:

Since, it is represented that there is **1 (One)** Preference Shareholder in the Company whose consent by way of affidavits forming 100% in value has been obtained and is placed on record, the necessity to convene and hold a meeting is *dispensed with*.

III) With respect to Secured Creditors:

Since it is represented that there **Nil** Secured Creditors in the Company. Therefore the necessity to convene and hold a meeting *does not arise*.

IV) With respect to Unsecured Creditors:

Since it is represented that there is **1 (One)** Unsecured Creditors in the Company whose consent by way of affidavits forming 100% in value has been obtained and is placed on record, the necessity to convene and hold a meeting is *dispensed with*.

15. The Applicant companies are directed to file the Company Petition(s) within 14 days from the date of receipt of this Order. Accordingly, the application stands **allowed**.

-Sd/-

**RAVICHANDRAN RAMASAMY
MEMBER (TECHNICAL)**

-Sd/-

**JYOTI KUMAR TRIPATHI
MEMBER (JUDICIAL)**