

**In Re: Avm Land Developers (P.) Ltd.**

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**SooperKanoon Citation :** [sooperkanoon.com/705921](http://sooperkanoon.com/705921)

**Court :** Delhi

**Decided On :** Feb-29-2008

**Reported in :** [2008]86SCL148(Delhi)

**Judge :** Vipin Sanghi, J.

**Acts :** [Companies Act, 1956](#) - Sections 235 to 251, 391(1), 393 and 394;  
Companies (Court) Rules, 1959

**Appeal No. :** Company Application (Main) No. 37 of 2008

**Appellant :** In Re: Avm Land Developers (P.) Ltd.

**Advocate for Pet/Ap. :** Manisha Dhir and; Rahul Singh, Advs

**Disposition :** Application allowed

**Judgement :**

ORDER

**Vipin Sanghi, J.**

1. This is an application under Section 391(1), read with Sections 393 and 394 of the [Companies Act, 1956](#) (hereinafter referred to as the Act) by the applicant Aerens Entertainment Zone Limited, seeking directions from the Court for convening, holding and conducting separate meetings of the equity shareholders, secured and unsecured creditors, which are statutorily required for sanctioning the

scheme of arrangement for amalgamation of AVM Land Developers Pvt. Ltd. with the applicant/transferee company Aerens Entertainment Zone Limited.

2. The registered office of the applicant/Transferee company is situated at 6th Floor, Mahindra Tower, 2A, Bhikaji Cama Place, New Delhi, that is, within the jurisdiction of this Court.

3. The Board of Directors of the Applicant/Transferee company and the Transferor company have passed separate resolutions approving the scheme of arrangement for amalgamation of Transferor company with the Transferee company on 25-10-2007, copies of which have been filed on record.

4. The Transferor company and the Transferee company have filed their respective Memorandums and Articles of Association along with the application. The audited balance sheets of Transferor company and the Applicant/Transferee company as on 31 -3-2007 and as on 4-10-2007 have been filed on record.

5. The applicant/transferee company and Transferor company have also filed the scheme of amalgamation and salient features of the amalgamation have been incorporated and detailed in the application.

6. The applicant company has stated that no proceedings under Sections 235 to 251 of the Act are pending against the Transferor company and Transferee company.

7. The applicant/Transferee company was incorporated on 26-10-1999 and the authorized share capital of the Transferee company is Rs. 50 crores divided into 50 lakhs equity shares of Rs. 10 each. The issued, subscribed and paid up share capital of the applicant/Transferee company is Rs. 50 crores divided into 50 lakhs equity shares of Rs. 10 each.

8. The Transferor company was incorporated on 22-12-2004 and the authorized share capital of the Transferor company is Rs. 1 lakh, divided into 10,000 equity shares of Rs. 10 each. The issued, subscribed and paid up share capital of the Transferor company is Rs. 1 lakh divided into 10,000 equity shares of Rs. 10 each.

9. The applicant/Transferee company has 7 equity shareholders. All the equity shareholders of the applicant company have given their consent in writing to the scheme of arrangement for amalgamation, which have been filed on record. Since the consents to the scheme of amalgamation have been filed on behalf of the respective shareholders of the applicant company, therefore, it is just and appropriate to dispense with convening the meeting of the shareholders of the applicant company to consider the scheme of arrangement for amalgamation.

10. The applicant/transferee company has 4 secured creditors. The applicant has sought the holding of the meeting of its secured creditors for considering and if thought fit approving the scheme. Considering the facts and circumstances, the meeting of the secured creditors of the Transferee company, Aerens Entertainment Zone Ltd., be held on 21-4-2008 at 11.00 A.M. at 6th Floor, Mahindra Tower, 2A, Bhikaji Cama Place, New Delhi. I appoint Mr. Amrit Pal Singh Gambhir, Advocate Mobile No. 9810082347 9810082347 as the Chairperson and Mr. Mukund Gupta, Advocate Mobile No. 9213319319 9213319319 , as the Alternate Chairperson for the meeting of the secured creditors of the Transferee company. The quorum for the said meeting will be 3 secured creditors in number constituting 50 per cent in value of the total secured debt. The Chairperson and the Alternate Chairperson shall ensure that the notices convening the meeting of secured creditors of the applicant company along with copies of scheme and statement under Section 393 of the [Companies Act, 1956](#), shall be sent to the secured creditors of the Transferee company by Registered Post at their registered or last known addresses at least 21 days before the date appointed for meeting, in their presence or in the presence of their authorized representatives. The notice shall also be published in newspapers 'Indian Express' (English edition) and 'Navbharat Times' (Hindi edition) in terms of the Companies (Court) Rules, 1959, at least 21 days before the day appointed for the meeting. C

11. The applicant/Transferee company has 235 unsecured creditors in all. The applicant has sought the holding of the meeting of its unsecured creditors for considering and if thought fit approving the scheme. Considering the facts and circumstances, the meeting of the unsecured creditors of the Transferor company, Aerens Entertainment Zone Ltd., be held on 21-4-2008 at 2.00 P.M., at 6th Floor,

Mahindra Tower, 2A, Bhikaji Cama Place, New Delhi. I appoint Mr. R.D. Jolly, Chamber No. 413, Lawyers D Chamber, Delhi High Court, Advocate Mobile No. 9810825970 9810825970 , as the Chairperson and Ms. Madhvi Chopra, Advocate Mobile No. 9899044704 9899044704 , as the Alternate Chairperson for the meeting of the unsecured creditors of the Transferee company. The quorum for the said meeting will be 30 unsecured creditors in number constituting 25 per cent of the total unsecured debt in value. The Chairperson and the Alternate Chairperson will ensure that the notices convening the meeting of unsecured creditors of the applicant company along with copies of scheme and statement under Section 393 of the [Companies Act, 1956](#), shall be sent to the unsecured creditors of the Transferee company by UPC at their registered or last known addresses at least 21 days before the date appointed for meeting, in their presence or in the presence of their authorized representatives. The notice shall also be published in newspapers 'Indian Express' (English edition) and 'Navbharat Times' (Hindi edition) in terms of the Companies (Court) Rules, 1959, at least 21 days before the day appointed for the meeting. F

12. In both the aforesaid meetings, voting by proxy shall be permitted, if prescribed form duly signed by the person entitled to attend and vote at the meeting is filed with the registered office of the applicant company at least forty eight hours before the meeting. The chairpersons and the alternate chairpersons shall also ensure that the proxy registers are properly maintained and they shall inspect the same from time to time.

13. The fees of each of the Chairpersons for the meeting aforesaid shall be Rs. 35,000 and the fees of each of the Alternate Chairpersons shall be Rs. 25,000 in addition to meeting their incidental expenses. The Chairpersons appointed by this Court shall file their report within two weeks from the date of holding of the meeting. The Alternate Chairpersons shall also attend the meeting and assist the respective Chairperson in conducting the meeting and in filing the report.

14. The Chairpersons and the Alternate Chairpersons shall be at the liberty to issue directions to the management of the Applicant Transferee company so that meeting the unsecured creditors are conducted in a just, free and fair manner.

The application is allowed in terms of the above order.

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