

**IN THE HIGH COURT OF DELHI**  
**COMPANY PETITION NO. 778/2014**

**Reserved on 10<sup>th</sup> April, 2015**  
**Date of pronouncement: 8<sup>th</sup> May, 2015**

**In the matter of**

The Companies Act, 1956 & the Companies Act, 2013 (to the extent applicable):

And

**Petition under Sections 391 to 394 of the  
Companies Act, 1956**

Scheme of Arrangement between:

ValueFirst Mobility Vision Technologies Private Limited  
Petitioner/Demerged Company  
AND

ValueFirst Digital Media Private Limited  
Petitioner/Resulting Company

**Through Ms. Maneesha Dhir, Mr. Milon  
Singh Negi, and Mr. Hemant Sharma  
Advocates for the petitioners  
Ms. Aparna Mudiam, Assistant  
Registrar of Companies for the  
Regional Director**

**SUDERSHAN KUMAR MISRA, J.**

1. This joint petition has been filed under Sections 391 to 394 of the Companies Act, 1956 by the petitioner companies seeking sanction of the Scheme of Arrangement between ValueFirst Mobility Vision Technologies Private Limited (hereinafter referred to as the demerged company) and ValueFirst Digital Media Private Limited (hereinafter referred to as the resulting company).

2. The registered offices of the demerged and resulting companies are situated at New Delhi, within the jurisdiction of this court.

3. The demerged company was originally incorporated under the Companies Act, 1956 on 25<sup>th</sup> September, 2009 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi under the name and style of Mobility Vision Technologies Private Limited. The company changed its name to ValueFirst Mobility Vision Technologies Private Limited and obtained the fresh certificate of incorporation on 23<sup>rd</sup> February, 2010.

4. The resulting company was originally incorporated under the Companies Act, 1956 on 17<sup>th</sup> October, 2003 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi under the name and style of ValueFirst Messaging Private Limited. The company changed its name to ValueFirst Digital Media Private Limited and obtained the fresh certificate of incorporation on 30<sup>th</sup> July, 2012.

5. The present authorized share capital of the demerged company is Rs.1,00,000/- divided into 10,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the company is Rs.1,00,000/- divided into 10,000 equity shares of Rs.10/- each.

6. The present authorized share capital of the resulting company is Rs.27,13,00,000/- divided into 2,70,74,900 equity shares of Rs.10/- each aggregating to Rs.27,07,49,000/- and 55,100 preference shares of Rs.10/- each aggregating to Rs.5,51,000/-. The issued, subscribed and paid-up share capital of the company is Rs.19,66,140/- divided into 1,41,514 equity shares of Rs.10/- each aggregating to Rs.14,15,140/-; 45,100 0.1% cumulative compulsory convertible preference shares of Rs.10/- each fully paid up aggregating to Rs.4,51,000/-; and 10,000 8% non-cumulative compulsory convertible preference shares of Rs.10/- each fully paid up aggregating to Rs.1,00,000/-.

7. Copies of the Memorandum and Articles of Association of the demerged and resulting companies have been filed on record. The audited balance sheets, as on 31<sup>st</sup> March, 2014, of the demerged and resulting companies, along with the report of the auditors, have also been filed.

8. A copy of the Scheme of Arrangement has been placed on record and the salient features of the Scheme have been incorporated and detailed in the petition and the accompanying affidavit. It is submitted by the petitioners that the Scheme, *inter alia*, provides for demerger of the 'Digital Media Business Undertaking' of the demerged company into the resulting company. It is claimed that the proposed demerger will facilitate a focused strategy, direction and business planning to optimize

operational, managerial, financial, technical and marketing capabilities of similar businesses and would also enhance operational, managerial, financial and technological efficiencies of the entire ValueFirst Group.

9. So far as the share exchange ratio is concerned, the Scheme provides that the demerged company is a wholly owned subsidiary of the resulting company. Hence, no shares will be issued by the resulting company to the shareholders of the demerged company in consideration of transfer of Demerged Business Undertaking in terms of the Scheme.

10. It has been submitted by the petitioners that no proceedings under Sections 235 to 251 of the Companies Act, 1956 are pending against the demerged and resulting companies.

11. The Board of Directors of the demerged and resulting companies in their separate meetings held on 2<sup>nd</sup> September, 2014 have unanimously approved the proposed Scheme of Arrangement. Copies of the Resolutions passed at the meetings of the Board of Directors of the demerged and resulting companies have been placed on record.

12. The petitioner companies had earlier filed CA (M) No. 158/2014 seeking directions of this court to dispense with the requirement of convening the meetings of their equity shareholders, preference shareholders, secured and unsecured creditors, which are statutorily

required for sanction of the Scheme of Arrangement. Vide order dated 26<sup>th</sup> November, 2014, modified by order dated 5<sup>th</sup> December, 2014 this court allowed the application and dispensed with the requirement of convening and holding the meetings of the equity shareholders, preference shareholders, secured and unsecured creditors of the demerged and resulting companies, to consider and, if thought fit, approve, with or without modification, the proposed Scheme of Arrangement.

13. The petitioner companies have thereafter filed the present petition seeking sanction of the Scheme of Arrangement. Vide order dated 16<sup>th</sup> December, 2014, notice in the petition was directed to be issued to the Regional Director, Northern Region. Citations were also directed to be published in 'Business Standard' (English) and 'Jansatta' (Hindi) editions. Affidavit of service dated 7<sup>th</sup> March, 2015 has been filed by the petitioners showing compliance regarding service on the Regional Director, Northern Region and also regarding publication of citations in the aforesaid newspapers on 21<sup>st</sup> January, 2015. Copies of the newspaper clippings containing the publications have been filed along with the said affidavit.

14. In response to the notices issued in the petition, Mr. A. K. Chaturvedi, Regional Director, Northern Region, Ministry of Corporate Affairs has filed his report dated 25<sup>th</sup> February, 2015. Relying on Clause 7.1 of Part-II of the Scheme, he has stated that, upon sanction of the

Scheme of Arrangement, all the employees of the demerged company engaged in the Demerged Business Undertaking shall become the employees of the resulting company without any break or interruption in their services.

15. No objection has been received to the Scheme of Arrangement from any other party. The petitioner companies, in the affidavits dated 7<sup>th</sup> March, 2015 of Mr. Vishwadeep Bajaj, authorized signatory of the petitioner companies, have submitted that neither the petitioner companies nor their counsel have received any objection pursuant to the citations published in the newspapers on 21<sup>st</sup> January, 2015.

16. Considering the approval accorded by the shareholders and creditors of the petitioner companies to the proposed Scheme of Arrangement and the affidavit filed by the Regional Director, Northern Region not raising any objection to the proposed Scheme of Arrangement, there appears to be no impediment to the grant of sanction to the Scheme of Arrangement. Consequently, sanction is hereby granted to the Scheme of Arrangement under Sections 391 and 394 of the Companies Act, 1956. The petitioner companies will comply with the statutory requirements in accordance with law. Certified copy of this order be filed with the Registrar of Companies within 30 days. It is also clarified that this order will not be construed as an order granting exemption from payment of stamp duty as payable in accordance with law. Upon the

sanction becoming effective from the appointed date of Arrangement, i.e. 1<sup>st</sup> April, 2014, the 'Digital Media Business Undertaking' of the demerged company shall stand merged in the resulting company.

17. The petition is allowed in the above terms.

**Dasti.**

**SUDERSHAN KUMAR MISRA, J.**

**May 08, 2015**