

IN THE HIGH COURT OF DELHI
COMPANY APPLICATION (MAIN) NO. 96/2016

Reserved on 15th July, 2016
Date of pronouncement: 12th August, 2016

In the matter of

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

And

**Application under Sections 391 to 394 of the
Companies Act, 1956 read with Rule 9 of the
Companies (Court) Rules, 1959**

Scheme of Amalgamation of:

Kaledio Impex Private Limited

Applicant/Transferor Company No. 1

Hitech Cans and Packaging Private Limited

Applicant/Transferor Company No. 2

Misha Leasing and Credits Limited

Applicant/Transferor Company No. 3

Reliance Mutual Benefits Limited

Applicant/Transferor Company No. 4

Datcal Systems Private Limited

Applicant/Transferor Company No. 5

Raj Nagar Service Station Private Limited

Applicant/Transferor Company No. 6

B.V. Garments Limited

Applicant/Transferor Company No. 7

WITH

Reliance Intercontinental Limited

Applicant/Transferee Company

**Through Mr. Tariq Muneer, Advocate
for the applicants**

SUDERSHAN KUMAR MISRA, J.

1. This joint application has been filed under Section 391 to 394 of the Companies Act, 1956 read with Rule 9 of the Companies (Court)

Rules, 1959 by the applicant companies seeking directions of this court to dispense with the requirement of convening the meetings of their equity shareholders, secured and unsecured creditors to consider and approve with or without modification, the proposed Scheme of Amalgamation of Kaledio Impex Private Limited (hereinafter referred to as the transferor company no. 1); Hitech Cans and Packaging Private Limited (hereinafter referred to as the transferor company no. 2); Misha Leasing and Credits Limited (hereinafter referred to as the transferor company no. 3); Reliance Mutual Benefits Limited (hereinafter referred to as the transferor company no. 4); Datcal Systems Private Limited (hereinafter referred to as the transferor company no. 5); Raj Nagar Service Station Private Limited (hereinafter referred to as the transferor company no. 6) and B.V. Garments Limited (hereinafter referred to as the transferor company no. 7) with Reliance Intercontinental Limited (hereinafter referred to as the transferee company).

2. The registered offices of the transferor and transferee companies are situated at New Delhi, within the jurisdiction of this Court.

3. The transferor company no. 1 was incorporated under the Companies Act, 1956 on 14th September, 1994 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

4. The transferor company no. 2 was incorporated under the Companies Act, 1956 on 17th April, 1986 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

5. The transferor company no. 3 was incorporated under the Companies Act, 1956 on 2nd January, 1992 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

6. The transferor company no. 4 was incorporated under the Companies Act, 1956 on 24th May, 1995 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

7. The transferor company no. 5 was incorporated under the Companies Act, 1956 on 26th December, 1990 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

8. The transferor company no. 6 was incorporated under the Companies Act, 1956 on 12th February, 1986 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

9. The transferor company no. 7 was incorporated under the Companies Act, 1956 on 2nd April, 1986 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

10. The transferee company was incorporated under the Companies Act, 1956 on 29th May, 1995 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

11. The present authorized share capital of the transferor company no.1 is Rs.50,00,000/- divided into 5,00,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the company is Rs.1,00,400/- divided into 10,040 equity shares of Rs.10/- each.

12. The present authorized share capital of the transferor company no.2 is Rs.16,00,000/- divided into 1,60,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the company is Rs.9,00,300/- divided into 90,030 equity shares of Rs.10/- each.

13. The present authorized share capital of the transferor company no.3 is Rs.25,00,000/- divided into 2,50,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the company is Rs.5,00,000/- divided into 50,000 equity shares of Rs.10/- each.

14. The present authorized share capital of the transferor company no.4 is Rs.10,00,000/- divided into 1,00,000 equity shares of Rs.10/-

each. The issued, subscribed and paid-up share capital of the company is Rs.5,07,000/- divided into 50,700 equity shares of Rs.10/- each.

15. The present authorized share capital of the transferor company no.5 is Rs.5,00,000/- divided into 5,000 equity shares of Rs.100/- each. The issued, subscribed and paid-up share capital of the company is Rs.1,40,000/- divided into 1,400 equity shares of Rs.100/- each.

16. The present authorized share capital of the transferor company no.6 is Rs.10,00,000/- divided into 1,00,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the company is Rs.1,00,300/- divided into 10,030 equity shares of Rs.10/- each.

17. The present authorized share capital of the transferor company no.7 is Rs.20,00,000/- divided into 2,00,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the company is Rs.5,00,000/- divided into 50,000 equity shares of Rs.10/- each.

18. The present authorized share capital of the transferee company is Rs.50,00,000/- divided into 5,00,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the company is Rs.10,98,030/- divided into 1,09,803 equity shares of Rs.10/- each.

19. Copies of Memorandum and Articles of Association of the transferor and transferee companies have been filed on record. The audited balance sheets, as on 31st March, 2015, of the transferor and transferee companies, along with the report of the auditors, have also been filed.

20. A copy of the Scheme of Amalgamation has been placed on record and the salient features of the Scheme have been incorporated and detailed in the application and the accompanying affidavits. It is claimed by the applicants that the proposed Amalgamation would result in pooling of resources and infrastructure of entities to their common advantage, resulting in more productive utilization of the resources, costs and operational efficiencies, faster and effective decision making and its implementation, which would be beneficial for all stakeholders. It is further claimed that the proposed amalgamation would result in greater efficiency in cash management of the transferee company, and unfettered access to cash flow generated by the combined business, which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholders' value.

21. So far as the share exchange ratio is concerned, the Scheme provides that, upon coming into effect of this Scheme, the transferee

company shall issue and allot equity shares to the shareholders of the transferor companies as under:-

“2.01 fully paid up equity shares of Rs.10/- each of the transferee company for every 01 equity share of Rs.10/- each held by the shareholders in the transferor company no. 1.”

“0.09 fully paid up equity share of Rs.10/- each of the transferee company for every 01 equity share of Rs.10/- each held by the shareholders in the transferor company no. 2.”

“0.29 fully paid up equity share of Rs.10/- each of the transferee company for every 01 equity share of Rs.10/- each held by the shareholders in the transferor company no. 3.”

“0.04 fully paid up equity shares of Rs.10/- each of the transferee company for every 01 equity share of Rs.10/- each held by the shareholders in the transferor company no. 4.”

“3.47 fully paid up equity shares of Rs.10/- each of the transferee company for every 01 equity share of Rs.100/- each held by the shareholders in the transferor company no.5.”

“1.78 fully paid up equity shares of Rs.10/- each of the transferee company for every 01 equity share of Rs.10/- each held by the shareholders in the transferor company no. 6.”

“0.52 fully paid up equity shares of Rs.10/- each of the transferee company for every 01 equity share of Rs.10/- each held by the shareholders in the transferor company no. 7.”

22. It has been submitted by the applicants that no proceedings under Sections 235 to 251 of the Companies Act, 1956 are pending against the applicant companies.

23. The Board of Directors of the transferor and transferee companies in their separate meetings held on 1st March, 2016 have unanimously

approved the proposed Scheme of Amalgamation. Copies of the Resolutions passed at the meetings of the Board of Directors of the transferor and transferee companies have been placed on record.

24. The transferor company no. 1 has 03 equity shareholders. All the equity shareholders have given their consents/no objections in writing to the proposed Scheme of Amalgamation. Their consents/no objections have been placed on record. They have been examined and found in order. In view thereof, the requirement of convening the meeting of the equity shareholders of the transferor company no. 1 to consider and, if thought fit, approve, with or without modification, the proposed Scheme of Amalgamation is dispensed with. There is no secured or unsecured creditor of the transferor company no. 1, as on 1st March, 2016.

25. The transferor company no. 2 has 09 equity shareholders. All the equity shareholders have given their consents/no objections in writing to the proposed Scheme of Amalgamation. Their consents/no objections have been placed on record. They have been examined and found in order. In view thereof, the requirement of convening the meeting of the equity shareholders of the transferor company no. 2 to consider and, if thought fit, approve, with or without modification, the proposed Scheme of Amalgamation is dispensed with. There is no secured or unsecured creditor of the transferor company no. 2, as on 1st March, 2016.

26. The transferor company no. 3 has 08 equity shareholders. All the equity shareholders have given their consents/no objections in writing to the proposed Scheme of Amalgamation. Their consents/no objections have been placed on record. They have been examined and found in order. In view thereof, the requirement of convening the meeting of the equity shareholders of the transferor company no. 3 to consider and, if thought fit, approve, with or without modification, the proposed Scheme of Amalgamation is dispensed with. There is no secured or unsecured creditor of the transferor company no. 3, as on 1st March, 2016.

27. The transferor company no. 4 has 07 equity shareholders. All the equity shareholders have given their consents/no objections in writing to the proposed Scheme of Amalgamation. Their consents/no objections have been placed on record. They have been examined and found in order. In view thereof, the requirement of convening the meeting of the equity shareholders of the transferor company no. 4 to consider and, if thought fit, approve, with or without modification, the proposed Scheme of Amalgamation is dispensed with. There is no secured or unsecured creditor of the transferor company no. 4, as on 1st March, 2016.

28. The transferor company no. 5 has 04 equity shareholders. All the equity shareholders have given their consents/no objections in writing to

the proposed Scheme of Amalgamation. Their consents/no objections have been placed on record. They have been examined and found in order. In view thereof, the requirement of convening the meeting of the equity shareholders of the transferor company no. 5 to consider and, if thought fit, approve, with or without modification, the proposed Scheme of Amalgamation is dispensed with. There is no secured or unsecured creditor of the transferor company no. 5, as on 1st March, 2016.

29. The transferor company no. 6 has 06 equity shareholders. All the equity shareholders have given their consents/no objections in writing to the proposed Scheme of Amalgamation. Their consents/no objections have been placed on record. They have been examined and found in order. In view thereof, the requirement of convening the meeting of the equity shareholders of the transferor company no. 6 to consider and, if thought fit, approve, with or without modification, the proposed Scheme of Amalgamation is dispensed with. There is no secured or unsecured creditor of the transferor company no. 6, as on 1st March, 2016.

30. The transferor company no. 7 has 08 equity shareholders. All the equity shareholders have given their consents/no objections in writing to the proposed Scheme of Amalgamation. Their consents/no objections have been placed on record. They have been examined and found in order. In view thereof, the requirement of convening the meeting of the

equity shareholders of the transferor company no. 7 to consider and, if thought fit, approve, with or without modification, the proposed Scheme of Amalgamation is dispensed with. There is no secured or unsecured creditor of the transferor company no. 7, as on 1st March, 2016.

31. The transferee company has 13 equity shareholders. All the equity shareholders have given their consents/no objections in writing to the proposed Scheme of Amalgamation. Their consents/no objections have been placed on record. They have been examined and found in order. In view thereof, the requirement of convening the meeting of the equity shareholders of the transferee company to consider and, if thought fit, approve, with or without modification, the proposed Scheme of Amalgamation is dispensed with. There is no secured or unsecured creditor of the transferee company, as on 1st March, 2016.

32. The application stands allowed in the aforesaid terms.

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SUDERSHAN KUMAR MISRA, J.

August 12, 2016