

HON'BLE SRI JUSTICE C.V.NAGARJUNA REDDY

Company Application Nos.747, 748 & 749 of 2015

Date:21.04.2015

Between:

M/s Balaji Crop Care Private Limited,

Hyderabad, repled by its authorized

Signatory-R.L.N.Rao

..... Applicant

Counsel for the applicant: Sri D.Narender Naik

For Sri T.Vinod Kumar

The Court made the following:

COMMON ORDER:

Company Applications Nos.747, 748 and 749 of 2015 are filed by M/s Balaji Crop Care Private Limited (transferor Company No.1) for dispensing with the requirement of holding of meetings of its equity shareholders, secured and unsecured creditors, respectively, for considering the proposed scheme of amalgamation of the applicant-company along with M/s R.L.Agrion Private Limited (transferor company No.2) with M/s Sowbhagya Biotech Private Limited (transferee company).

The applicant pleaded that it was incorporated as a private limited company under the Companies Act, 1956 on 21.11.2005; that its authorised share capital is Rs.2,40,00,000/- divided into

24,00,000 equity shares of Rs.10/- each; that its issued, subscribed and paid up capital is Rs.1,50,00,000/- divided into Rs.15,00,000 equity shares of Rs.10/- each; that its main objects, as set out in the Memorandum of Association, are to carry on in India or elsewhere the business to produce, manufacture, process, grind, blend, convert, extract, prepare, store, deal in all types of Agro & agricultural and to deal in various crop care products and other products such as chemical insecticides, Fungicides, weedicides, Plant Growth promoters & Regulators, Surfactants, Natural/Chemical/ Speciality Fertilizers, Seeds, Micro Nutrients, Biological Extracts, Derivatives, Bio-control Agents, Bio Pesticides, Veterinary Feed supplements, Fermentation Metabolites and various Agro Chemicals; and that its Board of Directors, vide resolution, dated 15.01.2015, resolved to approve the proposed scheme of amalgamation, filed as Annexure-E.

The applicant further averred that it is a fully owned subsidiary of the transferee company-M/s Sowbhagya Biotech Private Limited and that it has two shareholders, viz., M/s Sowbhagya Biotech Private Limited and its nominee-Lakshmi Narayana Rao Ramayanam, who have filed their consent affidavits, vide Annexure-G (page Nos.177 to 180).

The applicant averred that it has in all four trade creditors of the value of about Rs.2,74,20,796/- of which, its holding company, viz., M/s Sowbhagya Biotech Private Limited, is the major creditor to which the applicant owes Rs.2,23,48,422/-. The applicant has also filed No Objection letters of two other trade creditors, viz., Shiv Shakthi Bio-Technologies Limited to which the applicant owes a sum of Rs.9,28,342/- and M/s R.L.Agriox Private Limited (transferor Company No.2), to which the applicant owes a sum of Rs.40,08,951/-. Thus, except M/s PCC Logistics Limited to whom the applicant owes only Rs.1,35,082/-, all other trade creditors constituting overwhelming majority, both in terms of number and balance, have given their No Objection affidavits to the proposed scheme of amalgamation and that the Board of Directors of the holding company has also issued No Objection to the scheme of amalgamation on 29.01.2015, filed as Annexure-J.

The applicant has also pleaded that it has availed unsecured loan of Rs.63,79,136/-, in respect of which the creditor, viz., R.L.Narayana Rao has given his consent letter, dated 29.01.2015, to the proposed scheme of amalgamation which is filed as part of Annexure-J (page No.186); and that its lone secured creditor, viz., State Bank of Hyderabad, has also given its consent, which is filed as Annexure-H (page No.181).

In the light of the above facts pleaded by the applicant and

supported by the documentary evidence, this Court is of the opinion that no purpose will be served by directing holding of the meetings of the shareholders, secured and unsecured creditors of the applicant-company for discussing the proposed scheme of amalgamation.

All the Company Applications are, accordingly, allowed.

JUSTICE C.V.NAGARJUNA REDDY

21st April, 2015

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