

IN THE HIGH COURT OF DELHI
COMPANY APPLICATION (MAIN) NO. 9/2015

Reserved on 13th January, 2015
Date of pronouncement: 28th January, 2015

In the matter of

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

And

Application under Section 391(1) of the Companies Act, 1956

Scheme of Amalgamation of:

M/s. C. A. Process Industries Private Limited
Applicant/Transferor Company No. 1

M/s. Interia Crafts Private Limited
Applicant/Transferor Company No. 2

M/s. Northern Distributors Private Limited
Applicant/Transferor Company No. 3

WITH

M/s. Jaipuria Beverages & Food Industries Private Limited
Applicant/Transferee Company

Through Mr. Mukesh Sukhija,
Advocate for the applicants

SUDERSHAN KUMAR MISRA, J.

1. This joint application has been filed under Section 391(1) of the Companies Act, 1956 by the applicant companies seeking directions of this court to dispense with the requirement of convening the meetings of their equity shareholders, preference shareholder, secured and unsecured creditors to consider and approve, with or without modification, the proposed Scheme of Amalgamation of M/s. C. A.

Process Industries Private Limited (hereinafter referred to as the transferor company no. 1); M/s. Interia Crafts Private Limited (hereinafter referred to as the transferor company no. 2) and M/s. Northern Distributors Private Limited (hereinafter referred to as the transferor company no. 3) with M/s. Jaipuria Beverages & Food Industries Private 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 28th October, 1988 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 31st December, 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 August, 1991 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

6. The transferee company was originally incorporated under the Companies Act, 1913 on 2nd June, 1947 with the Registrar of Companies, Rajasthan at Jaipur under the name and style of The Rajputana Stores Limited. The company changed its name to The Rajputana Stores (Private) Limited and obtained the fresh certificate of incorporation on 18th August, 1962. Thereafter, the company shifted its registered office from the State of Rajasthan to NCT of Delhi and obtained a certificate in this regard from the Registrar of Companies, NCT of Delhi & Haryana at New Delhi on 4th April, 1991. Subsequently, the company changed its name to Jaipuria Beverages & Food Industries Private Limited and obtained the fresh certificate of incorporation on 3rd June, 2006.

7. The present authorized share capital of the transferor company no.1 is Rs.5,00,000/- divided into 50,000 equity shares of Rs.10/- each. The present 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.

8. The present authorized share capital of the transferor company no.2 is Rs.50,00,000/- divided into 50,000 equity shares of Rs.100/- each. The present issued, subscribed and paid-up share capital of the

company is Rs.20,00,000/- divided into 20,000 equity shares of Rs.100/- each.

9. The present authorized share capital of the transferor company no.3 is Rs.1,00,00,000/- divided into 9,00,000 equity shares of Rs.10/- aggregating to Rs.90,00,000/- and 10,00,000 equity shares of Rs.1/- each aggregating to Rs.10,00,000/-. The present issued, subscribed and paid-up share capital of the company is Rs.50,00,000/- divided into 5,00,000 equity shares of Rs.10/- each.

10. The present authorized share capital of the transferee company is Rs.5,15,00,000/- divided into 40,000 equity shares of Rs.100/- each aggregating to Rs.40,00,000/-; and 4,75,000 redeemable preference shares of Rs.100/- each aggregating to Rs.4,75,00,000/-. The present issued, subscribed and paid-up share capital of the company is Rs.5,07,27,600/- divided into 32,276 equity shares of Rs.100/- each aggregating to Rs.32,27,600/- and 4,75,000 redeemable preference shares of Rs.100/- each aggregating to Rs.4,75,00,000/-.

11. Copies of the Memorandum and Articles of Association of the transferor and transferee companies have been filed on record. The audited balance sheets, as on 31st March, 2014, of the transferor and

transferee companies, along with the report of the auditors, have also been filed.

12. 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 affidavit. It is submitted by the applicants that the transferor companies no. 1 to 3 are not engaged in any business activity and the transferee company is earning income out of renting of the properties and the dividend income. It is claimed that the proposed amalgamation would result in business synergy and consolidation of these companies into one large company with a stronger asset base. It is further claimed that the proposed amalgamation will result in usual economies of a centralized and a large company including elimination of duplicate work, reduction in overheads, better and more productive utilization of human and other resources and enhancement of overall business efficiency. It will enable these companies to combine their managerial and operating strength, to build a wider capital and financial base and to promote and secure overall growth of their businesses.

13. 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 in the following ratio:-

“1 (one) equity share of Rs.100/- each of the transferee company for every 100 fully paid up equity shares of Rs.10/- each held in the transferor company no. 1.”

“58 equity shares of Rs.100/- each of the transferee company for every 100 fully paid up equity share of Rs.100/- each held in the transferor company no. 2.”

“13 equity shares of Rs.100/- each of the transferee company for every 100 fully paid up equity share of Rs.10/- each held in the transferor company no. 3.”

14. 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.

15. The Board of Directors of the transferor and transferee companies in their separate meetings held on 31st October, 2014 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.

16. The transferor company no. 1 has 10 equity shareholders and 04 unsecured creditors. All the equity shareholders and all the unsecured creditors 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 meetings of the equity shareholders and unsecured creditors 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 creditor of the transferor company no. 1, as on 31st October, 2014.

17. The transferor company no. 2 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. 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 31st October, 2014.

18. The transferor company no. 3 has 02 equity shareholders and 02 unsecured creditors. Both the equity shareholders and both the unsecured creditors 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 meetings of the equity shareholders and unsecured creditors 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 creditor of the transferor company no. 3, as on 31st October, 2014.

19. The transferee company has 08 equity shareholders and 01 preference shareholders. All the equity shareholders and the only preference shareholder 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 meetings of the equity shareholders and preference shareholder of the transferee company to consider and, if thought fit, approve, with or without modification, the proposed Scheme of Amalgamation is dispensed with.

20. The transferee company has 06 unsecured creditors, as on 31st October, 2014. It is submitted by the applicant that out of 06 unsecured creditors, 01 unsecured creditor has expired. Out of the remaining 05 unsecured creditors, 04 unsecured creditors constituting 85.24% of the unsecured debt 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 unsecured creditors 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 creditor of the transferee company, as on 31st October, 2014.

21. The application stands allowed in the aforesaid terms.

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SUDERSHAN KUMAR MISRA, J.

January 28, 2015