

IN THE HIGH COURT OF DELHI
COMPANY APPLICATION (MAIN) NO. 16/2015

Reserved on 27th January, 2015
Date of pronouncement: 6th February, 2015

In the matter of

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

And

Application under Sections 391(1) & 394 of the Companies Act, 1956

Scheme of Amalgamation of:

M/s. Lifelong Finishing Academy Private Limited
Applicant/Transferor Company No. 1

M/s. Securitech Software Limited
Applicant/Transferor Company No. 2

M/s. Lifelong Descarpack Medical Devices Private Limited
Applicant/Transferor Company No. 3

M/s. Creative Appliances Private Limited
Applicant/Transferor Company No. 4

WITH

M/s. Lifelong Real Estate Private Limited
Applicant/Transferee Company

**Through Mr. Rajeev K. Goel, Advocate
for the applicants**

SUDERSHAN KUMAR MISRA, J.

1. This joint application has been filed under Sections 391(1) & 394 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, secured and unsecured creditors to consider and approve, with or without modification, the proposed Scheme of

Amalgamation of M/s. Lifelong Finishing Academy Private Limited (hereinafter referred to as the transferor company no. 1); M/s. Securitech Software Limited (hereinafter referred to as the transferor company no.2); M/s. Lifelong Descarpack Medical Devices Private Limited (hereinafter referred to as the transferor company no. 3) and M/s. Creative Appliances Private Limited (hereinafter referred to as the transferor company no. 4) with M/s. Lifelong Real Estate 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 12th August, 2008 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 26th April, 2002 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 19th October, 2010 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

6. The transferor company no. 4 was originally incorporated under the Companies Act, 1956 on 31st May, 1994 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi as private limited company under the name and style of Creative Appliances Private Limited. The company was converted into a public limited company and obtained the fresh certificate of incorporation on 4th December, 2001. The company again converted into private limited company and obtained the fresh certificate of incorporation on 7th March, 2011.

7. The transferee company was originally incorporated under the Companies Act, 1956 on 26th March, 2008 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi under the name and style of Lifelong Business Relations Private Limited. The company changed its name to Lifelong Real Estate Private Limited and obtained the fresh certificate of incorporation on 25th March, 2010.

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

9. The present authorized share capital of the transferor company no.2 is Rs.3,00,00,000/- divided into 30,00,000 equity shares of Rs.10/-

each. The issued, subscribed and paid-up share capital of the company is Rs.98,09,630/- divided into 9,80,963 equity shares of Rs.10/- each.

10. The present authorized share capital of the transferor company no.3 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.

11. The present authorized share capital of the transferor company no.4 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.5,80,000/- divided into 58,000 equity shares of Rs.10/- each.

12. The present authorized share capital of the transferee company 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.11,00,000/- divided into 1,10,000 equity shares of Rs.10/- each.

13. 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.

14. 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 submitted by the applicants that the transferor and transferee companies are closely held group companies and the proposed amalgamation would result in business synergy, consolidation and pooling of their resources. It is 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 business.

15. 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.10/- each of the transferee company, credited as fully paid up, to every shareholder of the transferor company no. 1 (irrespective of number of shares held by these shareholders).”

“1 (one) equity share of Rs.10/- each of the transferee company, credited as fully paid up, for every 47 equity shares of Rs.10/- each held in the transferor company no. 2.”

“1 (one) equity share of Rs.10/- each of the transferee company, credited as fully paid up, to every shareholder of the

transferor company no. 3 (irrespective of number of shares held by these shareholders).”

“1 (one) equity share of Rs.10/- each of the transferee company, credited as fully paid up, to every shareholder of the transferor company no. 4 (irrespective of number of shares held by these shareholders).”

16. 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.

17. The Board of Directors of the transferor and transferee companies in their separate meetings held on 6th September, 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.

18. The transferor company no. 1 has 04 equity shareholders and 06 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 March, 2014.

19. The transferor company no. 2 has 09 equity shareholders and 01 unsecured creditor. All the equity shareholders and the only unsecured creditor 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 creditor 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 creditor of the transferor company no. 2, as on 31st March, 2014.

20. The transferor company no. 3 has 03 equity shareholders and 03 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. 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 March, 2014.

21. The transferor company no. 4 has 07 equity shareholders and 03 unsecured creditors. 06 out of 07 equity shareholders, being 85.71% in number and 99.83% in value, 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. 4 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. 4, as on 31st March, 2014.

22. The transferee company has 03 equity shareholders and 06 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 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 March, 2014.

23. The application stands allowed in the aforesaid terms.

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SUDERSHAN KUMAR MISRA, J.

February 06, 2015