

IN THE HIGH COURT OF DELHI
COMPANY PETITION NO. 380/2015

Reserved on 10th December, 2015
Date of pronouncement: 23rd December, 2015

In the matter of

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

And

**Petition under Sections 391, 392 & 394 of the
Companies Act, 1956**

Scheme of Amalgamation of:

Signatureglobal Resources Private Limited

Petitioner/Transferor Company

WITH

Signatureglobal (India) Private Limited

Non-Petitioner/Transferee Company

**Through Mr. Rishi Sood and
Mr. Ashutosh Gupta, Advocates for the
petitioners**

**Mr. Sanjay Bose, Dy. Registrar of
Companies for the Regional Director**

**Mr. Rajiv Bahl, Advocate for the
Official Liquidator**

SUDERSHAN KUMAR MISRA, J.

1. This petition has been filed under Sections 391, 392 & 394 of the Companies Act, 1956 by the petitioner/transferor company seeking sanction of the Scheme of Amalgamation of Signatureglobal Resources Private Limited (hereinafter referred to as the petitioner/transferor company) with Signatureglobal (India) Private Limited (hereinafter referred to as the transferee company).

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

3. The petitioner/transferor company was originally incorporated under the Companies Act, 1956 on 15th February, 1995 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi under the name and style of Zee Dataline Private Limited. The company changed its name to Signatureglobal Resources Private Limited and obtained the fresh certificate of incorporation on 11th September, 2014.

4. The present authorized share capital of the petitioner/transferor company is Rs.3,70,00,000/- divided into 37,00,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the company is Rs.3,68,50,000/- divided into 36,85,000 equity shares of Rs.10/- each.

5. Copies of the Memorandum and Articles of Association of the petitioner/transferor company and the transferee company have been filed on record. The audited balance sheets, as on 31st March, 2014, of petitioner/transferor company and the transferee company, along with the report of the auditors, have also been filed.

6. 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 petition and the accompanying affidavit. It is submitted by the petitioner that the transferor company is a wholly owned subsidiary of the transferee company. It is claimed that the proposed amalgamation will result in establishment of a larger company with larger resources, a larger capital base and a greater capacity to raise funds for expansion, modernization and development of the businesses of the companies concerned. It is further claimed that the Scheme will result in economies of scale, reduction in overheads and other expenses, reduction in administrative and procedure work, and better and more productive utilization of various resources.

7. So far as the share exchange ratio is concerned, the Scheme provides that the transferor company is a wholly owned subsidiary of the transferee company, and the entire equity share capital of the transferor company is held by the transferee company. Therefore, the transferee company shall not be required to issue any shares to the shareholders of the transferor company and the shares so held by the transferee company shall stand cancelled.

8. It has been submitted by the petitioner that no proceedings under Sections 235 to 251 of the Companies Act, 1956 are pending against the transferor and transferee companies.

9. The Board of Directors of the transferor and transferee companies in their separate meetings held on 2nd January, 2015 and 14th January, 2015 respectively 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.

10. The petitioner/transferor company had earlier filed CA (M) No. 56/2015 seeking directions of this court to dispense with the requirement of convening the meetings of its equity shareholders, secured and unsecured creditors, which are statutorily required for sanction of the Scheme of Amalgamation. Vide order dated 14th May, 2015, this court allowed the application and dispensed with the requirement of convening and holding the meetings of the equity shareholders and unsecured creditors of the petitioner/transferor company, there being no secured creditor of the petitioner/transferor company, to consider and, if thought fit, approve, with or without modification, the proposed Scheme of Amalgamation. Vide the said order, this Court also dispensed with the requirement of the filing a separate petition by the transferee company.

11. The petitioner/transferor company has thereafter filed the present petition seeking sanction of the Scheme of Amalgamation. Vide order dated 1st July, 2015, notice in the petition was directed to be issued to the Regional Director, Northern Region, and the Official Liquidator. Citations were also directed to be published in 'Statesman' (English) and 'Veer Arjun' (Hindi) editions. Affidavit of service has been filed by the petitioner showing compliance regarding service on the Official Liquidator and the Regional Director, Northern Region and also regarding publication of citations in the aforesaid newspapers on 20th October, 2015. Copies of the newspaper clippings containing the publications have been filed along with the said affidavit.

12. Pursuant to the notices issued, the Official Liquidator sought information from the petitioner company. Based on the information received, the Official Liquidator has filed a report dated 23rd November, 2015 wherein he has stated that he has not received any complaint against the proposed Scheme of Amalgamation from any person/party interested in the Scheme in any manner and that the affairs of the transferor company do not appear to have been conducted in a manner prejudicial to the interest of its members, creditors or public interest, as per second proviso of Section 394(1) of the Companies Act, 1956.

13. 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 26th November, 2015. Relying on Clause 9.1 of the Scheme, he has stated that, upon sanction of the Scheme of Amalgamation, all the employees of the transferor company shall become the employees of the transferee company without any break or interruption in their services. He has further submitted that in Clause 15.1.1 of the Scheme, it has been stated that upon the Scheme becoming effective, the transferee company shall follow the method of accounting as prescribed for Purchase Method under Accounting Standard-14 as notified under Companies (Accounting Standards) Rules, 2006. He further submitted that in Clause 17.1 of the Scheme, it has been stated that upon this scheme becoming effective, the transferor company shall stand dissolved without the process of winding up.

14. No objection has been received to the Scheme of Amalgamation from any other party. The petitioner company in the affidavit dated 24th November, 2015 of Mr. Ravi Aggarwal, Director of the transferor company, has submitted that the petitioner has not received any objection pursuant to the citations published in the newspapers on 20th October, 2015.

15. Considering the approval accorded by the equity shareholders and creditors of the petitioner company to the proposed Scheme of Amalgamation; and the affidavits filed by the Regional Director, Northern Region, and the Official Liquidator not raising any objection to the proposed Scheme of Amalgamation, there appears to be no impediment to the grant of sanction to the Scheme of Amalgamation. Consequently, sanction is hereby granted to the Scheme of Amalgamation under Sections 391 and 394 of the Companies Act, 1956. The petitioner company 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 Amalgamation, i.e. 31st March, 2015, the transferor company shall stand dissolved without undergoing the process of winding up.

16. Learned counsel for the Official Liquidator prays that costs of at least Rs.1,00,000/- should be paid by the petitioner keeping in view the fact that the matter has involved examination of extensive records and also prioritized hearings. Learned counsel for the petitioner company states that the same is acceptable to him. As already directed vide order

dated 10.12.2015, the petitioner shall deposit a sum of Rs.1,00,000/- by way of costs with the Common Pool Fund of the Official Liquidator.

17. The petition is allowed in the above terms.

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SUDERSHAN KUMAR MISRA, J.

December 23, 2015