IN THE HIGH COURT OF DELHI

COMPANY APPLICATION (MAIN) NO. 114/2015

Reserved on 6th July, 2015
Date of pronouncement: 21st July, 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:

Cyclonic Bicycles Private Limited
Applicant/Transferor Company No. 1

Ethan Agencies Private Limited
Applicant/Transferor Company No. 2

Mulberry Fab Text Private Limited
Applicant/Transferor Company No. 3

WITH

Onset Interiors 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 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, secured and unsecured creditors to consider and approve, with or without modification, the proposed Scheme of Amalgamation of Cyclonic Bicycles Private Limited (hereinafter referred

to as the transferor company no. 1); Ethan Agencies Private Limited (hereinafter referred to as the transferor company no. 2) and Mulberry Fab Text Private Limited (hereinafter referred to as the transferor company no. 3) with Onset Interiors 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 3rd August, 2004 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

4. The transferor company no. 2 was originally incorporated under the Companies Act, 1956 on 25th August, 2003 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi under the name and style of Rich Soya Foods Private Limited. The company changed its name to Ethan Agencies Private Limited and obtained the fresh certificate of incorporation on 14th October, 2011.

5. The transferor company no. 3 was originally incorporated under the Companies Act, 1956 on 21st September, 1987 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi under the name and

style of Saldi Chits Private Limited. The company changed its name to Mulberry Fab Text Private Limited and obtained the fresh certificate of incorporation on 8th February, 2012. Thereafter, the company shifted its registered office from the state of Haryana to Delhi and obtained a certificate in this regard on 20th August, 2014.

6. The transferee company was incorporated under the Companies Act, 2013 on 3rd January, 2015 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

7. The present authorized share capital of the transferor company no.1 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.25,00,000/- divided into 2,50,000 equity shares of Rs.10/- each.

8. The present authorized share capital of the transferor company no.2 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.

9. The present authorized share capital of the transferor company no.3 is Rs.1,01,00,000/- divided into 1,01,000 equity shares of Rs.100/-

each. The issued, subscribed and paid-up share capital of the company is Rs.1,00,00,000/- divided into 1,00,000 equity shares of Rs.100/- each.

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

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, 2015, 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 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 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:-

> "1,612 equity share of Rs.10/- each of the transferee company, credited as fully paid up, for every 1,000 equity shares of Rs.10/- held in the transferor company no. 1."
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> "2,338 equity share of Rs.10/- each of the transferee company, credited as fully paid up, for every 100 equity shares of Rs.10/- held in the transferor company no. 2."
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> "623 equity share of Rs.10/- each of the transferee company, credited as fully paid up, for every 100 equity shares of Rs.100/- 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 16th May, 2015 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 02 equity shareholders and 03 unsecured creditors. Both 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, 2015.

17. The transferor company no. 2 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. 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 31^{st} March, 2015.

18. The transferor company no. 3 has 02 equity shareholders and 04 unsecured creditors. Both 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 31^{st} March, 2015.

19. The transferee company has 03 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 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 31^{st} March, 2015.

20. The application stands allowed in the aforesaid terms.

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SUDERSHAN KUMAR MISRA, J.

July 21, 2015