IN THE HIGH COURT OF DELHI
COMPANY APPLICATION (MAIN) NO. 125/2015

Reserved on 7th August, 2015
Date of pronouncement: 11th September, 2015

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

And

Application under Sections 391 to 394 of the Companies Act, 1956 read with Rule 9 of the Companies (Court) Rules, 1959

Scheme of Amalgamation of:

Karan Exports Private Limited
Applicant/Transferor Company

WITH

Shree Puja Overseas Private Limited
Applicant/Transferee Company

Through Mr. Mayank Kumar and Mr.Awnish Kumar, Advocates for the applicants

SUDERSHAN KUMAR MISRA, J.

1. This joint application has been filed under Sections 391 to 394 of the Companies Act, 1956 read with Rule 9 of the Companies (Court) Rules, 1959 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 Karan Exports Private Limited (hereinafter referred to

as the transferor company) with Shree Puja Overseas 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 was incorporated under the Companies Act, 1956 on 11th January, 1990 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

4. The transferee company was incorporated under the Companies Act, 1956 on 21st February, 1990 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

5. The present authorized share capital of the transferor company is Rs.10,00,000/- divided into 10,000 equity shares of Rs.100/- each. The issued, subscribed and paid-up share capital of the company is Rs.8,50,000/- divided into 8,500 equity shares of Rs.100/- each.

6. The present authorized share capital of the transferee company is Rs.20,00,000/- divided into 20,000 equity shares of Rs.100/- each. The issued, subscribed and paid-up share capital of the company is Rs.10,00,000/- divided into 10,000 equity shares of Rs.100/- each.

7. 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, along with the reports of the auditors, and the audited provisional balance sheets, as on 31st January, 2015, of the transferor and transferee companies have also been filed.

8. 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 claimed by the applicants that the amalgamation will make available to the transferee company the consolidated shareholdings and finances so as to achieve a size commensurate to meet the competition from multi nationals in the field. It is further claimed that the amalgamation will also bring the much required integration of the management activities and would reduce the overall administrative costs.

9. 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 company in the following ratio:

> "02 equity shares of Rs.100/- each of the transferee company for every 05 equity shares of Rs.100/- each held by the shareholders in the transferor company."

10. It has been submitted by the applicants that no proceedings under Sections 235 to 250A of the Companies Act, 1956 are pending against the applicant companies.

11. The Board of Directors of the transferor and transferee companies in their separate meetings held on 30th March, 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.

12. The transferor company has 02 equity shareholders. Both 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 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, as on 31st January, 2015.

13. The transferee company has 04 equity shareholders and 34 unsecured creditors. All the equity shares 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 January, 2015.

14. The application stands allowed in the aforesaid terms.

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SUDERSHAN KUMAR MISRA, J.

September 11, 2015