IN THE HIGH COURT OF DELHI

COMPANY APPLICATION (MAIN) NO. 139/2015

Reserved on 11th 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 & 394 of the Companies Act, 1956

Scheme of Amalgamation of:

Palm Broadcasting Private Limited
Applicant/Transferor Company

WITH

Prarthana Bhawan Broadcasting Private Limited
Non-Applicant/Transferee Company

Through Mr. P. K. Mittal, Advocate for the applicant

SUDERSHAN KUMAR MISRA, J.

1. This application has been filed under Sections 391 & 394 of the Companies Act, 1956 by the applicant/transferor company seeking directions of this court to dispense with the requirement of convening the meetings of its equity shareholders, secured and unsecured creditors, to consider and approve, with or without modification, the proposed Scheme of Amalgamation of Palm Broadcasting Private Limited (hereinafter referred to as the applicant/transferor company) with Prarthana Bhawan Broadcasting Private Limited (hereinafter referred to as the transferee company).

2. The registered office of the applicant/transferor company is situated at New Delhi, within the jurisdiction of this Court. However, the registered office of the transferee company is situated at Punjab, outside the jurisdiction of this Court. Learned counsel for the applicant has submitted that a similar application has also been moved by the transferee company before the Punjab and Haryana High Court for sanction of the Scheme of Amalgamation.

3. The applicant/transferor company was incorporated under the Companies Act, 1956 on 30th April, 2010 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

4. The authorized share capital of the applicant/transferor company is Rs.15,00,000/- divided into 1,50,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the company is Rs.10,28,570/- divided into 1,02,857 equity shares of Rs.10/- each.

5. Copies of the Memorandum and Articles of Association of the applicant/transferor company and the transferee company have been filed on record. The audited balance sheets, as on 31st March, 2014, of applicant/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 application and the accompanying affidavit. It is claimed by the applicant that the proposed amalgamation will result in pooling of their financial, commercial and other resources, economies of scale and reduction of overheads. It is further claimed that with the enhanced capabilities and resources at its disposal, the transferee company will have greater flexibility and strength to meet requirements for further growth of business activities.

7. So far as the share exchange ratio is concerned, the Scheme provides that, 97.08% share capital of the transferor company is held by the transferee company and balance 2.92% share capital is held by two shareholders equally. Therefore, upon coming into effect of this Scheme, the transferee company will issue 07 equity shares of Rs.10/- each, credited as fully paid up, to these two shareholders of the transferor company for every 01 equity share of Rs.10/- each held by them in the transferor company. Further, the said 97.08% share capital of the transferor company held by the transferee company will stand automatically cancelled and extinguished.

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

9. The Board of Directors of the applicant/transferor company and the transferee company in their separate meetings held on 6th January, 2015 and 5th 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 applicant/transferor company and the transferee company have been placed on record.

10. The applicant/transferor company has 03 equity shareholders and 01 unsecured creditor. All the equity shareholders and the sole unsecured creditor have given their consents/no objections in writing to the proposed Scheme of Amalgamation. There 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 applicant/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 creditor of the applicant/transferor company, as on 31st March, 2015.

11. The application stands allowed in the aforesaid terms.

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SUDERSHAN KUMAR MISRA, J.

September 11, 2015