IN THE HIGH COURT OF DELHI
COMPANY APPLICATION (MAIN) NO. 163/2015

Reserved on 12th October, 2015
Date of pronouncement: 6th November, 2015

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

And

Application under Sections 391, 392 & 394 of the Companies Act, 1956 read with Rules 6 & 9 of the Companies (Court) Rules, 1959

Scheme of Arrangement between:

Maharanie Traders Private Limited
Applicant/Transferor Company No. 1

Bandhu Sales Private Limited
Applicant/Transferor Company No. 2

Alishan Traders Private Limited
Applicant/Transferor Company No. 3

AND

PFIL Securities Limited
Applicant/Transferee Company

Through Mr. Ashutosh Gupta, Advocate for the applicants

SUDERSHAN KUMAR MISRA, J.

1. This joint application has been filed under Sections 391, 392 & 394 of the Companies Act, 1956 read with Rules 6 & 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 Arrangement between Maharanie Traders Private Limited (hereinafter referred to as the transferor company no. 1); Bandhu Sales Private

Limited (hereinafter referred to as the transferor company no. 2) and Alishan Traders Private Limited (hereinafter referred to as the transferor company no. 3) with PFIL Securities 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 December, 1986 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 8th January, 1987 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 30th January, 1987 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

6. The transferee company was incorporated under the Companies Act, 1956 on 19th May, 1995 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.20,00,000/- divided into 1,60,000 equity shares of Rs.10/- each aggregating to Rs.16,00,000/- and 4,000 8.5% preference shares of Rs.100/- each aggregating to Rs.4,00,000/-. The issued, subscribed and paid-up share capital of the company is Rs.11,49,700/- divided into 1,14,970 equity shares of Rs.10/- each.

8. The present authorized share capital of the transferor company no.2 is Rs.24,00,000/- divided into 2,40,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the company is Rs.23,99,200/- divided into 2,39,920 equity shares of Rs.10/- each.

9. The present authorized share capital of the transferor company no.3 is Rs.70,00,000/- divided into 7,00,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the company is Rs.66,40,200/- divided into 6,64,020 equity shares of Rs.10/- each.

10. The present authorized share capital of the transferee company is Rs.2,50,00,000/- divided into 25,00,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the company is Rs.1,35,10,000/- divided into 13,51,000 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, along with the reports of the auditors, of the transferor and transferee companies have also been filed.

12. A copy of the Scheme of Arrangement 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 contribute in furthering and fulfilling the objectives and business strategies of applicant companies thereby accelerating growth, expansion and development of their business. It is further claimed that the amalgamation would also provide the transferee company a strong and focused base to undertake the business more advantageously.

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:

> "03 equity shares of Rs.10/- each of the transferee company for every 100 equity shares of Rs.10/- each held by the shareholders in the transferor company no. 1."

> "02 equity shares of Rs.10/- each of the transferee company for every 100 equity shares of Rs.10/- each held by the shareholders in the transferor company no. 2."
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> "01 equity share of Rs.10/- each of the transferee company for every 100 equity shares of Rs.10/- each held by the shareholders 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 and corresponding provisions of the Companies Act, 2013 are pending against the applicant companies.

15. The Board of Directors of the transferor companies no. 1 & 2 and the Board of Directors of the transferor company no. 3 & the transferee company in their separate meetings held on 10th August, 2015 and 11th August, 2015 have unanimously approved the proposed Scheme of Arrangement. 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 03 equity shareholders. 02 out of 03 equity shareholders, being 66.67% in number and 81.74% in value, have given their consents/no objections in writing to the proposed Scheme of Arrangement. 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 no. 1 to consider and, if thought fit, approve, with or without modification, the proposed Scheme of Arrangement is dispensed with. There is no secured or unsecured creditor of the transferor company no. 1, as on 10th August, 2015.

17. The transferor company no. 2 has 03 equity shareholders. 02 out of 03 equity shareholders, being 66.67% in number and 99.99% in value, have given their consents/no objections in writing to the proposed Scheme of Arrangement. 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 no. 2 to consider and, if thought fit, approve, with or without modification, the proposed Scheme of Arrangement is dispensed with. There is no secured or unsecured creditor of the transferor company no. 2, as on 10th August, 2015.

18. The transferor company no. 3 has 04 equity shareholders and 01 unsecured creditor. 03 out of 04 equity shareholders, being 75% in number and 93.50% in value, and the sole unsecured creditor have given their consents/no objections in writing to the proposed Scheme of Arrangement. 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. 3 to consider and, if thought fit, approve, with or without modification, the proposed Scheme of Arrangement is dispensed with. There is no secured creditor of the transferor company no. 3, as on 10th August, 2015.

19. The transferee company has 09 equity shareholders. 06 out of 09 equity shareholders, being 66.67% in number and 99.29% in value, have given their consents/no objections in writing to the proposed Scheme of Arrangement. 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 transferee company to consider and, if thought fit, approve, with or without modification, the proposed Scheme of Arrangement is dispensed with. There is no secured or unsecured creditor of the transferee company, as on 10th August, 2015.

20. The application stands allowed in the aforesaid terms.

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SUDERSHAN KUMAR MISRA, J.

November 06, 2015