

IN THE HIGH COURT OF DELHI
COMPANY APPLICATION (MAIN) NO. 172/2015

Reserved on 19th November, 2015
Date of pronouncement: 10th December, 2015

In the matter of

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

And

**Application under Sections 391(1) and 394 of
the Companies Act, 1956 read with Rule 9 of
the Companies (Court) Rules, 1959**

Scheme of Amalgamation of:

Quadrant EPP Surlon Uttaranchal Private Limited
Applicant/Transferor Company
WITH

Quadrant EPP Surlon India Limited
Applicant/Transferee Company

**Through Mr. Manoj Kumar Garg,
Advocate for the applicants**

SUDERSHAN KUMAR MISRA, J.

1. This joint application has been filed under Sections 391(1) and 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 Quadrant EPP Surlon Uttaranchal Private Limited (hereinafter referred to as the transferor company) with Quadrant EPP Surlon India 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 14th February, 2003 with the Registrar of Companies, NCT of Delhi & Haryana.

4. The transferee company was originally incorporated under the Companies Act, 1956 on 21st September, 1994 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi under the name and style of Surlon India Limited. The company changed its name to DSM EPP Surlon India Limited and obtained the fresh certificate of incorporation on 23rd April, 1997. The company again changed its name to Quadrant EPP Surlon India Limited and obtained the fresh certificate of incorporation on 2nd November, 2001.

5. The present authorized share capital of the transferor company is Rs.60,00,000/- divided into 6,00,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the company is Rs.60,00,000/- divided into 6,00,000 equity shares of Rs.10/- each.

6. The present authorized share capital of the transferee company is Rs.1,75,00,000/- divided into 17,50,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the company is Rs.1,70,31,000/- divided into 17,03,100 equity shares of Rs.10/- 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, of the transferor and transferee companies, along with the reports of the auditors, 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 proposed amalgamation will give the consolidated company better finances and facilitate adequate resource mobilization to sustain growth. It is further claimed that the proposed amalgamation will result in reduction of overheads, administrative, managerial, and other expenditure, and bring about operational rationalization, organizational efficiency, and optimal utilization of various resources.

9. So far as the share exchange ratio is concerned, the Scheme provides that the entire share capital of the transferor company is held by the transferee company and upon the Scheme becoming effective, no shares of the transferee company shall be allotted in lieu of exchange of its holding in the transferor company.

10. 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.

11. The Board of Directors of the transferor company and the transferee company in their separate meetings held on 18th May, 2015 & 19th May, 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.

12. The transferor company has 03 equity shareholders, 01 secured creditor and 20 unsecured creditors. All the equity shareholders, the sole secured creditors 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, secured and unsecured creditors of the transferor company to consider and, if thought fit, approve, with or without modification, the proposed Scheme of Amalgamation is dispensed with.

13. The transferee company has 09 equity shareholders, 01 secured creditor and 50 unsecured creditors. All the equity shareholders, the sole secured creditor and 42 out of 50 unsecured creditors, being 84% in number and 96% in value, 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, secured 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.

14. The application stands allowed in the aforesaid terms.

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SUDERSHAN KUMAR MISRA, J.

December 10, 2015