

IN THE HIGH COURT OF DELHI
COMPANY APPLICATION (MAIN) NO. 155/2015

Reserved on 28th September, 2015
Date of pronouncement: 2nd November, 2015

In the matter of

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

And

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

Scheme of Amalgamation of:

EDA Rural Systems Private Limited

Applicant/Transferor Company

WITH

Micro Credit Ratings International Limited

Applicant/Transferee Company

**Through Mr. Sunil K. Grover, Advocate
for the applicants**

SUDERSHAN KUMAR MISRA, J.

1. This joint application has been filed under Sections 391 and 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 Amalgamation of EDA Rural Systems Private Limited (hereinafter referred to as the transferor company) with Micro Credit Ratings International 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 originally incorporated under the Companies Act, 1956 on 23rd December, 1997 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi. Thereafter, the company shifted its registered office from the State of Haryana to NCT of Delhi and obtained a certificate in this regard on 20th January, 2003.

4. The transferee company was originally incorporated under the Companies Act, 1956 on 8th June, 1999 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi under the name and style of Micro Credit Ratings and Guarantees India Limited. The company shifted its registered office from the State of Haryana to NCT of Delhi and obtained a certificate in this regard on 29th January, 2001. Thereafter, the company changed its name to Micro Credit Ratings International Limited and obtained the fresh certificate of incorporation on 13th May, 2002.

5. The present authorized share capital of the transferor company 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.24,22,050/- divided into 2,42,205 equity shares of Rs.10/- each.

6. The present authorized share capital of the transferee company is Rs.50,00,000/- divided into 4,00,000 equity shares of Rs.10/- each aggregating to Rs.40,00,000/- and 10,000 preference shares of Rs.100/- each aggregating to Rs.10,00,000/-. The issued, subscribed and paid-up share capital of the company is Rs.21,97,800/- divided into 2,19,780 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 with the business activities of the transferor company being merged with the transferee company, the operations of both the companies can be better leveraged. It is further claimed that the proposed amalgamation will lead to synergies, in terms of economies of scale and integration of operation and will also enhance the financial strength and flexibility of the transferee company.

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:

“327 equity shares of Rs.10/- each of the transferee company for every 223 equity shares of Rs.10/- each held by the shareholders 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 and transferee companies in their separate meetings held on 7th August, 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 03 equity shareholders. All 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 24th August, 2015.

13. The transferee company has 16 equity shareholders. 14 out of 16 equity shareholders, being 87.5% in number and 99.99% 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 meeting of the equity shareholders 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 or unsecured creditor of the transferee company, as on 24th August, 2015.

14. The application stands allowed in the aforesaid terms.

Dasti

SUDERSHAN KUMAR MISRA, J.

November 02, 2015