THE HON'BLE SRI JUSTICE S.V. BHATT

COMPANY APPLICATION Nos.207 and 208 of 2016

COMMON ORDER :

These two applications are at the instance of Virchow Organics Private Limited/Transferor Company and Virchow Chemicals Private Limited/Transferee Company respectively. The applications are filed under Section 391 of the Companies Act, 1956 read with Rules 9 and 67 of the Companies (Court) Rules, 1959 for dispensing with the statutory requirement of convening the meeting of shareholders. Therefore, the prayers are in a limited sphere and are examined accordingly.

COMPANY APPLICATION No.207 of 2016

Virchow Organics Private Limited/Transferor Company is incorporated under the Companies Act, 1956. The objects of Transferor Company are to carry on the business of manufacture, process, import, export, run, buy, sell or otherwise deal in all types of basic drugs and intermediates. The Transferor Company has appended to the application Memorandum of Association and Articles of Association as Annexure-B. I am not referring to the details, which are borne out by the Memorandum and Articles of Association/Annexure-B. For the purpose of the present application, the following details are taken note of.

As per Annexure-C, the authorized capital of Transferor Company is Rs.10,00,000/- divided into 1,00,000 equity shares of Rs.10/- each and its paid up capital is Rs.8,00,000/-. The Annual Report with the Balance Sheet for the year ended 31.03.2015 is filed as Annexure-C. The Transferor Company has entered into an arrangement with the Transferee Company for amalgamation with a view to derive business and operational advantages. The scheme of proposed amalgamation is filed as Annexure-F. The appointed date for operation of amalgamation is 01.04.2015. On 01.02.2016, the Board of Directors of Transferor Company have resolved to proceed with the proposed scheme of amalgamation in anticipation of statutory confirmation by the competent Court.

It is the case of Transferor Company that Virchow Chemicals Private Limited is its holding Company. The Transferor Company has sixteen (16) shareholders and placed on record the consent of these shareholders for the proposed scheme of amalgamation through Annexure-G. It is further brought on record that the Transferor Company does not have secured or unsecured creditors as on 01.02.2016.

Having regard to these averments, it is prayed that the statutory requirement of convening the meeting of shareholders is not required and the applicant prays for dispensing with the statutory requirement.

COMPANY APPLICATION No.208 of 2016

Virchow Chemicals Private Limited filed the present application for dispensing with the requirement of convening the meeting of shareholders. The Transferee Company is incorporated under Companies Act, 1956. The objects of Transferee Company are to carry on the business of manufacture, process, import, export, run, buy, sell or otherwise deal in all types of basic drugs and intermediates. The Transferee Company has appended to the instant application the Memorandum and Articles of Association as Annexure-B. The authorized capital of Transferee Company is Rs.20,00,000/- divided into 2,00,000/- equity shares of Rs.10/- each and its paid up capital is Rs.16,52,750/-. The Annual Report with Balance Sheet for the year ended on 31.03.2015 is filed as Annexure-C. Learned counsel appearing for applicant has drawn the attention of the Court to the salient details in these Annexures.

Now, the Transferee Company has entered into an arrangement with the applicant in C.A.No.207 of 2016 for amalgamation. On 01.02.2016, the Board of Directors of Transferee Company approved the proposed scheme of amalgamation. The appointed date is from 01.04.2015. The scheme of proposed amalgamation is filed as Annexure-F. The Transferee Company has twenty two (22) shareholders and placed on record the consent of these shareholders for the proposed scheme of amalgamation through Annexure-G. It is further brought on record that the Transferee Company does not have secured or unsecured creditors as on 01.02.2016.

I have perused the details contained in Annexures-B, C, F & G filed in C.A.Nos.207 and 208 of 2016. The request of the applicants is to dispense with the convening of the statutory meetings before further steps for amalgamation are taken. From the Annexures placed by the applicants, it is clear that the shareholders have consented to the arrangement of amalgamation. The proposed scheme, it is stated, is for mutual benefit and to synergize the commercial activities of these two entities. From the material placed on record and having regard to the fact situation of these applications, I am satisfied, the prayers of applicants for dispensing with the statutory requirement of convening the meetings of shareholders of the applicant Companies as may be applicable, can be allowed, as no further purpose is achieved than what is already placed on record by way of consent letters etc.

Having regard to the above circumstances, the Company Applications are allowed.

JUSTICE S.V. BHATT

19th February, 2016
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