THE HON'BLE SRI JUSTICE S.V. BHATT

COMPANY APPLICATION Nos.209 and 210 of 2016

COMMON ORDER :

These two applications are at the instance of ADP Private Limited/Transferor Company and Automatic Data Solutions & Technology Services Private Limited/Transferee Company respectively. The applications are filed under Section 391 of the Companies Act, 1956 read with Rule 9 of the Companies (Court) Rules, 1959 for dispensing with the statutory requirement of convening the meetings of equity shareholders, sole preference shareholder and unsecured/secured creditors of the applicant Companies as may be applicable. Therefore, the prayers are in a limited sphere and are examined accordingly.

COMPANY APPLICATION No.210 of 2016

ADP Private Limited/Transferor Company is incorporated under the Companies Act, 1956. The objects of Transferor Company are to provide software development and information technology enabled support services to its associated enterprises. The Transferor Company has appended to the application Memorandum of Association and Articles of Association (Exhibit-I). I am not referring to the details, which are borne out by the Memorandum and Articles of Association/Exhibit-I. For the purpose of the present application, the following details are taken note of.

The authorized share capital of Transferor Company is Rs.14,50,00,000/- divided into 1,45,00,000 equity shares of Rs.10/- each and Rs.8,50,00,000/- divided into 85,00,000 preference shares of Rs.10/- each and the paid up capital of equity shares is Rs.12,32,76,500/- and the entire authorized capital of preference shares is shown as paid up capital. 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 Exhibit-IV. The appointed date for operation of amalgamation is 01.11.2015. On 28.12.2015, 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. The Annual Report with the Balance Sheet for the year ended 31.03.2015 is filed as Exhibit-VI.

It is the case of Transferor Company that Automatic Data Solutions & Technology Services Private Limited is its holding Company. The transferor Company has two equity shareholders and one preference shareholder and placed on record the consent of these shareholders for the proposed scheme of amalgamation through Exhibit-X. It is further brought on record that the Transferor Company has no secured creditors as on 31.03.2015, but has unsecured creditors as on 15.12.2015.

Having regard to these averments, it is prayed that the statutory requirement of convening the meetings of equity shareholders, sole preference shareholder, and unsecured creditors is not required and the applicant prays for dispensing with the statutory requirement.

COMPANY APPLICATION No.209 of 2016

Automatic Data Solutions & Technology Services Private Limited/Transferee Company filed the present application for dispensing with the requirement of convening the meeting of equity shareholders. The Transferee Company is incorporated under Companies Act, 1956. The objects of Transferee Company are to carry on the business of software and other information technology related activities. The Transferee Company has appended to the instant application the Memorandum and Articles of Association as Exhibit-I. The authorized capital of Transferee Company is Rs.1,00,000/- divided into 10,000/- equity shares of Rs.10/- each and the entire authorized capital is shown as paid up capital. It is brought on record that as the Transferee Company was incorporated only in October, 2015, no audited or un-audited accounts are available.

Now, the Transferee Company has entered into an arrangement with the applicant in C.A.No.210 of 2016 for amalgamation. On 04.01.2016, the Board of Directors of Transferee Company approved the proposed scheme of amalgamation. The appointed date is from 01.11.2015. The transferee Company has two equity shareholders and placed on record the consent of these shareholders for the proposed scheme of amalgamation through Exhibit-IX. It is further brought on record that the Transferee Company has no secured or unsecured creditors as on 15.12.2015.

I have perused the details contained in Exhibits-I, IV, VI & X in C.A.No.210 of 2016 and Exhibits-I & IX in C.A.No.209 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 equity shareholders and the sole preference shareholder 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 equity shareholders, sole preference shareholder and unsecured creditors 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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THE HON'BLE SRI JUSTICE S.V. BHATT

COMPANY APPLICATION Nos.209 and 210 of 2016

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19th February, 2016

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