

IN THE HIGH COURT OF DELHI
COMPANY APPLICATION (MAIN) NO. 38/2016

Reserved on 9th May, 2016
Date of pronouncement: 19th July, 2016

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:

Shriram Alpine Sales Private Limited

Applicant/Transferor Company

WITH

Shriram Automotive Products Limited

Applicant/Transferee Company

**Through Mr. Ashish Middha, 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 Shriram Alpine Sales Private Limited (hereinafter

referred to as the transferor company) with Shriram Automotive Products 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 28th November, 1988 with the Registrar of Companies, Uttar Pradesh under the name and style of Alpine Sales Private Limited. The company changed its name to Shriram Alpine Sales Private Limited and obtained the fresh certificate of incorporation on 12th August, 1993. Thereafter, the company shifted its registered office from the State of Uttar Pradesh to NCT of Delhi and obtained a certificate in this regard from the Registrar of Companies, NCT of Delhi & Haryana at New Delhi on 28th September, 2001.

4. The transferee company was originally incorporated under the Companies Act, 1956 on 2nd September, 1982 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi under the name and style of Canind Sales Private Limited. The company changed its name to Shriram Automotive Products Private Limited and obtained the fresh certificate of incorporation on 11th November, 1991. Thereafter, the word 'Private' was deleted from the name of the company w.e.f. 01.07.1997.

5. The present authorized share capital of the transferor company is Rs.50,00,000/- divided into 50,000 equity shares of Rs.100/- each. The issued, subscribed and paid up capital of the company is Rs.42,00,000/- divided into 42,000 equity shares of Rs.100/- each.

6. The present authorized share capital of the transferee company is Rs.2,00,00,000/- divided into 2,00,000 equity shares of Rs.100/- each. The issued, subscribed and paid up capital of the company is Rs.95,04,000/- divided into 95,040 equity shares of Rs.100/- 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, 2015, of the transferor and transferee companies, along with the report 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 affidavits. It is claimed by the applicants that the proposed scheme will result in formation of a larger company enabling the said company to obtain greater facilities possessed and enjoyed by one large company compared to a small company for raising capital, securing and conducting trade and business

on favourable terms and other related benefits. It is further claimed that the proposed amalgamation will enable the company concerned to rationalize and streamline their management, businesses and finances and lead to a better and more economic control, over the running and management of the businesses and undertakings of the said 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:-

“06 equity share of Rs.100/- each of the transferee company for every 10 equity shares of Rs.100/- each held 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 24th June, 2015 and 1st August, 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 and 53 unsecured creditors. All the equity shareholders and 51 out of 53 unsecured creditors, being 96.2% in number and 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 meetings of the equity shareholders 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. There is no secured creditor of the transferor company, as on 30th September, 2015.

13. The transferee company has 07 equity shareholders and 49 unsecured creditors. All the equity shareholders 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 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. There is no secured creditor of the transferee company, as on 30th September, 2015.

14. The application stands allowed in the aforesaid terms.

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SUDERSHAN KUMAR MISRA, J.

July 19, 2016