

IN THE HIGH COURT OF DELHI
COMPANY APPLICATION (MAIN) NO. 59/2016

Reserved on 25th April, 2016
Date of pronouncement: 30th May, 2016

In the matter of

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

And

**Application under Sections 391, 392 & 394 of
the Companies Act, 1956 read with Rules 6 &
9 of the Companies (Court) Rules, 1959**

Scheme of Amalgamation of:

Marvel Farm Products Private Limited

Applicant/Transferor Company No. 1

Dynamic Orbits Management Services Private Limited

Applicant/Transferor Company No. 2

WITH

Knowledgeage Technologies Private Limited

Applicant/Transferee Company

**Through Mr. P. Nagesh with
Mr. Ashutosh Gupta, Advocates for the
applicants**

SUDERSHAN KUMAR MISRA, J.

1. This joint Application has been filed under Sections 391, 392 and 394 of the Companies Act, 1956 read with Rules 6 and 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 (hereinafter referred to as the transferor

company No. 1) and Dynamic Orbits Management Services Private Limited (hereinafter referred to as the transferor company No. 2) with Knowledgeage Technologies Private 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 no. 1 was originally incorporated under the Companies Act, 1956 on 17th November, 1994 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi under the name and style of Marvel Corporate Services Private Limited. The company changed its name to Marvel Farm Products Private Limited and obtained the fresh certificate of incorporation on 24th July, 2013.

4. The transferor company no. 2 was originally incorporated under the Companies Act, 1956 on 17th May, 2011 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi under the name and style of REACHLaw Environmental Dynamic Private Limited. The company changed its name to Dynamic Orbits Management Services Private Limited and obtained the fresh certificate of incorporation on 28th November, 2015.

5. The transferee company was incorporated under the Companies Act, 1956 on 6th April, 2000 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

6. The present authorized share capital of the transferor company no.1 is Rs.10,00,000/- divided into 1,00,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the company is Rs.9,06,000/- divided into 90,600 equity shares of Rs.10/- each.

7. The present authorized share capital of the transferor company no.2 is Rs.5,00,000/- divided into 50,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the company is Rs.5,00,000/- divided into 50,000 equity shares of Rs.10/- each.

8. The present authorized share capital of the transferee company is Rs.20,00,000/- divided into 1,60,000 equity shares of Rs.10/- each aggregating Rs.16,00,000/- and 40,000 preference shares of Rs.10/- each aggregating Rs.4,00,000/-. The issued, subscribed and paid-up share capital of the company is Rs.6,55,000/- divided into 65,500 equity shares of Rs.10/- each.

9. Copies of 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.

10. 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 create a larger and financially stronger entity, which will have better resources for business growth and expansion. It is further claimed that the amalgamation would result in reduction of overheads, administrative, managerial and other expenditure and bring about operational rationalization, efficiency and optimum utilization of various resources.

11. 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 companies in the following ratio:

“10 equity shares of Rs.10/- each of the transferee company for every 100 equity shares of Rs.10/- each held in the transferor company no. 1.”

“03 equity shares of Rs.10/- each of the transferee company for every 100 equity shares of Rs.10/- each held in the transferor company no. 2.”

12. It has been submitted by the applicants that no proceedings under Sections 235 to 251 of the Companies Act, 1956 and corresponding provisions of the Companies Act, 2013 are pending against the applicant companies.

13. The Board of Directors of the transferor and transferee companies in their separate meetings held on 25th February, 2016 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.

14. The transferor company no. 1 has 06 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 no. 1 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 no. 1, as on 29th February, 2016.

15. The transferor company no. 2 has 02 equity shareholders. Both 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 no. 2 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 no. 2, as on 10th March, 2016.

16. The transferee company has 07 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 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 29th February, 2016.

17. The Application stands allowed in the aforesaid terms.

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SUDERSHAN KUMAR MISRA, J.

May 30, 2016