

IN THE HIGH COURT OF DELHI
COMPANY APPLICATION (MAIN) NO. 76/2016

Reserved on 16th 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

Scheme of Amalgamation of:

Clear2Pay India Private Limited

Applicant/Transferor Company

WITH

Fidelity Information Services India Private Limited

Applicant/Transferee Company

**Through Mr. D. Bhattacharyya and
Ms. Deeti Ojha, Advocates for the
applicants**

SUDERSHAN KUMAR MISRA, J.

1. This joint application has been filed under Sections 391 and 394 of the Companies Act, 1956 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 Clear2Pay India Private Limited (hereinafter referred to as the transferor company) with Fidelity Information Services India 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 was originally incorporated under the Companies Act, 1956 on 5th April, 2004 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi under the name and style of Vrana Infotech Private Limited. The company changed its name to ISTS Infotech Solutions Private Limited and obtained the fresh certificate of incorporation on 23rd November, 2004. The company again changed its name to Clear2Pay India Private Limited and obtained the fresh certificate of incorporation on 15th July, 2013. Thereafter, the company shifted its registered office from the State of Haryana to Delhi and obtained a certificate in this regard on 11th February, 2016.

4. The transferee company was originally incorporated under the Companies Act, 1956 on 15th April, 2002 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi Second Foundation (India) Private Limited. The company changed its name to Fidelity Information Services India Private Limited and obtained the fresh certificate of incorporation on 10th May, 2007.

5. The present authorized share capital of the transferor company is Rs.1,00,000/- divided into 10,000 equity shares of Rs.10/- each. The

issued, subscribed and paid-up share capital of the company is Rs.1,00,000/- divided into 10,000 equity shares of Rs.10/- each.

6. The present authorized share capital of the transferee company is Rs.5,00,00,000/- divided into 50,00,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the company is Rs.1,86,770/- divided into 18,677 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, 2015, of the transferor and transferee companies, along with the report of 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 submitted by the applicants that the transferor company is a subsidiary of the transferee company. It is claimed that the proposed scheme will result in reduction in number of legal entities and regulatory compliances thereof; management of businesses more efficiently and effectively and for better coordination of business activities; improved organizational capability and leadership, arising from pooling of human capital in a single consolidated

entity and pooling of financial resources in a single consolidated entity for effective treasury function and centralization management of funds to supplement future growth opportunities.

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:

“25 equity shares of Rs.10/- each of the transferee company, credited as fully paid up, for every 100 equity shares of Rs.10/- each held in the transferor company.”

It has been further provided that the entire shareholding of the transferee company in the transferor company shall stand cancelled, upon the Scheme becoming effective.

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

11. The Board of Directors of the transferor and transferee companies in their separate meetings held on 16th 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.

12. The transferor company has 02 equity shareholders and 15 unsecured creditors. Both the equity shareholders and 13 out of 15 unsecured creditors, being 86.7% in number and 99.9% 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 31st January, 2016.

13. The transferee company has 02 equity shareholders, 01 secured creditor and 08 unsecured creditors. Both the equity shareholders, the sole secured creditor 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, secured 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.

14. The application stands allowed in the aforesaid terms.

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SUDERSHAN KUMAR MISRA, J.

July 19, 2016