IN THE HIGH COURT OF DELHI
COMPANY APPLICATION (MAIN) NO. 81/2016

Reserved on 23rd May, 2016
Date of pronouncement: 27th July, 2016

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

And

Application under Sections 391(1) and 394 of the Companies Act, 1956

Scheme of Amalgamation of:

Kapoor Luminaires Private Limited
Applicant/Transferor Company

WITH

Pioneer Polyleathers Limited
Applicant/Transferee Company

Through Mr. Amit Goel, Advocate for the applicants

SUDERSHAN KUMAR MISRA, J.

1. This joint application has been filed under Sections 391(1) 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 Kapoor Luminaires Private Limited (hereinafter referred to as the transferor company) with Pioneer Polyleathers 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 incorporated under the Companies Act, 1956 on 3rd January, 1984 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

4. The transferee company was originally incorporated under the Companies Act, 1956 on 28th March, 2005 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi under the name and style of Pioneer Polyleathers Private Limited. The company changed its name to Pioneer Polyleathers Limited and obtained the fresh certificate of incorporation on 5th March, 2015.

5. The present authorized share capital of the transferor company is Rs.2,00,000/- divided into 2,000 equity shares of Rs.100/- each. The issued, subscribed and paid-up share capital of the company is Rs.1,61,200/- divided into 1,612 equity shares of Rs.100/- each.

6. The present authorized share capital of the transferee company is Rs.17,00,00,000/- divided into 1,70,00,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the company is Rs.17,00,00,000/- divided into 1,70,00,000 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 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 submitted by the applicants that the transferor company is a wholly owned subsidiary of the transferee company and the proposed amalgamation will enable the companies concerned to rationalize and streamline their management, businesses and finances and lead to a better economic control, over the running and management of the businesses and undertakings of the said companies. It is further claimed that the proposed Scheme will result in reduction of overheads and other expenses, reduction in administrative and procedural work, eliminate duplication of work, transaction cost, better and more productive utilization of various resources and will enable the undertakings concerned to effect internal economies and optimize productivity.

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 not be required to issue and allot any shares since the transferor company is a wholly owned subsidiary of the transferee company and the entire issued, subscribed and paid-up capital of the transferor company held by the transferee company shall stand cancelled.

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 29th 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. 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 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, as on 31st January, 2016.

13. The transferee company has 10 equity shareholders, 01 secured creditor and 07 unsecured creditors. All 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 27, 2016