IN THE HIGH COURT OF DELHI
COMPANY APPLICATION (MAIN) NO. 108/2016

Reserved on 20th July, 2016
Date of pronouncement: 12th August, 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:

Mahavir Castings Private Limited
Applicant/Transferor Company No. 1

Nike Paints Private Limited
Applicant/Transferor Company No. 2

Padma Machine Tools Private Limited
Applicant/Transferor Company No. 3

Vidya Knitters Private Limited
Applicant/Transferor Company No. 4

WITH

Sriyansh Knitters Private Limited
Applicant/Transferee Company

Through Mr. Praveen K. Mittal, Advocate for the applicant

SUDERSHAN KUMAR MISRA, J.

1. This joint application has been filed under Sections 391 & 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 Mahavir Castings Private Limited (hereinafter referred to as the transferor company no. 1); Nike Paints Private Limited (hereinafter referred to as the transferor company no. 2); Padma Machine Tools Private Limited (hereinafter referred to as the transferor company no. 3) and Vidya Knitters Private Limited (hereinafter referred to as the transferor company no. 4) with Sriyansh Knitters 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 incorporated under the Companies Act, 1956 on 13th February, 1990 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

4. The transferor company no. 2 was incorporated under the Companies Act, 1956 on 13th February, 1990 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

5. The transferor company no. 3 was incorporated under the Companies Act, 1956 on 13th February, 1990 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

6. The transferor company no. 4 was originally incorporated under the Companies Act, 1956 on 9th October, 1987 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi under the name and style of Sriyansh Exports Private Limited. The company changed its name to Vidya Knitters Private Limited and obtained the fresh certificate of incorporation on 5th November, 1996.

7. The transferee company was originally incorporated under the Companies Act, 1956 on 11th September, 1972 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi under the name and style of Sriyansh Knitters Limited. The company changed its name to Sriyansh Knitters Private Limited and obtained the fresh certificate of incorporation on 13th March, 1995.

8. The present authorized share capital of the transferor company no.1 is Rs.15,00,000/- divided into 1,50,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the company is Rs.5,64,000/- divided into 56,400 equity shares of Rs.10/- each.

9. The present authorized share capital of the transferor company no.2 is Rs.15,00,000/- divided into 1,50,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital of the company is Rs.5,03,000/- divided into 50,300 equity shares of Rs.10/- each.

10. The present authorized share capital of the transferor company no.3 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.5,02,200/- divided into 50,220 equity shares of Rs.10/- each.

11. The present authorized share capital of the transferor company no.4 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.5,09,300/- divided into 50,930 equity shares of Rs.10/- each.

12. The present authorized share capital of the transferee company is Rs.25,00,000/- divided into 25,000 equity shares of Rs.100/- each. The issued, subscribed and paid-up share capital of the company is Rs.24,50,000/- divided into 24,500 equity shares of Rs.100/- each.

13. 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.

14. 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 Scheme will result in pooling of their financial, commercial and other resources, economies of scale and reduction of overheads. It is further claimed that with enhanced capabilities and resources at its disposal, the transferee company will have greater flexibility and strength to meet requirements for further growth of business activities.

15. 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:

> "11 equity shares of Rs.100/- each of the transferee company, credited as fully paid up, for every 100 equity shares of Rs.10/- each held in transferor company no. 1."
>
> "12 equity shares of Rs.100/- each of the transferee company, credited as fully paid up, for every 100 equity shares of Rs.10/- each held in transferor company no. 2."
>
> "11 equity shares of Rs.100/- each of the transferee company, credited as fully paid up, for every 100 equity shares of Rs.10/- each held in transferor company no. 3."
>
> "11 equity shares of Rs.100/- each of the transferee company, credited as fully paid up, for every 100 equity shares of Rs.10/- each held in transferor company no. 4."

16. It has been submitted by the applicants that no proceedings under Sections 235 to 251 of the Companies Act, 1956 are pending against the transferor and transferee companies.

17. 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.

18. The transferor company no. 1 has 05 equity shareholders. All the equity shareholders have given their consents/no objections in writing to the proposed Scheme of Amalgamation. There 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 31st March, 2016.

19. The transferor company no. 2 has 03 equity shareholders. All the equity shareholders have given their consents/no objections in writing to the proposed Scheme of Amalgamation. There 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 31st March, 2016.

20. The transferor company no. 3 has 04 equity shareholders. All the equity shareholders have given their consents/no objections in writing to the proposed Scheme of Amalgamation. There 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. 3, 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. 3, as on 31st March, 2016.

21. The transferor company no. 4 has 06 equity shareholders. All the equity shareholders have given their consents/no objections in writing to the proposed Scheme of Amalgamation. There 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. 4, 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. 4, as on 31st March, 2016.

22. The transferee company has 07 equity shareholders and 02 secured creditors. All the equity shareholders and both the secured creditors have given their consents/no objections in writing to the proposed Scheme of Amalgamation. There 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 secured 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 unsecured creditor of the transferee company, as on 31st March, 2016.

23. The application stands allowed in the aforesaid terms.

Dasti

SUDERSHAN KUMAR MISRA, J.

August 12, 2016