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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **CO.APPL.(M) 136/2016**

SGSIL GEOPHYSICAL SERVICES PRIVATE LIMITED

... Applicant No. 1/ Transferor Company

WITH

SOWAR PRIVATE LIMITED

... Applicant No. 2 /Transferee Company

Through : Mr. Praveen K. Mittal,

Advocate for the Applicants.

CORAM:

HON'BLE MR JUSTICE SIDDHARTH MRIDUL

ORDER

28.09.2016

1. The present first motion application under sections 391 & 394 of the Companies Act, 1956, (for short 'Act') has been filed jointly, on behalf of SGSIL Geophysical Services Pvt. Ltd. (hereinafter referred to as 'Transferor Company') and Sowar Private Ltd. (hereinafter referred to as 'Transferee Company'), in connection with the proposed Scheme of Amalgamation (hereinafter referred to as 'the Scheme') of Transferor Company with Transferee Company.
2. The transferor company and the transferee company, will hereinafter collectively be referred, to as the applicant companies.
3. The registered office of the applicant companies are situated in the National Capital Territory of Delhi and, therefore, this Court has the necessary jurisdiction to adjudicate the present petition.

4. A copy of the Scheme of Amalgamation has been placed on record. It has been claimed by the applicants that the proposed Scheme will result in achieving synergy in business operations, greater work efficiency which would be achieved by bringing these companies together under a single control. This improvement would include economies of scale, financial efficiency and smooth functioning of the businesses.
5. The details qua the authorized, issued, subscribed and paid-up capital of the applicant companies has been set out in paragraph 3 and 4 of the Scheme.
6. The Transferor Company was originally incorporated under the provisions of the Act on 10th April, 2003, with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi under the name and style of Scintrex Geophysical Services (India) Private Limited. Thereafter, name of the Company was changed to SGSIL Geophysical Services Private Limited on 23.04.2010 and a certificate in this regard was obtained from Registrar of Companies, NCT of Delhi and Haryana.
7. The Transferee Company was incorporated under the provisions of the Act on 11.02.1980, with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.
8. The authorized share capital of Transferor Company as on 31.03.2015 is Rs.50,00,000/- (Rs. Fifty Lakh Only), divided into 50,000 equity Shares of Rs. 100/- each. As on 31.03.2015, the issued, subscribed and paid-up share capital of Transferor Company as on 31.03.2015 is Rs.39,93,100/- (Rs. Thirty Nine Lakh Ninety Three Thousand One Hundred Only), divided into 39,931 equity shares of Rs. 100/- each fully paid-up as at 31.03.2015.
9. The authorized share capital of Transferee Company as on 31.03.2015 is Rs.45,00,000/- (Rs. Forty Five Lakh Only) divided into 25000 equity shares of Rs.100/- each and 20,000 Redeemable Preference shares of Rs.100/- each. As

on 31.03.2015, the issued, subscribed and paid-up share capital of the Transferee Company as on 31.03.2015 is Rs.20,87,800/- (Rs. Twenty Lakh Eighty Seven Thousand eight Hundred Only) divided into 20,878 Equity Shares of Rs.100/- each fully paid-up.

10. Copies of the Memorandum of Association and Articles of Association of the applicant companies have been enclosed with the present application and the same are on record. The latest audited Annual Accounts of the applicant Companies, as on 31.03.2015, have also been enclosed with the present application and the same are on record.

11. So far as the share exchange ratio is concerned, the Scheme provides that the Transferee Company holds 100% share capital of the Transferor Company and the same will stand automatically cancelled/extinguished and thus, there will be no question of issuance and allotment of shares of the Transferee Company.

12. It has been submitted on behalf of the applicants that no proceedings under Sections 235 to 251 of the Companies Act, 1956 are pending against the applicant companies as on the date of institution of the present application.

13. It has been averred by the applicant companies that the Scheme has been approved by their respective Board of Directors (BOD). Copies of the BOD Resolutions, dated 22.04.2016, of the applicant companies, whereby the Scheme has been approved, have been filed with the application and the same are on record.

14. A prayer has been sought, in the present application, for dispensing with the requirement of convening the meetings of the Shareholders and Unsecured Creditors of the applicant Companies.

15. The Transferor Company has 2 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 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.

16. It is noted that there are secured or unsecured creditors of the Transferor Company and the question of convening meetings or dispensing with the requirement thereof does not arise.

17. The Transferee Company has 11 equity shareholders, 01 (one) secured Creditor and 13 unsecured creditors. All the equity shareholders, the sole secured creditor and the unsecured creditors have given their consents/no objections in writing to the proposed Scheme. 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 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.

18. The application stands allowed in the aforesaid terms and the same is disposed of accordingly.

19. A copy of this order be given *Dasti*.

SIDDHARTH MRIDUL, J

SEPTEMBER 28, 2016

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