

IN THE HIGH COURT OF DELHI AT NEW DELHI
CO.APPL. (M) 144/2016

IN THE MATTER OF:

CORPORATE CAPITAL SERVICES (INDIA) PRIVATE LIMITED

...Transferor Company/Applicant No.1

WITH

AYODHYA FINLEASE LIMITED

Transferee Company/Applicant No.2

Through: Mr. Alok K Agarwal and
Mr. Mayank Bughani Advocates
for the Applicants

CORAM:

HON'BLE MR JUSTICE SIDDHARTH MRIDUL

ORDER
07.10.2016

1. The present is a first motion application filed jointly, 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, preference shareholders, secured and unsecured creditors to consider and approve, with or without modification, the proposed Scheme of Amalgamation of Corporate Capital Services (India) Private Limited (hereinafter referred to as the Transferor Company) with

Ayodhya Finlease Limited (hereinafter referred to as the Transferee Company).

2. The Transferor Company and Transferee Company are hereinafter collectively referred to as 'Applicant Companies'.

3. The registered offices of the Applicant Companies are situated at New Delhi, within the jurisdiction of this Court.

4. The Transferor Company was incorporated on 11.03.1991 under the Companies Act, 1956 with the ROC, Delhi and Haryana.

5. The Transferee Company was incorporated on 06.02.1995 under the Companies Act, 1956 with the ROC, Delhi and Haryana.

6. The Authorised Share Capital of Transferor Company, as on 31.03.2016, is Rs.1,75,00,000/-, divided into 17,50,000 Equity Shares of Rs.10/- Each. The Issued, Subscribed and Paid Up Share Capital of the Transferor Company is Rs.1,25,99,000/-, divided into 12,59,900 Equity Shares of Rs.10/- each fully paid.

7. The Authorised Share Capital of Transferee Company, as on 31.03.2016, is Rs.3,50,00,000/- divided into 35,00,000 Equity Shares of Rs.10/- each. The issued, subscribed and paid up capital of the company is Rs.1,15,40,200/- divided into 11,54,020 Equity Shares of Rs.10/- each fully paid.

8. Copies of the Memorandum of Association and Articles of Association of the Applicant Companies have been filed and the same are on record. The

audited balance sheets, as at 31st March, 2016 of the Applicant Companies, along with the report of the auditors have also been filed and the same are on record.

9. It has been submitted on behalf of the Applicant Companies that no proceedings under Sections 235 to 251 of the Act or under corresponding provisions of the Companies Act, 2013 are pending against the Applicant Companies as on the date of filing of the present application.

10. A copy of the proposed Scheme has been filed 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 Applicant Companies that the Transferor Company is a wholly owned subsidiary of the Transferee Company and the Scheme is proposed to downwards integrate the business activities of the two Companies in one Company to create larger unified entity thereby creating various area of works facilities for the Transferee Company and enabling optimal utilisation of resources and synergy of operations. It is claimed that the proposed Scheme will economise administrative costs of running two companies, lead to better financial structuring; thus, resulting in better profitability, increased fund mobilisation capacity and downwards business integration.

11. Upon the Scheme coming into effect, since the transferor company is a wholly owned subsidiary of the transferee company, no shares of the transferee company shall be allotted in lieu or exchange of its holding in the transferor company and the issued, subscribed and paid-up share capital of the transferor company shall stand cancelled / extinguished.

12. The proposed Scheme has been approved by the Board of Directors (hereinafter referred to as 'BOD') of the Transferor Company and the Transferee Company in their separate meetings held on 11.08.2016. Copies of the Resolutions passed at the meetings of the Board of Directors of the Applicant Companies have been placed on record.

13. The Transferor Company has 02 equity shareholders. Both the equity shareholders have given their consent/no objection in writing to the proposed Scheme. The said consents/no objections have been placed on record. The same have been examined and found in order.

14. In view of the foregoing, 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 is dispensed with.

15. Since there are no preference shareholders, secured creditors or unsecured creditors of the Transferor Company, therefore the question of dispensing with

the requirement of convening a meeting or convening a meeting for the preference shareholders, secured or unsecured creditors does not arise.

16. The Transferee Company has 12 equity shareholders. All the equity shareholders have given their consents/no objections in writing to the proposed Scheme. Their consents / no objections have been placed on record. The same have been examined and found in order.

17. In view the foregoing, the requirement of convening meeting of the equity shareholders of the Transferee Company to consider and, if thought fit, approve, with or without modification the proposed Scheme is dispensed with.

18. Since there are no preference shareholders, secured creditors or unsecured creditors of the Transferor Company, therefore the question of dispensing with the requirement of convening a meeting or convening a meeting for the preference shareholders, secured or unsecured creditors does not arise.

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

SIDDHARTH MRIDUL, J

OCTOBER 07, 2016

r/mk

