IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 67 OF 2015

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 9 OF 2015

Wockhardt Biopharm Limited

.....Petitioner/Transferor Company

AND

COMPANY SCHEME PETITION NO. 68 OF 2015

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 10 OF 2015

Vinton Healthcare Limited

.....Petitioner/Transferor Company

In the matter of the Companies Act, 1 of 1956;

AND

In the matter of Sections 391 to 394 of the Companies Act, 1956

AND

In the matter of Scheme of Amalgamation and Arrangement of Wockhardt Biopharm Limited,

AND

Vinton Healthcare Limited,

WITH

Wockhardt Limited

AND

Their Respective Shareholders and Creditors

Called for hearing

Mr. Rajesh Shah i/b Rajesh Shah & Co., Advocate for the Petitioners in both Petitions.

Mr. K. R. Chaudhari i/b Dr. H. Chaturvedi for Regional Director in both Petitions.

Mr. S. Ramakantha, Official Liquidator, present in both the Petition

CORAM: S. J. Kathawalla, J.

DATE : 20th March, 2015

PC:

1. Heard Learned Counsel for the parties. No objector has come before the court to oppose the Scheme and nor any party has controverted any averments made in the Petition.

2. The sanction of the Court is sought to a Scheme of Amalgamation and Arrangement of Wockhardt Biopharm Limited, and Vinton Healthcare Limited, with Wockhardt Limited and their respective Shareholders and creditors, under Sections 391 to 394 of the Companies Act, 1956.

3. The Learned Counsel for the Petitioners states that the First Transferor Company was carrying business of manufacturing, marketing, trading, packing of biotechnology products,

pharmaceuticals and chemicals. Currently, there are no operations / business in the First Transferor Company Petitioner. The Second Transferor Company was engaged in the business of manufacturing, trading, packing and distribution of foods and nutritional products but currently, there are no business operations and the Transferee Company engaged in business of technology intensive global pharmaceutical and biotechnology company it has 3 research centers globally and manufacturing facilities across India, USA, UK and Ireland. The proposed scheme of Amalgamation will have the benefit that all the Companies are under same Management and the shareholding owned and controlled by same promoters and the amalgamation would provide for simplified corporate structure and Simplified corporate structure and improved management and Rationalization of administrative, operative and marketing cost and the restructuring would facilitate improvement in organizational capabilities arising from the pooling of human resources with diverse skills, talent and vast experiences and the combined operations are expected to give rise to capital efficiency and improved cash flows.

4. Learned Counsel for the Petitioner further states that the Board of Directors of the Petitioner Company have approved the said Scheme of Amalgamation by passing Board Resolution which are annexed to the Company Scheme Petition.

5. The Learned Advocate for the Petitioner further states that since the Petitioner Company is a wholly owned subsidiary of the Transferee Company and all the shares of the Petitioner Company are presently held by the Transferee Company, Wockhardt Limited and also after the Scheme being sanctioned, no new shares are required to be issued to the members of the Petitioner Company by the Transferee Company and the entire share capital of the Petitioner Company will stand cancelled and creditor are also not affected in any manner. In view of the judgment of this Court in Mahaamba Investment Limited v/s IDI Limited (2001) Company Cases 105, filing of Company Summons for Direction and Company Scheme Petition by Wockhardt Limited, Transferee Company was dispensed the vide order dated 16th January, 2015 passed in Company Summons for Direction Nos. 9 and 10 of 2015.

6. The Learned Counsel for the Petitioner further states that, Petitioner Company has complied with all the directions passed in the Company Summons for Direction and that the Company Scheme Petition has been filed in consonance with the order passed in the Company Summons for Direction.

7. The Learned Counsel appearing on behalf of the Petitioner has stated that the Petitioner Company has complied with all requirements as per direction of this Court and they have filed necessary affidavit of

compliance in the Court. Moreover, the Petitioner Company undertake to comply with all statutory requirements if any, as required under the Companies Act, 1956 / 2013 and rules made there under whichever is applicable. The said undertaking is accepted.

8. The Official Liquidator has filed his report on 12th day of March, 2015 in Company Scheme Petition Nos. 67 and 68 of 2015 stating that the affairs of the Transferor Company have been conducted in a proper manner and that the Transferor Companies may be ordered to be dissolved.

9. The Regional Director has filed an Affidavit on 18th day of March, 2015 stating therein, save and except as stated in paragraph 6, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph 6 of the said Affidavit, the Regional Director has stated that:-

That the Deponent further submits that the Tax issue if nay arising out of this scheme shall be subject to final decision of Income Tax Authority and approval of the scheme by Hon'ble High Court may not deter the Income Tax Authority to scrutinize the tax returns filed by the petitioner company after giving effect to the Amalgamation. The decision of the Income Tax Authority is binding on the petitioner company.

10. So far as the observation in paragraph 6 of the Affidavit of Regional Director is concerned, the Learned Counsel for the Petitioner Companies submit that the Petitioner Company is bound to comply with all applicable provisions of Income Act and all tax issues arising out of the Scheme will be met and answered in accordance with law.

11. The Learned Counsel for Regional Director on instructions of Mr. M. Chandana Muthu, Joint Director (Legal) in the office of the Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai states that they are satisfied with the undertakings and submissions given by the Petitioner through their Counsel. All above undertakings are accepted.

12. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.

13. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petition Nos. 67 and 68 of 2015 is made absolute in terms of the prayer made under clauses (a) and (c) to the Petitions.

14. The Petitioner Company to file a copy of this order and the Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay, with the concerned Superintendent of Stamps, for the

purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of the Order.

15. Petitioner is directed to file a copy of this order along with a copy of the Scheme of Arrangement with the concerned Registrar of Companies, electronically, along with E Form INC- 28 in addition to physical copy as per the relevant provisions of the Companies Act, 1956/2013 whichever is applicable.

16. The Petitioner Companies to pay costs of Rs.10,000/- each to the Regional Director, Western Region, Mumbai and the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from the date of the Order.

17. Filing and issuance of the drawn up order is dispensed with.

18. All concerned regulatory authorities to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court (O. S.), Bombay.

(S. J. Kathawalla, J.)