IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 227 OF 2015.

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 127 OF 2015.

KENT INFOTECH PRIVATE LIMITED

....Petitioner/ First Transferor Company

AND

COMPANY SCHEME PETITION NO. 228 OF 2015.

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 128 OF 2015.

NAVKETAN TELECOM PRIVATE LIMITED

....Petitioner/ Second Transferor Company

AND

COMPANY SCHEME PETITION NO. 229 OF 2015.

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 129 OF 2015.

NEXTNET TECHNOLOGIES PRIVATE LIMITED

....Petitioner/ Third Transferor Company

AND

COMPANY SCHEME PETITION NO. 230 OF 2015.

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 130 OF 2015.

NECTAR MERCANTILE PRIVATE LIMITED

....Petitioner/ Forth Transferor Company

AND

COMPANY SCHEME PETITION NO. 231 OF 2015.

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 131 OF 2015.

NORTHERN WIRELESS SOLUTIONS PRIVATE LIMITED

....Petitioner/ Fifth Transferor Company

AND

COMPANY SCHEME PETITION NO. 232 OF 2015.

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 132 OF 2015.

NORTHSTAR TELECOM SERVICES PRIVATE LIMITED

....Petitioner/ Sixth Transferor Company

AND

COMPANY SCHEME PETITION NO. 233 OF 2015.

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 133 OF 2015.

SHREENATHJI KRUPA PROJECT VENTURES PRIVATE LIMITED

....Petitioner/Seventh Transferor Company

AND

COMPANY SCHEME PETITION NO.234 OF 2015.

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 134 OF 2015.

EDICO VENTURES PRIVATE LIMITED

....Petitioner/ Transferee Company

In the matter of the Companies Act, 1 of 1956 and other relevant provision of the Companies Act, 2013;

AND

In the matter of Sections 391 to 394 read with section 100 to 103 of the Companies Act, 1956 and section 52 and other relevant provision of the Companies Act, 2013;

AND

In the matter of Scheme of Amalgamation of KENT INFOTECH PRIVATE LIMITED and NAVKETAN TELECOM PRIVATE LIMITED and NEXTNET TECHNOLOGIES PRIVATE LIMITED and NECTAR MERCANTILE PRIVATE LIMITED and NORTHERN WIRELESS SOLUTIONS PRIVATE LIMITED and NORTHSTAR TELECOM SERVICES PRIVATE LIMITED and SHREENATHJI KRUPA PROJECT VENTURES PRIVATE LIMITED with EDICO VENTURES PRIVATE LIMITED

Called for hearing

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

Mr. A. B. Verma i/b Mr. A.A. Ansari for Regional Director in all the Petitions.

Mr. S. Ramakantha, Official Liquidator, present in CSP Nos. 227 to 233 of 2015.

CORAM: S. C. Gupte, J.

DATE: 3rd July, 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 Petitions.

2. The sanction of the Court is sought to a Scheme of Amalgamation of KENT INFOTECH PRIVATE LIMITED, First Transferor Company and NAVKETAN TELECOM PRIVATE LIMITED, the Second Transferor Company and NEXTNET TECHNOLOGIES PRIVATE LIMITED, the Third Transferor Company and NECTAR MERCANTILE PRIVATE LIMITED, the Fourth Transferor Company and NORTHERN WIRELESS SOLUTIONS PRIVATE LIMITED, the Fifth Transferor Company and NORTHSTAR TELECOM SERVICES PRIVATE LIMITED, the Sixth Transferor Company and SHREENATHJI KRUPA PROJECT VENTURES PRIVATE LIMITED, the Seventh Transferor Company with EDICO VENTURES PRIVATE LIMITED, the Transferee Company, under Sections 391 to 394 read with section 100

to 103 of the Companies Act, 1956 and section 52 and other relevant provision of the Companies Act, 2013.

3. The Learned Counsel for the Petitioners states that the First, Second, Fourth and Sixth Transferor Companies have been carrying on the business of providing Consultancy Services and Trading activity and the Third Transferor Company has been carrying on the business of providing Consultancy Services and Fifth and Seventh Transferor Companies have been engaged in the business of generation and distribution of electricity through windmills and Transferee Company has been carrying on the business of consultancy & investment activity. The proposed scheme of Amalgamation will have the benefit that as the Transferor Companies and Transferee Company are having common shareholders forming a single group along with their associates it would be much more desirable to synchronize the activities of the Transferor Company and all Transferee Companies into a single entity and that the amalgamation would provide synergistic linkages besides economics in cost by combining the total business functions and the related activities and operations and thus, contribute to the profitability of the Transferee Company and that the Amalgamation would facilitate the availability of financial resources, managerial and technical abilities and marketing expertise of the Transferor Companies to the Transferee Company and that the Amalgamation would facilitate a better co-ordination and efficient operational and economic control in the conduct of the business of the

Transferee Company along with the enhanced capabilities and resources consequent to the undertakings of Transferor Companies being consolidated with that of Transferee Company, the amalgamated Company will have greater flexibility to market and meet customer needs and will be able to compete more effectively, thus further strengthening its market position, particularly the global market, more effectively and that the combined operation would facilitate substantial financial savings obviating the duplication in administration, personnel, marketing and allied costs and that a larger and growing company will mean enhanced financial and growth prospects for the people and organizations connected with the Company. It is therefore in the interest of members of the respective Companies that such merger may unlock shareholder value.

4. Learned Counsel for the Petitioners further states that the Board of Directors of the Petitioner Companies have approved the said Scheme of Amalgamation by passing Board Resolutions which are annexed to the respective Company Scheme Petitions.

5. The Learned Counsel for the Petitioners further states that, Petitioner Companies have complied with all the directions passed in the respective Company Summons for Directions and that the respective Company Scheme Petitions have been filed in consonance with the orders passed in respective Company Summons for Directions.

6. The Learned Counsel appearing on behalf of the Petitioners have stated that the Petitioner Companies have complied with all requirements as per directions of this Court and they have filed necessary affidavit of compliance in the Court. Moreover, the Petitioner Companies 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.

7. The Official Liquidator has filed his report on 5th day of April, 2015 in Company Scheme Petition Nos. 227 to 233 of 2015 stating that the affairs of the Transferor Companies have been conducted in a proper manner and that the Transferor Company may be ordered to be dissolved

8. The Regional Director has filed an Affidavit on 17th day of June, 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:-

"6. That the Deponents further submits that,

(a) It is observed that Fifth & Seventh Transferor Companies are having Wind Mills. Transfer of their assets to Transferee Company and seeking Tax Exemption, if any, by Transferee Company is subject to the decision of Income Tax Authority.

(b) That the Deponent further submits that, the tax issue if any 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.

9. So far as the observation in paragraph 6 (a) of the Affidavit of Regional Director is concerned, the Petitioner /Fifth & Seventh Transferor Companies through its counsel undertakes that the Petitioner Companies are bound to comply with all applicable provisions of Income Tax Act and all tax exemption issues arising out of the Scheme will be met and answered in accordance with law.

10. So far as the observation in paragraph 6(b) of the Affidavit of Regional Director is concerned, the Learned Counsel for the Petitioner Companies submit that the Petitioner Companies are bound to comply with all applicable provisions of Income Tax 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 given by the Petitioners. The 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, Company Scheme Petition Nos. 227 to 233 of 2015 is made absolute in terms of prayers clause (a), (b) and (d) and 234 of 2015 is made absolute in terms of prayer clauses (a) and (c).

14. The Petitioner Companies 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. Petitioners are directed to file a certified copy of order along with a copy of the Scheme of Amalgamation 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 Petitioners in the Company Scheme Petition Nos. 227 to 233 of 2015 to pay costs of Rs.10,000/- each to 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. C. Gupte, J.)