IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO.479 OF 2015
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO.407 OF 2015

M/s. Capri Global Distribution Company Private Limited

...Petitioner Company

AND

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO.480 OF 2015
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO.408 OF 2015

M/s. Capri Global Finance Private Limited

...Petitioner Company

AND

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 481 OF 2015
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO.409 OF 2015

M/s. Capri Global Investments Advisors Private Limited

...Petitioner Company

AND

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 482 OF 2015
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 410 OF 2015

M/s. Capri Global Research Private Limited

...Petitioner Company

In the matter of the Companies Act,1956 (1 of 1956) and Companies Act, 2013 (18 of

2013);

AND

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

AND

In the matter of Scheme of Amalgamation of M/s. Capri Global Distribution Company Private Limited;M/s. Capri Global Finance Private Limited; M/s. Capri Global Investment Advisors Private Limited; M/s. Capri Global Research Private Limitedwith M/s. Capri Global Capital Limited AND their respective shareholders and creditors.

Called For Hearing

Mr. Rajesh Shah, i/b M/s Rajesh Shah & Co., Advocate for the Petitioners.

Mr. Shiddhart Shah, i/b Mr. A. A. Ansari for Regional Director.

Mr. S. Ramakantha, Official Liquidator.

CORAM: S. C. Gupte, J.

DATE: September 11, 2015

PC:

1. Heard learned counsel for the Petitioner Companies, the Regional Director and the Official Liquidator. No objector has come before the

Court to object the Scheme and nor has any other party controverted any of the averments made in the Petitions.

2. The sanction of the Court is sought under sections 391 to 394 of Companies Act, 1956 to the Scheme of Amalgamation of M/s. Capri Global Distribution Company Private LimitedAnd M/s. Capri Global Finance Private Limited And M/s. Capri Global Investments Advisors Private LimitedAnd M/s. Capri Global Research Private Limited with M/S. Capri Global Capital Limited ('the Transferee Company') and their respective shareholders and creditors, under Sections 391 to 394 of the Companies Act, 1956 and the Companies Act, 2013.

3. Learned Counsel for the Petitioner Companies states that M/s. Capri Global Distribution Company Private is engaged in the business of investment in fixed deposits. M/s. Capri Global Finance Private Limited is engaged in the business of investment in fixed deposits. M/s. Capri Global Investment Advisors Private Limited is engaged in the business of investment in fixed deposit and other securities. M/s. Capri Global Research Private Limited is engaged in the business of investment of fixed deposits. M/s. Capri Global Capital Limited is engaged in the business of asset financing and lending business which provides specialized solutions to Indian corporates helping them build and grow their businesses with initial funding, mezzanine financing, acquisition financing, etc.

4. Learned counsel for the Petitioner Companies stated that the Petitioner Companies are wholly owned subsidiaries of the Transferee Company. The consolidation will enable more efficient utilisation of resourcesgreater economies of scale, reduction in overheads and streamlining the group structure. The consolidation will further enable a reduction in the number of corporate entities that requires monitoring and administration and thereby realising operational synergies.

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

6. The Learned Counsel for the Petitioner Companies further states that the Petitioner Companies have complied with all the directions of this Court and that the Company Scheme Petitions have been filed in consonance with the orders passed in the respective Company Summons for Directions and seeks sanction to the said proposed Scheme of Amalgamation.

7. Learned Counsel appearing on behalf of the Petitioner Companies has stated that they have complied with all requirements as per directions of this Court and they have filed necessary affidavits of compliance in the Court. Moreover, Petitioner Companies also undertake to comply with all the statutory requirements, if any, as required under the

Companies Act, 1956 / 2013, and the rules made here under. The said undertaking is accepted.

8. The Regional Director has filed an Affidavit on September 4, 2015 stating therein that save and except as stated in para 6(a) to 6(d) of his Affidavit, it appears that the Scheme is not prejudicial to the interest of the shareholders and the public. In para 6(a) to 6(d) of the said Affidavit, the Regional Director has stated as follows:-

"6. That the Deponent further submits that,

(a) With reference to clause 13 of the scheme, it is submitted that the reserve if any arising out of the scheme be credited to Capital Reserve Account of the Transferee Company and deficit if any arising shall be debited to goodwill account of Transferee Company.

(b) Clause 13.4 of the Scheme provides for adjustment for differences in Accounting Policies between Transferor Companies and Transferee Company. In this regard, it is submitted that in addition to the compliance of Accounting Standard-14, the Transferee Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 etc.

(c) As the Transferee Company is a NBFC Company registered with the Reserve Bank of India, Transferee Company may be directed to file a copy of the scheme along with the copy of this

Hon'ble Court's order with the RBI within 30 days and shall also comply with the other applicable provisionsof RBI Act.

(d) 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 observations made in paragraph 6 (a) of the Affidavit of the Regional Director is concerned, the Petitioner Companies through their Counsel undertakes that reserves if any arising out of the Scheme shall be credited to Capital Reserve Account of the Transferee Company and deficit if any arising shall be debited to Goodwill Account of Transferee Company.

10. So far as the observations made in paragraph 6 (b) of the affidavit of the Regional Director is concerned, the Petitioner Companies through their Counsel undertake that in addition to the compliance of Accounting Standard-14, the Transferee Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 etc.

11. So far as the observation made by the Regional Director in paragraph 6 (c) of the affidavit of the Regional Director is concerned,the Petitioner Companies through their Counsel undertake that the Transferee Company shall file authenticated copy of the Scheme along with this Hon'ble Court's order with the RBI within 30 days from the date of receipt of the order and shall also comply with the other applicable provisions of RBI Act, if any.

12. So far as the observation made by the Regional Director in paragraph 6 (d) of the affidavit of the Regional Director is concerned, the Petitioner Companies through their Counsel undertake that the Transferee Company shall be bound to comply with all the applicable provisions of the Income Tax Act and all tax issues arising out of the Scheme will be met and answered in accordance with law by the Transferee Company.

13. The Learned Counsel for the Regional Director on the 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 Petitioner Companies. The said undertakings given by the Petitioner Companies are accepted.

14. The Official Liquidator has filed his report on 8th September, 2015 in Company Scheme Petition No. 479 to 482 of 2015 stating therein that the affairs of the Petitioner Companies have been conducted in a

proper manner and that the Petitioner Companies may be ordered to be dissolved without being wound up.

15. From the material on record, the Scheme appears to be fair and reasonable and does not violate of any provisions of law and is not contrary to public policy, who may otherwise be concerned have come forward to oppose the Scheme in this court.

16. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 479 to 482 of 2015 are made absolute in terms of prayer clause (a) to (e) of the respective Petitions.

17. The Transferee Company to lodge a copy of this order and the Scheme of Amalgamation 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 receipt of the final order.

18. The Petitioner Companies are directed to file a copy of the final order along with a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically, through INC-28 pursuant to the Companies Act, 2013, in addition to physical copy as per the provisions of the Companies Act, 1956.

19. The Petitioner Companies to pay costs of Rs.10,000/- each to the Regional Director, Western Region, Mumbai and Petitioner Company in the Company Scheme Petition Nos. 479 to 482 of 2015 to pay cost

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.

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

21. All authorities concerned 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.)