THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 768 OF 2014.
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 628 OF 2014

INTELLVISIONS SOFTWARE LIMITED,
....Petitioner/ Transferor Company

AND

COMPANY SCHEME PETITION NO. 769 OF 2014.
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 629 OF 2014

AURIONPRO SOLUTIONS LIMITED
....Petitioner/Transferee Company

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

AND

In the matter of Sections 391 to 394 of the Companies Act, 1956 and other relevant provision of Companies Act, 2013;

AND

In the matter of Scheme of Amalgamation of INTELLVISIONS SOFTWARE LIMITED, (the Transferor Company) with AURIONPRO SOLUTIONS LIMITED, (the Transferee Company)

Called for hearing

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

Mr. S. Ramakant Official Liquidator, present in CSP Nos. 768 of 2014.
Mr. M.S. Bhardwaj i/b Dr. H. Chaturvedi for Regional Director in all the Petitions.

CORAM: S. J. Kathawalla, J.
DATE : 30th January, 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 INTELLVISIONS SOFTWARE LIMITED, (the Transferor Company) with AURIONPRO SOLUTIONS LIMITED, (the Transferee Company), under Sections 391 to 394 of the Companies Act, 1956.

3. The Learned Counsel for the Petitioners states that the Transferor Company is engaged in the business of on the business of Manufacturing of Electronic Kiosk, Information Kiosk, Queue Management Systems and Security & Surveillance Equipments and transferee Company is in the business of providing software solutions, a combination of domain knowledge and technical expertise, and IT outsourcing services to the Banking & Financial services Industry and Technological Companies.

4. The proposed scheme of Amalgamation will enable the Transferee Company to consolidate the businesses and lead to synergies in operation

and create a stronger financial base and it would be advantageous to combine the activities and operations of both companies into a single Company for synergistic linkages and the benefit of combined financial resources which will be reflected in the profitability of the Transferee Company.

5. 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.

6. 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.

7. 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. The said undertaking is accepted.

8. The Official Liquidator has filed his report on 29th January,2015 in Company Scheme Petition Nos. 768 of 2014. In paragraph 9 of the said report, the Official Liquidator has stated that:-

> "9. The Official Liquidator humbly submits that on perusal of the Chartered Accountants' report and specifically the conclusion of the report and the questionnaire relating to the same, the Petition and the letter dated 28.1.2015 of the transferor company it is notices that the affairs of the transferor company have been conducted in a proper manner' However, the company had not appointed a Company Secretary in terms of provisions of section383A of the companiesAct,1956 thus the company has violated the provision of section 383A of the Companies Act,1956.That the Official Liquidator submits that since the company has filed Form DIR 12 for appointment of Company Secretary now the company has complied with the provision of Section 383A, of the Act. In view of the above, this Hon'ble Court may be pleased to direct the company to approach the Regional Director, Ministry of Corporate Affairs for compounding of offence u/s. 621A of the Companies Act, 1956. Accordingly, the transferor company may kindly be ordered to be dissolved by this Hon'ble Court."

9. So far as the observation in paragraph 9 of the Report of the Official Liquidator is concerned, the Petitioner Companies through its Counsel undertake that before giving effect to the Scheme, the Transferor Company will file compounding Application under Section 621A of the Companies Act, 1656 before Regional Director, Ministry of Corporate Affairs.

10. The Regional Director has filed an Affidavit on 28th January,2015 stating therein, save and except as stated in paragraph 6 (a) and (b) thereof, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph 6 (a) and (b) of the said Affidavit, the Regional Director has stated that:-

6 That the Deponent further submit that,

a) Clause 13.4 of the scheme provides for adjustment for differences in Accounting Policies between Transferor Company 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 Standard such as AS-5 etc.

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 Hight 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 h binding on the petitioner company

11. So far as the observation in paragraph 6 (a) of the Affidavit of Regional Director is concerned, the Petitioner Companies through its Counsel undertake that in addition to compliance of Accounting Standard 14, the Petitioner Companies will pass such accounting entries which are necessary in connection with this Scheme to comply with any other applicable Accounting Standards.

12. So far as the observation in paragraph 6(b) of the Affidavit of Regional Director is concerned, the Petitioner Company is bound to comply with all applicable provision of Income Tax Act, and all tax issues arising out of Scheme will be met and answered in accordance with law.

13. 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 undertaking given by the Advocate for the Petitioner Companies. The undertaking given by the Petitioner Companies are accepted.

14. The Learned official Liquidator states that they are satisfied with the undertaking given by the Advocate for the Petitioner Companies in paragraph 9 herein above. The undertaking given by the Petitioner Companies is accepted.

15. 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.

16. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition Nos. 768 of 2014 is made absolute in terms of prayer clause (a) to (d) and 769 of 2014 is made absolute in terms of prayer clauses (a) to (c).

17. 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.

18. 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.

19. All the Petitioner Companies to pay costs of Rs.10,000/- each to the Regional Director, Western Region, Mumbai and the Petitioner in Company Scheme Petition No. 768 of 2014 to pay cost of Rs.10000/- 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 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.)