

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 764 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 724 OF 2014

Inventiv International Pharma Services Private Limited ... Petitioner Company

In the matter of the Companies Act, 1956;

AND

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

AND

In the matter of the Scheme of Amalgamation of
Pharmanet Clinical Services Private Limited with
Inventiv International Pharma Services Private
Limited.

Called for hearing:

Ms. Bindiya Raichura i/b Mulla and Mulla Craigie Blunt & Caroe, Advocate for the
Petitioner.

Ms. S. V. Bharucha i/b. H.P. Chaturvedi for Regional Director in the Petition.

Coram : S. J. Kathawalla, J

Date : 13th March, 2015

PC:

1. Heard learned Advocates 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 between Pharmanet Clinical Services Pvt Limited, the Transferor Company into Inventiv International Pharma Services Private Limited, the Petitioner / Transferee Company, under Sections 391 to 394 of the Companies Act, 1956.
3. Learned Advocate for the Petitioner states that the Transferee Company is engaged in the business of providing clinical data management services.
4. The Learned Advocates for the Petitioner Company states that the proposed scheme of amalgamation would result in consolidation of the business in one entity and strengthening the position of the merged entity, by enabling it to harness and optimize the synergies of the two companies and the proposed amalgamation is in line with global trends to achieve size, scale, integration and greater financial strength and flexibility and is in the interests of maximizing shareholder value and the merged entity is likely to achieve higher long-term financial returns.
5. Transferee Company has approved the said Scheme of Amalgamation by passing the Board Resolution which is annexed to the Company Scheme Petition.
6. The Learned Advocate for the Petitioner states that the Transferor Company is situated within the jurisdiction of Bangalore and the High Court

of Karnataka has sanctioned the Scheme of Amalgamation vide Order dated 11th day of December 2014 in Company Petition No. 121/2014.

7. The Learned Advocate for the Petitioner further states that, Petitioner Company has complied with all the directions passed in Company Summons for Direction and that the Company Scheme Petition has been filed in consonance with the order passed in the Company Summons for Directions.
8. The Learned Advocate appearing on behalf of the Petitioner has stated that the Transferee Company has complied with all requirements as per directions of this Court and they have filed necessary Affidavits of compliance in the Court. Moreover, Petitioner Company undertakes 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.
9. The Regional Director has filed an Affidavit on 26th February 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, it is stated as under.

“6. That the Deponent further submits that,

(a) The Shareholders of Transferor Company are held by foreign body corporate. Hence for allotment of new shares to the shareholder of Transferor Company, the Transferee Company may be directed to comply with FEMA/RBI regulations as applicable in this regard.

(b) That the Deponent further submits that the Income Tax Department forwarded vide its letter dated 26/12/2014 and the same is annexed

herewith and marked as Exhibit 'D', wherein it has been stated that any sanction to the scheme of arrangement under section 391 and 394 of the Companies Act, 1956 should not adversely impact the rights of the Income Tax Department for any present or future proceedings. The Department should be at liberty to take appropriate action as per law in case of an event of any tax avoidance or violation of Income Tax Law or any other similar case. In this regard tax implication 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 of the amalgamation. The decision of the Income Tax Authority is binding on the petitioner company. "

10. As far as the observation in paragraph 6 (a) of the Affidavit of Regional Director is concerned, the Petitioner / Transferee Company undertakes to comply with FEMA/ RBI regulations as applicable in respect of allotment of shares of the Transferee Company to the shareholders of the Transferor Company.
11. As 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 the scheme of amalgamation will be met and answered in accordance with law.
12. 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 Company as mentioned hereinabove. The said undertakings given by the Petitioner Company are accepted.

13. 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.
14. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 764 of 2014 is made absolute in terms of prayer clause (a) of the Petition.
15. The Petitioner Company to file 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 the order.
16. Petitioner is directed to file a copy of this 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.
17. The Petitioner Company to pay cost of Rs.10,000/- to the Regional Director, Western Region, Mumbai in Company Scheme Petition No.764/14. Cost to be paid within four weeks from the date of the Order.
18. Filing and issuance of the drawn up order is dispensed with.
19. 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.)