IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 290 OF 2016

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 104 OF 2016

HBL GLOBAL PRIVATE LIMITED … PETITIONER/ TRANSFEROR NO.1

AND

COMPANY SCHEME PETITION NO. 291 OF 2016

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 105 OF 2016

ATLAS DOCUMENTARY FACILITATORS COMPANY PRIVATE LIMITED … PETITIONER/ TRANSFEROR NO.2

In the matter of Companies Act, 1956 (including any statutory re-enactments, amendments or modifications thereof)

AND

In the matter of sections 391 to 394 of the Companies Act, 1956 (including any statutory re-enactments, amendments or modifications thereof)

AND

In the matter of Scheme of Amalgamation amongst HBL Global Pvt. Ltd. (Transferor Company No.1)

AND

Atlas Documentary Facilitators Company Pvt. Ltd. (Transferor Company No.2)

AND

HDB Financial Services Limited (Transferee Company)

AND

Their respective shareholders and creditors

Called for Hearing

Mr. Sameer Pandit along with Ms. Madhupreetha Elango i/b. Wadia Ghandy & Co., Advocates for the Petitioners.

Mr. S. Ramakantha for the Regional Director.

Coram: A.K. Menon, J.

Date: 29th September, 2016

P.C.

1. Heard learned Advocates appearing for the parties. No objector has come before the court to oppose the Scheme, nor has any party controverted any averments made in the captioned Petitions.

2. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956, to the Scheme of Arrangement ("**Scheme of Arrangement**") for amalgamation of HBL Global Private Limited ("**Transferor Company No.1**") and Atlas Documentary Facilitators Company Private Limited ("**Transferor Company No.2**") collectively "**Transferor Companies**" with HDB Financial Services Limited ("**Transferee Company**") and their respective shareholders and creditors.

3. Learned Advocate for the Petitioners, submits that the Petitioner in CSP No. 290 of 2016 provides specialized services relating to marketing and promotion of the various financial products of HDFC Bank Ltd. and that Petitioner in CSP No.291 of 2016 primarily provides processing support to HDFC Bank Ltd. and few other customers in the areas of retail liabilities, retail assets, credit cards processing, cheque clearing, cash management services and depositary services.

4. The Transferor Companies and the Transferee primarily cater to the same customer, i.e., HDFC Bank Ltd., on different service fronts. The Scheme of Arrangement would simplify and consolidate the various services offered by the Transferor Companies and the Transferee into a single entity and enable the merged entity to offer a comprehensive bouquet of end to end services to HDFC Bank Ltd. The purpose of the Scheme of Arrangement as more particularly set out at Paragraph 2 of the Scheme of Arrangement, is to achieve synergistic integration and consolidation of the businesses presently being carried on by the Transferor Companies and the Transferee.

5. The Learned Advocate for the Petitioners states that the Board of Directors of the Transferor Companies and the Transferee Company have approved the Scheme of Arrangement in their Board Meeting and extract of the resolutions passed in this regard are annexed to the respective Company Scheme Petitions.

6. The Learned Advocate for the Petitioners states that the Transferee Company has its registered office in Ahmedabad in the State of Gujarat and has filed appropriate proceedings for the sanction of the Scheme of Arrangement by the High Court of Gujarat at Ahmedabad. Further, the

High Court of Gujarat by its order dated August 26, 2016 sanctioned the Scheme of Arrangement, subject to similar sanctions being granted by this Court.

7. The Learned Advocate for the Petitioners states that Petitioners have 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.

8. The Learned Advocate for the Petitioners states that the Petitioners have complied with all requirements as per the directions of this Court and have filed necessary affidavit of compliance in the Court. Moreover, the Petitioners through its Advocate undertakes to comply with all statutory requirements, if any, as required under Companies Act, 1956/2013 and the Rules made thereunder, as applicable. The said undertaking is accepted.

9. The Official Liquidator has filed its Report on September 6, 2016 stating therein that the affairs of the Petitioners have been conducted in a proper manner and that the Petitioners may be ordered to be dissolved by this Court.

10. The Regional Director has filed its Affidavit on September 16, 2016 stating therein that save and except as stated in paragraphs 6 (a) to 6(c) of the said affidavit, it appears, according to the Regional Director, that the Scheme is not prejudicial to the interest of shareholders and public. The aforesaid paragraphs 6(a) to 6(c) read as under:

"6. That the Deponent further submits that:

(a) Regarding clause 4 of the Scheme, the appointed date means opening of business on 1st April, 2014 or such other date as may be determined by the Boards of Directors of the Transferor Companies and the Transferee Company or such the date as may be decided by the High Court. In this regard the appointed date should be opening of business on 1st April, 2014 or such other date, the Hon'ble Court at Judicature at Bombay may direct.

(b) Clause 14 of the scheme, it is submitted that the surplus if any arising out of the scheme shall be credited to Capital Reserve and deficit if any arising out of the scheme shall be debited to Goodwill Account and will not be adjusted against any other reserves of the Transferee Company.

(c) The 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 to the amalgamation. The decision of the Income Tax Authority is binding on the petitioner company.

11. As regards the observations at paragraph 6(a) of the Regional Director's Affidavit is concerned, the Learned Advocate for the Petitioners states that the Petitioners have no objection to the observations of the Regional Director. Accordingly, the Appointed Date for the Scheme shall be opening of business on April 1, 2014.

12. As regards the observations at paragraph 6(b) of the Regional Director's Affidavit is concerned, the Petitioners through its Advocate undertakes

that the surplus, if any, arising out of the Scheme shall be credited to Capital Reserve and deficit, if any, arising out of the Scheme shall be debited to Goodwill Account and will not be adjusted against any other reserves of the Transferee Company.

13. As regards the observations at paragraph 6(c) of the Regional Director's Affidavit is concerned, the Petitioners through its Advocate undertakes to comply with the applicable provisions of the Income Tax Act, 1961 and all issues concerning taxation arising as a consequence of the said Scheme shall be dealt with and addressed in accordance with the applicable provisions of the applicable income tax laws.

14. The Learned Advocate for Regional Director, on the instructions of S. Ramakantha, Joint Director, Inspection, in the office of Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai, states that they are satisfied with the undertakings given by the Advocate for the Petitioners. The said undertakings given by the Petitioners are accepted.

15. Learned Advocate for the Petitioners further submits that the last date by which the Scheme of Arrangement was to come into effect has expired during the pendency of proceedings for obtaining sanction before this Court. In accordance with Clause 11.3 of the Scheme of Arrangement, the Board of Directors of the Transferor Companies and the Transferee Company have passed necessary resolutions extending the date of revocation of the Scheme of Arrangement to March 31, 2017. The Petitioners accordingly seeks appropriate orders or directions from this Court extending the date of revocation of the Scheme, from September 30, 2016 with March 31, 2017.

16. The date of revocation of the Scheme is accordingly extended to March 31, 2017 by this Order and no further steps are required to be taken by the Petitioners in that regard.

17. 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.

18. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petitions are made absolute in terms of prayer clauses (a), (c) and (d).

19. The Petitioners are directed to lodge 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 (sixty) days from the date of the Order.

20. The Petitioners are further directed to file a copy of this Order along with a copy of the Scheme with the concerned Registrar of Companies, electronically, along with E-Form INC 28 in addition to physical copies as per the relevant provisions of the Companies Act, 1956 / 2013.

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

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

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

(A.K. MENON, J.)

CERTIFICATE

"I certify that this Order uploaded is a true and correct copy of original signed order."

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