

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 266 OF 2016

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 177 OF 2016

PIPAL RESEARCH ANALYTICS AND INFORMATION SERVICES

INDIA PRIVATE LIMITED

..... Petitioner

AND

COMPANY SCHEME PETITION NO. 267 OF 2016

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 178 OF 2016

COALITION DEVELOPMENT SYSTEMS (INDIA) PRIVATE LIMITED

..... Petitioner

AND

COMPANY SCHEME PETITION NO. 268 OF 2016

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 179 OF 2016

MERCATOR INFO-SERVICES INDIA PRIVATE LIMITED

..... Petitioner

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

AND

In the matter of Scheme of Amalgamation

OF

Pipal Research Analytics And Information
Services India Private Limited (“the
Transferor Company 1”)

AND

Coalition Development Systems (India)

Private Limited ("the Transferor Company 2")

AND

Mercator Info-Services India Private Limited ("the Transferor Company 3")

WITH

CRISIL Limited ("the Transferee Company")

AND

their respective Shareholders and Creditors

Called for Hearing

Mr. Rajesh Shah i/b Rajesh Shah & Co., Advocates for the Petitioners.

Mr. A. R. Singh i/b Mr. Pankaj Kapoor for Regional Director.

Mr. Vinod Sharma Official Liquidator, present in all the Company Scheme Petitions

CORAM: A.K. Menon, J.

DATE: 8th September, 2016

1. Heard the learned Advocate for the Petitioner Companies. 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 under Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 / Companies Act, 2013 to the Scheme of Amalgamation of Pipal Research Analytics And Information Services India Private Limited and Coalition Development Systems (India) Private Limited and Mercator Info-Services India Private Limited with CRISIL Limited and their respective Shareholders and Creditors.

3. Learned Advocate for the Petitioners states that the Petitioner in Company Scheme Petition No. 266 of 2016 is presently engaged in provision of providing low risk IT Enabled Services in the area of corporate research, Petitioner in Company Scheme Petition No. 267 of 2016 is presently engaged in the business of providing Researched Data Processing services, Petitioner in Company Scheme Petition No. 268 of 2016 is presently engaged in the business of providing Researched Data Processing Services.
4. The rationale for the merger is reducing the multiple layer inefficiencies, consolidation and synergies of operations, administrative convenience and reduction in administrative cost and overheads.
5. Learned Advocate for the Petitioners further states that the Petitioner Companies are wholly owned subsidiaries of the Transferee Company and all the shares of the Petitioner Companies are presently held by the Transferee Company, CRISIL Limited and its nominees and after the Scheme being sanctioned, no new shares are required to be issued to the members of the Petitioner Companies by the Transferee Company and the entire share capital of the Petitioner Companies will stand cancelled and also in view of the judgement of this Court in Mahaamba Investments Limited Vs IDI Limited (2001) Company Cases 105, filing of a separate Company Summons for Direction and Company Scheme for Petition by CRISIL Limited, the Transferee Company was dispensed with, by order dated 4th March, 2016 passed in CSD NOS. 177 to 179 of 2016.
6. The Petitioner Companies/Transferee Company approved the said Scheme by passing Board Resolutions which are annexed to the respective Company Scheme Petitions of the Petitioner Companies.
7. Learned Advocate for the Petitioners state that Petitioner Companies have complied with all directions passed in company

summons for Directions and that the Scheme has been filed in consonance with the orders passed in respective Company summons for Directions.

8. Learned Advocate for the Petitioners further states that the Petitioner Companies 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 undertake to comply with all statutory requirements if any, as required under the Companies Act, 1956 / 2013 and the Rules made there under. The said undertaking is accepted.
9. The Regional Director has filed an Affidavit on 7th September, 2016 stating therein that save and except as stated in paragraph 6 (a), 6(b) and 6(c) of the said affidavit, it appears according to Regional Director, that the Scheme is not prejudicial to the interest of shareholders and public.

In paragraph 6(a), 6(b) and 6(c) of the said affidavit it is stated that:

- a) *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) *Regarding Clause 6.4 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 same be debited to Goodwill Account and will not be adjusted against Profit and Loss Account of the Transferee Company.*
- c) *That the Deponent further submits that 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.

10. As far as observations made in paragraph 6(a) and 6 (b) of Affidavit of the Regional Director is concerned, the Transferee Company undertakes that it will comply with all applicable Accounting Standards. Further, in addition to compliance with the applicable Accounting Standards, the Transferee Company shall pass such accounting entries as may be necessary in connection with the Scheme of Amalgamation to comply with any other applicable Accounting Standard.
11. As far as observations made in paragraph 6(c) of Affidavit of the Regional Director is concerned, the Transferee Company submits that the Transferee Company is bound to comply with all applicable provisions of the 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 Counsel for the Regional Director on instructions of Mr. S. Ramakantha Joint Director in the office of Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai, states that they are satisfied with the undertaking and submissions given by the Petitioner Companies. The said undertaking given by the Petitioner Companies are accepted.
13. The Official Liquidator has filed his report on 26th July, 2016 in all the Company Scheme Petitions stating that the affairs of the Transferor Companies have been conducted in a proper manner and that Transferor Companies may be ordered to be dissolved without being wound up.
14. 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.

15. Since all the requisite statutory compliances have been fulfilled, all the Company Scheme Petitions are made absolute in terms of prayer clauses (a) to (c)
16. The Petitioner Companies/Transferee Company to lodge a copy of this order and 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 issuance of Order.
17. Petitioner Companies/Transferee Company are 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 21 / E-Form INC 28 in addition to physical copy as per the provisions of the Companies Act 1956 / 2013.
18. All the Petitioner Companies to pay costs of Rs.10,000/- each to the Regional Director, Western Region, Mumbai and to the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from the date of the order.
19. Filing and issuance of the drawn up order is dispensed with.
20. 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.

(A.K. Menon, J.)

CERTIFICATE

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

Uploaded by: - Shankar Gawde, Stenographer