
(2016) 11 KAR CK 0046
In the Karnataka High Court
Case No : Company Petition No. 85 of 2016

Coverity (India) Private Limited,

APPELLANT

Vs

Nil

RESPONDENT

Date of Decision : 11-11-2016

Acts Referred:

Companies Act, 1956 — Section 391, Section 394

Citation : (2017) 1 KantLJ 654

Hon'ble Judges : Dr. Vineet Kothari, J.

Bench : Single Bench

Advocate : Sri Saji P. John, Advocate, for the Petitioner; Sri V. Jayaram, Advocate, for the O.L.; Smt. Sumathi, Central Government Counsel, for the ROC

Final Decision : Allowed

Judgement

Dr. Vineet Kothari, J.—This company petition is filed by Coverity (India) Private Limited (Transferor Company). The petitioner-company is before this Court seeking for approval of Scheme of Amalgamation of the petitioner-company with Synopsys (India) EDA Software Private Limited (the Transferee Company), which is at Annexure-A to the petition.

2. Heard the learned Counsel for the petitioner so also the arguments of learned Counsel for Official Liquidator and the learned Counsel representing the Registrar of Companies.

3. The petitioner-company was incorporated on January 2, 2013 to carry on the business of sales of licences to software and technical support etc., amongst others as enumerated in the Memorandum and Articles of Association.

4. The Transferee Company was incorporated on 24th July, 2000 to carry on the business of computer consultants, information and software technologists, etc., amongst others.

5. Presently the petitioner-company and Transferee Companies have evolved a

Scheme of Amalgamation, as per Annexure-A. The Board of Directors of petitioner at their meeting held on 29th February, 2016 and Board of Directors of the Transferee Company at their respective meeting held on 2nd March, 2016 have approved and adopted the Scheme of Amalgamation. The extract of the Board resolutions are produced with the petition.

6. Since shareholders and creditors of the petitioner-company have indicated their consent in writing, petitioner-company was before this Court in C.A. No. 161 of 2016 seeking dispensation of meetings of its shareholders and creditors for approving the Scheme of Amalgamation. This Court vide order dated 1-4-2016 has allowed the application and dispensed with the convening of meetings of shareholders and creditors.

7. This Court vide order dated 18-4-2016 issued notice to Regional Director and to the Official Liquidator and also directed the petitioner to take out advertisement of this petition by paper publication in "The Hindu" and "Udayavani" newspapers on or before 2-5-2016 indicating the date of hearing as 3-6-2016. Accordingly, petitioner has got published the notice in newspapers on 21-4-2016 and same has been furnished along with a memo dated 26-4-2016.

8. On a prayer made by the Official Liquidator M/s. Ramraj and Company, Chartered Accountants was appointed to scrutiny of the Books of Accounts and records of the petitioner-company by order dated 28-7-2015. Pursuant to the same the Official Liquidator has filed a report in OLR No. 154 of 2016 stating that affairs of the petitioner-company is not conducted in any manner prejudicial to the interest of the shareholders or creditors or public at large. The Registrar of Companies in Karnataka has filed affidavit on behalf of the Regional Director, Ministry of Corporate Affairs, South-East Region indicating procedural compliances. Further, the Counsel submits that the petitioner-company is a wholly owned subsidiary of the Transferee Company and accordingly the Transferee Company is not required to file separate petition for sanctioning the Scheme.

9. Notice of advertisement having been taken out by the petitioner and no person interested in the affairs of the Company have approached this Court opposing approval of the Scheme of Amalgamation. Hence, prayer made in this petition deserves to be allowed.

Hence, the following:

ORDER

- i. Company petition is allowed.
- ii. Scheme of Amalgamation in Annexure-A is hereby sanctioned.
- iii. The petitioner-company is hereby dissolved without being wound up.
- iv. The petitioner-company and the Transferee Company shall serve a copy of this order on the Registrar of Companies within 30 days from the date of receipt of

copy of this order.