

**THE NATIONAL COMPANY LAW TRIBUNAL,  
BENCH, AT MUMBAI – COURT-I**

**C.P. (CAA)/64 (MB) OF 2024**

**c/w**

**C.A.(CAA)/40 (MB) of 2023**

*In the matter of  
The Companies Act, 2013 (18 of 2013);*

*And*

*In the matter of  
Sections 232 r/w Section 230  
and other applicable provisions of the  
Companies Act, 2013 and Rules framed  
thereunder as in force from time to time;*

*and*

*In the matter of  
Scheme of Amalgamation*

**Virtual World Spatial Technologies  
Private Limited,**

CIN: U72200MH2015PTC269413

...Petitioner Company 1/  
**Transferor Company**

**Genesys International  
Corporation Limited**

CIN: L65990MH1983PLC029197

...Petitioner Company 2/  
**Transferee Company**

***Order delivered on 08.07.2024***



and their respective shareholders (“the Scheme” or “this Scheme”).

3. The Petitioner Companies submits that the Transferor Company is engaged in the of business of developing application or software and to create database using technological means and build location-based application suite for discovery through internet connected devices for use by the consumers.
4. The Petitioner Companies submits that the Transferee Company is engaged in the business of providing Advanced Surveying, Mapping and Geospatial Engineering Solutions and Services having state-of-the-art equipment which includes High Precision LiDAR (Light Detection and Ranging) instruments across Terrestrial, Mobile and Aerial Platforms. Genesys has a unique blend of understanding the emerging consumer applications around mapping technology ranging from LiDAR, Aerial Imagery to 2D/3D mapping across various industries including Urban, Telecom, Mining, Agriculture, Navigation, Infrastructure, etc.
5. The Petitioner Companies submits that Virtual World Spatial Technologies Private Limited, the Transferor Company is a wholly owned subsidiary of Genesys International Corporation Limited, the Transferee Company.
6. The Petitioner Companies submits that the Board of Directors of the Petitioner Companies had approved the

Scheme of Amalgamation of Virtual World Spatial Technologies Private Limited (VWSTPL) ('Transferor Company') With Genesys International Corporation Limited (GICL) ('Transferee Company') vide Board Resolution dated 17<sup>th</sup> December, 2022 and 19<sup>th</sup> December, 2022 respectively. The Appointed Date for the Scheme is **1<sup>st</sup> April, 2023**.

7. **The rationale for the Amalgamation is as under:**

The rationale for undertaking the amalgamation of Transferor Company with the Transferee Company is as follows:

- Primary business objective of Transferor Company is supplemental to main business of Transferee Company and that merging the entities will consolidate the business in one place and effectively manage the Transferor Company and Transferee Company as a single entity, which will provide several benefits including streamlined group structure by reducing the number of legal entities, reducing the multiplicity of legal and regulatory compliances, rationalizing costs, it is intended that the Transferor Company be amalgamated with the Transferee Company.
- Accordingly, the Board of Directors of the Transferor Company and the Transferee Company has decided to amalgamate the Transferor Company together with its businesses and undertaking, with the Transferee Company, so as to achieve the following benefits:
- Simplification of group and business structure;

- The Transferor Company and the Transferee Company are companies within the same group of Companies. Consolidation of number of entities within the group to save administrative cost and hassles in managing multiple legal entities;
  - Cost savings are expected to flow from rationalisation, standardisation and simplification of business processes and elimination of duplication of activities and optimal utilization of resources.
  - Reducing time and efforts on consolidation of financials at group level.
  - Amalgamation of the Transferor Company with the Transferee Company in terms of the Scheme will be beneficial for both the companies, its shareholders, creditors, employees, customers and all stakeholders, concerned with both the companies.
8. The Petitioner Companies submits that the **Transferor Company and Transferee Company** have filed a Joint Application No. C. A. (C.A.A) 40 (MB) of 2023 wherein the Bench vide its order dated 14<sup>th</sup> day of July, 2023 granted dispensation of holding of meeting of Unsecured Creditors of Transferor Company and Secured Creditors & Unsecured Creditors of Transferee Company subject to the issue of notice of date of hearing of petition and also to obtain Consent Affidavit / No Objection Letter and file the same with the Tribunal before the final hearing of the Company Petition. However, the Petitioner Companies submitted the

Interlocutory Application No. 197 of 2023 before this Bench seeking dispensation with the requirement of obtaining Consent Affidavit / No Objection Letter and direct to convene the meetings of Unsecured Creditors of Transferor Company and Secured Creditors & Unsecured Creditors of Transferee Company for approving the Scheme of Amalgamation. In view of this, the Bench allowed the Interlocutory application and modified its order dated 14<sup>th</sup> July, 2023 and directed the Petitioner No. 1 / Transferor Company and Petitioner No. 2 / Transferee Company vide its order dated 5<sup>th</sup> January, 2024 read with order dated 7<sup>th</sup> February, 2024.

9. The Authorized Representative for the Petitioner Companies states that the Petitioner Companies have complied with all the requirements as per directions of the Tribunal and have filed necessary affidavits of Service and Chairman's reports with this Tribunal.
  
10. The Petitioner Companies submits that the Company Scheme Petition has been filed in consonance with the order dated 14<sup>th</sup> July 2023 read with Order dated 5<sup>th</sup> January, 2024 and 7<sup>th</sup> February, 2024 passed by this Tribunal in C.A. (CAA)/ 40 / MB/2023 and Interlocutory Application No. 197 of 2023. The Petitioner Companies undertakes to comply with all statutory requirements, if any, as required under the Companies Act, 2013 and the Rules made thereunder. The said undertaking is accepted.

11. The Petitioner Companies submits that the Transferor Company is a wholly Owned subsidiary of the Transferee company and no consideration shall be payable pursuant to the merger of the Transferor Company into and with the Transferee Company. The Equity Share Capital held by the Transferee Company together with its nominee shareholder in the Transferor Company shall stand cancelled and extinguished and since the Transferor Company is Wholly Owned subsidiary of the Transferee Company, no consideration shall be discharged by the Transferee Company pursuant to the merger of the Transferor Company.
  
12. The shares of the Transferor Company are not listed on any of the Stock Exchanges being closely held Company. However, the shares of the Transferee Company are listed on **BSE Limited** and **National Stock Exchange of India Limited (NSE)**. The provisions of SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 shall not apply to Schemes which solely provides for merger of a wholly owned subsidiary with the Parent company and reference is made to the **SEBI (LODR) (Amendment) Regulations, 2017 whereby the Sub-Regulation (6) to Regulation 37 is inserted**. The Transferor Company is wholly owned subsidiary of the Transferee Company. However, the Transferee Company as per the requirement of SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated

November 23, 2021 has filed draft Scheme with BSE Limited and National Stock Exchange of India Limited (NSE) on 28<sup>th</sup> December, 2022 and 28<sup>th</sup> December, 2022 respectively and the same has been disseminated by BSE Limited and National Stock Exchange of India Limited (NSE) on its respective website on 4<sup>th</sup> January, 2023 and 29<sup>th</sup> December, 2022 respectively.

13. The Regional Director has filed his Report dated 05.06.2024 making certain observations and the Petitioner Companies have undertaken/made following submission that :
  - a. The Petitioner Companies in addition to compliance of Accounting Standard AS-14 (IND AS - 103) shall pass such accounting entries which are necessary in connection with the Scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS -8) etc;
  - b. The Scheme enclosed to the Company Application and Company Petition is one and same and there is no discrepancy / deviation /and no change or changes are made to the Scheme;
  - c. The Appointed date of the Scheme shall be 1<sup>st</sup> April, 2023 and in terms of the provisions of Section 232(6) of the Companies Act 2013, the scheme will be given effect from 1<sup>st</sup> April, 2023 accordingly.
  - d. The Petitioner Companies shall comply with the requirements as clarified vide circular no. F. No.



7/12/2019/CL-I dated 21<sup>st</sup> August, 2019 issued by the Ministry of Corporate Affairs;

- e. There are no requirements of obtaining Observation Letters from SEBI / BSE / NSE since the Transferor company is a wholly owned subsidiary of the Transferee Company.
  - f. The Transferee Company has foreign shareholders and is in compliance with FEMA and FERA Guidelines from time to time.
  - g. The Transferee Company will comply with Income Tax Provisions in relation to proceedings/claims under Income Tax Act against the Transferor Company.
14. Mr. Bhagvati Prasad from the Office of Regional Director (WR), Mumbai, appeared on the date of hearing and submitted that the above explanations and clarifications given by the Petitioner Companies in rejoinder are satisfactory and they have no further objection to the Scheme.
15. The Official Liquidator has filed his report dated 26<sup>th</sup> June, 2024 in the Company Scheme Petition No. C.P.(CAA)/64/MB/2024, inter alia, stating therein that the representation of the Official Liquidator may be taken on record by this National Company Law Tribunal Mumbai Bench, Mumbai.
- i. The Petitioner Companies shall comply with the provisions of Section 232 (3) (i) of the Companies Act, 2013 and the fee and stamp duty paid by the Transferor Company on its

Authorized Share Capital shall be set- off against any fees and stamp duty payable by the Transferee Company on its Authorized Share Capital subsequent to the amalgamation and the same shall be in accordance with the provisions of Section 232(3) (i) of the Companies Act, 2013. The Transferee Company will pay the balance / difference amount of the fees and stamp duty on its increased Authorized share capital, if any.

16. 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. Since all the requisite statutory compliances have been fulfilled, C.P. (CAA) / 64 / MB / 2024 connected with C.A. (CAA) / 40 / MB / 2023 filed by the Petitioner Companies is made absolute in terms of prayer clauses of the said Company Scheme Petition.
17. The Scheme is hereby sanctioned, and the Appointed Date of the scheme is 1st April, 2023. It shall be binding on the Petitioner Companies involved in the Scheme and all concerned including their respective Shareholders, Secured Creditors, Unsecured Creditors/Trade Creditors, Employees and/or any other stakeholders concerned.
18. The Petitioner Companies are directed to file a certified copy of this Order along with the copy of Scheme with the concerned Registrar of Companies, electronically in e-form INC-28 within 30 days from the date of receipt of the Order duly certified by the designated Registrar of this Tribunal. The Scheme will become

effective on filing of the copy of this order with the concerned Registrar of Companies.

19. The Income Tax Department will be at liberty to examine the aspect of any tax payable as a result of this scheme and in case it is found that the scheme ultimately results in tax avoidance under the provisions of Income Tax Act, it shall be open to the Income tax authorities to take necessary action as possible under the Income Tax Law.
20. The Petitioner Companies shall lodge a copy of this Order along with the Scheme duly certified by designated Registrar of this Tribunal, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, within a period of 60 working days from the date of the receipt of the certified copy of the Order from the Registry of this Tribunal.
21. The Transferor Company shall be dissolved without winding up.
22. All concerned regulatory authorities to act on a copy of this Order along with Scheme duly certified by the designated Registrar of this Tribunal.
23. Any person interested shall be at liberty to apply to this Tribunal in the above matter for any directions that may be necessary.
24. Any concerned authorities are at liberty to approach this Tribunal for any further clarification as may be necessary.
25. Ordered accordingly. Thus, the Company Scheme Petition with

THE NATIONAL COMPANY LAW TRIBUNAL,  
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c/w  
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C.P. (CAA) /64/MB/2024 in C.A. (CAA)/40/MB/2023 shall stand disposed-off.

Sd/-  
**Prabhat Kumar**  
Member (Technical)

Sd/-  
**Justice V.G. Bisht**  
Member (Judicial)