

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO 440 OF 2015
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO 341 OF 2015
Amline Textiles Private Limited....Petitioner

In the matter of the Companies Act, 1956
(1 of 1956);

AND

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

AND

In the matter of Scheme of
Amalgamation of Amline Textiles Private
Limited with Tulsiani Builders & Textiles
Private Limited and their Respective
Shareholders

Called for Hearing

Mr. Hemant Sethi i/b M/s. Hemant Sethi & Co., Advocates for the
Petitioner Company.

Mrs. P. Awasthi, i/b Mr. A.A. Ansari for Regional Director.

Mr. S. Ramakantha, Official Liquidator Present

CORAM: K.R. SHRIRAM, J

DATE: 21st NOVEMBER 2015

1. Heard the learned counsel for the Petitioner. 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 to the Scheme of Amalgamation of Amline Textiles Private Limited with Tulsiani Builders & Textiles Private Limited and their Respective Shareholders.
3. The Petitioner company was earlier engaged in the textile business but now only interest income. The Transferee Company is engaged in the business of rental Income and Interest from partnership

firm, share of profit from firm and hire charges of equipment, real estate.

4. The Learned Counsel for the Petitioner states that the rationale for Scheme is that combined capital resources would strengthen the financial position of the merged entity and result in increasing leveraging capacity of the merged entity i.e. its capacity to borrow funds for business purposes, avoiding duplication of efforts, costs and resources, lesser regulatory / procedural compliance, move towards creating a future business plan by taking advantage of the combined resource pool, Cost saving in fees/ duties payable on statutory and procedural compliance.
5. The Transferor Company and the Transferee Company have approved the said Scheme of Amalgamation by passing the Board Resolutions which are annexed to the Company Scheme Petition filed by the Petitioner Company.
6. Learned Counsel for the Petitioner further states that since the Transferor Company is wholly owned subsidiary of the Transferee Company and all the shares of the Transferor Company are presently held by the Transferee Company namely Tulsiani Builders & Textiles Private Limited and after the Scheme being sanctioned, no new shares are required to be issued to the members of the Transferor Company by the Transferee Company and there would be no reorganization of the Share Capital in the Transferee Company and also in view of the judgment of this Court in Mahaamba Investments Limited Versus IDI Limited (2001) 105 Company Cases, filing of a separate Company Summons for Direction and Company Scheme Petition by Tulsiani Builders & Textiles Private Limited., the Transferee Company was dispensed with, by an order dated 24th April 2015 passed in CSD NO. 341 of 2015.
7. The learned Advocate for the Petitioner Company further states that, the Petitioner Company have 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 Summons for Directions.

8. The Counsel for the Petitioner Company further states that the Petitioner Company has complied with all requirements as per the directions of this Court and has filed necessary Affidavits of compliance in the Court. Moreover, the Petitioner Company through their Counsel undertakes to comply with all statutory requirements, if any, as required under the Companies Act, 1956 and the rules made there under. The said undertaking is accepted.
9. The Official Liquidator has filed his report on 8th October 2015 stating therein that the Affairs of the Petitioner/ Transferor Company has been conducted in a proper manner and that the Petitioner/ Transferor Company may be ordered to be dissolved by this Hon'ble Court.
10. The Regional Director has filed an Affidavit on 27th October, 2015 stating therein that save and except as stated in paragraph 6 of the said Affidavit; it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph 6 of the said Affidavit, the Regional Director has stated that :

6. That the Deponent further submits that, the Tax issue if any arising 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 far as observations made in paragraph 6 of the Affidavit of Regional Director is concerned, the Petitioner clarifies that the approval of the Scheme by this Court will not deter the Income Tax Authority to scrutinize the tax return filed by the Petitioner

Companies after giving effect to the Scheme and all issues arising out of the Scheme will be met and answered in accordance with law.

12. The learned Counsel for the Regional Director on instruction from Mr. Chandanamuthu, Joint Director, Legal, in the office of Regional Director, Ministry of Corporate Affairs states that they are satisfied with the undertaking and Submissions given by the Petitioner Company.
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. 440 of 2015, filed by the Petitioner Company is made absolute in terms of prayer clause (a) of the Petition.
15. The Petitioner Company is directed to file 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 days from the date of issuance of the order.
16. Petitioner Company and Transferee Company 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 the physical copy as per the relevant provisions of Companies Act, 1956/2013 Act, whichever is applicable.

17. The Petitioner Company to pay costs of Rs.10,000/- each to the Regional Director and to the Official Liquidator, High Court, Bombay.
The costs to be paid within four weeks, from 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.

(K.R. SHRIRAM, J)

CERTIFICATE

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

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