IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO.717 OF 2014

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 731 OF 2014

STELLAR LOGISTICS PRIVATE LIMITED

....Petitioner/ The Demerged Company

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

AND

In the matter of Sections 391 to 394 read with Sections 100 to 104 of the Companies Act, 1956;

AND

In the matter of Scheme of Arrangement between Stellar Logistics Private Limited (''the Demerged Company'

AND

Gordon Woodroffe Logistics Limited ('the Resulting Company'

AND

Their Respective Shareholders and Creditors

Called for hearing

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

Ms. Purnima Awasthi, for Regional Director for the Petitioner Company

CORAM: S. J. Kathawalla, J.

DATE: 6th February, 2015

PC:

1. Heard Learned Counsel for the Petitioner Company. 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 this Court is sought to a Scheme of Arrangement between Stellar Logistics Private Limited ('the Demerged Company') and Gordon Woodroffe Logistics Limited ('the Resulting Company') and their respective shareholders and Creditors.

3. The Learned Counsel for the Petitioner states that the Petitioner Company is engaged in the business of freight forwarding company and is operating and managing its business under the two segments namely General forwarding business carried out on principle to principle basis, the Demerging Business and Business carried out on principle to agent basis and such any other remaining business 'Remaining Business. The Learned Counsel for the Petitioner states that Gordon Woodroffe Logistics Limited, the Resulting Company is engaged in the business of providing comprehensive range of

services which include air freight, ocean freight, customs management and project cargo.

4. The rational for the Scheme is that both the Demerged and the Resulting Company are part of the same group and the arrangement will lead to consolidation, efficient utilization of resources, better customer servicing etc.

5. Learned Counsel for the Petitioner further states that the Board of Directors of the Petitioner Company have approved the said Scheme of Arrangement by passing Board Resolutions which is annexed to the Company Scheme Petition.

6. The Learned Counsel for the Petitioner further states that the Petitioner Company has complied with all the directions passed in the respective Company Summons for Direction and that the respective Company Scheme Petition have been filed in consonance with the orders passed in respective Company Summons for Direction.

7. The Learned Counsel appearing on behalf of the Petitioner has stated that the Petitioner Company has complied with all requirements as per directions of this Court and they have filed necessary affidavit of compliance in the Court. Moreover, the Petitioner Company undertakes to comply with all statutory requirements if any, as required under the Companies Act, 1956 / 2013 and rules made there under whichever is applicable. The said undertaking is accepted.

8. The Regional Director has filed an Affidavit on 4th day of February, 2015 stating therein, save and except as stated in paragraph 6 (a) & (b) thereof, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph 6 (a) to (b) of the said Affidavit, the Regional Director has stated that:-

"6. *That the Deponent further submits that,*

(a) The Registered office of Resulting Company is situated in the State of Tamil Nadu. Hence, the present Scheme of Arrangement between the Demerged company and Resulting Company will be subject to the condition of obtaining similar approval from Hon'ble High Court of Madras in respect of Resulting Company.

(b) It is respectfully submitted that the tax implications, if any, arising out of the Scheme is subject to final decision of Income Tax Authorities. The approval of the Scheme by this Hon'ble Court may not deter the Income Tax Authority to scrutinize the tax returns filed by the Demerged Company after giving effect to the Scheme. The decision of the Income Tax Authority is binding on the Demerged company."

9. So far as the observations made in paragraph 6(a) of the Affidavit of the Regional Director is concerned, learned Counsel appearing on behalf of the Petitioner states that the High Court of Madras by its order dated 2nd February 2015 has sanctioned the Scheme of Arrangement .

10. In so far as observations made in paragraph 6(b) of the Affidavit of Regional Director is concerned, the Petitioner Company submit that the Petitioner is bound to comply with all applicable provisions of the Income Tax Act and all tax issues arising out of the Scheme will be met and answered in accordance with law.

11. The Learned Counsel appearing for the Regional Director on instructions of Mr. M. Chandanamuthu, Joint Director (Legal) in the office of the Regional Director states that they are satisfied with the undertaking given by the Petitioner Company. The said undertaking given by Petitioner Company are accepted.

12. The Learned Counsel appearing on behalf of the Petitioner further state that the amount mentioned in the schedule I of the Scheme of Arrangement is required to be corrected as under as the same was inadvertently described. The figures corresponding to Trade Payables and Trade Receivables as appearing in Schedule 1 of Scheme of Arrangement should be read as follows:

   a. The amount corresponding to Trade Payables is mentioned as Rs.1,61,69,002/-, the same should be read as Rs. 1,06,27,056/-

   b. The amount corresponding to Trade Receivables is mentioned as Rs.2,78,49,571/-, the same should be read as Rs.2,11,40,209/-

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, the Company Scheme Petition is made absolute in terms of the prayer made under clauses (a) to (d).

15. The Petitioner Company to file 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 the Order.

16. Petitioner Company is directed to file a copy of this order along with a copy of the Scheme and form of minutes with the concerned Registrar of Companies, electronically, along with concerned E-Form INC 28 in addition to physical copy as per provisions of the Companies Act 1956 / 2013.

17. The Petitioner Company to pay costs of Rs.10,000/- to the Regional Director, Western Region, Mumbai .

18. Costs to be paid within four weeks from today.

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 amended Scheme and the form of minutes duly authenticated by the Company Registrar, High Court (O. S.), Bombay.

(S. J. Kathawalla, J.)