

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 871 OF 2014.
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 819 OF 2014.

GREEN GLOBE AGRO PRIVATE LIMITED ...Petitioner Company

In the matter of the Companies Act 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
and Arrangement of
Green Globe Agro Private Limited

WITH

Real Stone House Properties Private
Limited

AND

Their Respective Shareholders and
Creditors

Called for hearing

Mr. Rahul Oak, Advocate for the Petitioners in all the Petitions.

Mr. S. Ramakantha, Official Liquidator, present in Company Scheme
Petition No. 871 of 2014.

Mr. K. R. Chaudhary i/b Dr. H.P.Chaturvedi for Regional Director.

CORAM: S. J. Kathawalla, J.

DATE : 10th April, 2015

PC:

1. Heard learned counsel for the parties. 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 to a Scheme of Amalgamation
and Arrangement of Green Globe Agro Private Limited with Real Stone

House Properties Private Limited and their Respective Shareholders and Creditors, under Sections 391 to 394 of the Companies Act, 1956.

3. Learned Counsel for the Petitioners states that the Transferor Company is in business of Agricultural activities and the Transferee Company is in business of infrastructure activities. The proposed scheme of Amalgamation will have the benefit that the integration of the operations of Transferor Company and Transferee Company would have the benefit of eliminating duplication of processes resulting in cost savings and a simplified corporate structure and improved management focus and Centralizing the activities of the two companies is expected to lead to improvement in operational and cost efficiency through economies of scale, optimization of resources into the enlarged merged company and post the amalgamation of Transferor Company and Transferee Company, Transferor Company will be dissolved. Consequently, there would be less regulatory and legal compliance obligations including accounting, reporting requirements, statutory and internal audit requirements, tax filings etc and therefore reduction in administrative costs.

4. The learned Advocate for the Petitioners further states that the Petitioner Company is a wholly owned subsidiary of the Transferee Company and as per clause 12 of the scheme no new shares are required to be issued to the members of the Petitioner Company by the Transferee Company and in view of the averments made in paragraphs (26) and (27) of the Company Scheme Petition, interalia stating and there is no

reorganization of the share capital of the Transferee Company and the creditors of the Transferee Company are not likely to be affected by the Scheme and also in view of the observation 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 Petition in relation of the said Scheme by Real Stone House Properties Private Limited, the Transferee Company was dispensed with pursuant to the order dated 14th November, 2014 passed in the Company Summons For Direction No. 819 of 2014

5. The Transferor Company and Transferee Company has approved the said Scheme of Amalgamation by passing the Board Resolutions which are annexed to the Company Scheme Petition.

6. The learned Advocate for the Petitioners further states that, Petitioner Company have complied with all the directions passed in Company Summons for Directions and that the Company Scheme Petitions have been filed in consonance with the orders passed in respective Company Summons for Directions.

7. The learned counsel appearing on behalf of the Petitioners have stated that the Transferor Company and Transferee Company 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 rule made there under whichever is applicable. The said undertaking is accepted.

8. The Official Liquidator has filed his report on 01st April, 2015 in Company Scheme Petition Nos. 871 of 2014 stating that the affairs of the Transferor Company has been conducted in a proper manner and that the Transferor Company may be ordered to be dissolved.

9. The Regional Director has filed an Affidavit on 26th March, 2015 stating therein, save and except as stated in paragraph 6, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph 6 of the said Affidavit, it is stated as under.

“6. (a) *That the Deponent respectfully submitted that the tax issue, if any, arising out of the this Scheme shall be subject to final decision of Income Tax Authorities and approval of the scheme by this Hon'ble court may not deter the Income Tax Authority to scrutinize the tax returns filed by the Transferee Company after giving effect to the Scheme. The decision of the Income Tax Authority is binding on the petitioner companies.*

(b) The Deponent further respectfully submits that, the agricultural land owned/possessed by the Transferor Company shall not be converted into dry land/infrastructure land without the approval of State Government.”

10. So far as the observation in paragraph 6(a) of the Affidavit of Regional Director is concerned, the Petitioner Companies are bound to comply with all applicable provision of Income Tax Act, and all tax issues arising out of Scheme will be met and answered in accordance with law.

11. So far as the observation in paragraph 6 (b) of the Affidavit of Regional Director is concerned, the Transferee Company through its counsel undertakes that the agricultural land owned/possessed by the

Transferor Company shall not be converted into dry land/infrastructure land without the approval of State Government.

12. The Learned Counsel for Regional Director on instructions of Mr. M. Chandana Muthu, Joint Director Legal in the office of the Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai states that they are satisfied with the undertaking given by the Advocate for the Petitioner Company. The said undertaking is accepted.

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 Nos. 871 of 2015 are made absolute in terms of prayer clauses (a) and (c).

15. The Petitioner Companies to lodge 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 the order.

16. Petitioners are 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

physical copy as per the relevant provisions of the Companies Act, 1956/2013 whichever is applicable.

17. The Petitioner Company 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.

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.

(S. J. Kathawalla, J.)