

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO 819 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO 835 OF 2014
GOODVALUE POLYPLAST LIMITED

..... Petitioner / the First Transferor Company

AND

COMPANY SCHEME PETITION NO 820 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO 836 OF 2014
VIPUNA TRADING LIMITED

..... Petitioner / the Second Transferor Company

AND

COMPANY SCHEME PETITION NO 821 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO 837 OF 2014
MERTZ SECURITIES LIMITED

..... Petitioner / the Transferee Company

In the matter of the Companies Act, 1956 (1 of 1956) (or any re-enactment thereof upon effectiveness of Companies Act, 2013);

AND

In the matter of Sections 391 to 394 read with Section 100 - 103 of the Companies Act, 1956;

AND

In the matter of Scheme of Arrangement

between

Goodvalue Polyplast Limited (“GPL” or “the

First Transferor Company”)

and

Vipuna Trading Limited (“VTL” or “the
Second Transferor Company”)

with

Mertz Securities Limited (“MSL” or “the
Transferee Company”)

and

their respective shareholders

Called for Hearing

Mr. Rajesh Shah i/b Rajesh Shah & Co., Advocates for the Petitioners in all the Company Scheme Petitions.

Mr. S. Ramakantha, Official Liquidator, present in the Company Scheme Petition No. 819 and 820 of 2014.

Mr. M. S .Bharadwaj i/b Mr. H.P. Chaturvedi for Regional Director in all the Company Scheme Petitions.

CORAM: S. J. Kathawalla, J.

DATE: 6th February, 2015

1. Heard counsel for the parties. No objector has come before the court to oppose the Scheme and nor any party has contravened any averments made in the Petition.
2. The sanction of the Court is sought under Sections 391 to 394 read with Sections 100-103 of the Companies Act, 1956, or any re-enactment thereof upon effectiveness of Companies Act, 2013, to the Scheme of Arrangement between Goodvalue Polyplast Limited and Vipuna Trading Limited with Mertz Securities Limited and Their Respective Shareholders.
3. Learned advocate for the Petitioners states that all the Petitioner Companies are presently earning income from let out properties and also have investments in group companies. The proposed amalgamation would consolidate and simplify Group Structure by eliminating number of

companies in the Group and inter company investments. It would reduce operating and compliance cost and achieve operational and management efficiency.

4. All the Petitioner Companies have approved the said Scheme by passing Board Resolutions which are annexed to the respective Company Scheme Petitions.
5. The Learned Advocate for the Petitioner in Company Scheme Petition No. 821 of 2014, states that the Scheme includes reduction of share capital of the Petitioner Company and the same shall be effected as an integral part of the Scheme and that the same does not involve either diminution of liability in respect of unpaid share capital and that it also does not involve any compromise or arrangement with any creditors of the Petitioner Company and the procedure prescribed under Section 101(2) of the Companies Act, 1956 was dispensed with as per order dated November 28, 2014 passed in Company Summons for Direction No. 837 of 2014. Pursuant to undertaking given by the Petitioner Company, a copy of Special Resolution dated December 1, 2014, is annexed as Exhibit 'K' to the Petition.
6. The learned Advocate for the Petitioners further states that, Petitioner Companies have complied with all the directions passed in Company Summons for Direction and that the Company Scheme Petitions have been filed in consonance with the orders passed in respective Summons for Directions.
7. The learned counsel appearing on behalf of the Petitioners has stated that the Petitioners 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 the Rules made there under. The said undertaking is accepted.

8. The Regional Director has filed an affidavit on 04/02/2015 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 that:

“6 It is further submitted that the tax implications, if any, arising out of the Scheme is subject to the final decision of Income Tax Authorities. The approval of the Scheme by the Hon’ble High 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 Transferee Company.”

9. As far as the observation in paragraph 6 of the affidavit of the Regional Director is concerned, the Petitioner /Transferee Company through their counsel submits that the Petitioner /Transferee Company is bound to comply with all applicable provisions of the Income Tax Act, and all issues arising out of the Scheme will be met and answered in accordance with law.
10. The Learned Counsel for Regional Director on the instructions of Mr.M Chandanamuthu, Joint Director in the office of Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai, states that they are satisfied with the undertakings and submissions given by the advocate on behalf of the Petitioner Company. The said undertaking given by the Petitioner Company is accepted.
11. The Official Liquidator has filed his report on 02/02/2015 in the Company Scheme Petition No. 819 and 820 of 2014 stating therein that the affairs of the Transferor Companies have been conducted in a proper manner and that the Transferor Companies may be ordered to be dissolved by this Court.
12. 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.

13. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petitions filed by the Petitioner Companies are made absolute in terms of prayer clauses (a), (c) and (d).
14. The Petitioner Companies to lodge a copy of this order and the Scheme along with Form of Minutes , 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.
15. The Petitioner Companies are directed to file a copy of this order along with a copy of the Scheme 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.
16. The Petitioner Companies in all the Company Scheme Petitions to pay costs of Rs.10,000/- each to the Regional Director, Western Region, Mumbai and the Petitioner in Company Scheme Petition No. 819 and 820 of 2014 to pay costs of Rs.10,000/- each to the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from the date of the order.
17. Filing and issuance of the drawn up order is dispensed with.
18. All concerned regulatory authorities to act on a copy of this order along with Scheme and Form of Minutes duly authenticated by the Company Registrar, High Court (O. S.), Bombay.

(S. J. Kathawalla, J)