

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 131 OF 2016
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO 119 OF 2016

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

AND

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

AND

In the matter of Scheme of Arrangement for
Purchase of Equity Shares of John Deere India
Private Limited and Equity Shareholders of John
Deere India Private Limited

John Deere India Private Limited, a)
company incorporated under the provisions of)
Companies Act, 1956, having its Registered)
office at Tower XIV, Cyber City, Magarpatta)
City, Hadapsar, Pune – 411013, Maharashtra,)
India)Petitioner Company

Called for hearing

Mr. Shyam Mehta, Senior Counsel, with Mr. Hemant Sethi, Mr. Ajit Singh
Tawar i/b. Hemant Sethi & Co., Advocates for the Petitioner.
Mr. Atul Singh i/b Mr. A. A. Ansari, for Regional Director .

CORAM: B.P. Colabawalla, J.

DATE: 22nd April, 2016

PC:

1. Heard the 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 the Court is sought to the Scheme of Arrangement for Purchase of Equity Shares of John Deere India Private Limited and Equity Shareholders of John Deere India Private Limited.
3. The Petitioner Company is engaged in manufacturing and marketing of equipment including tractors, harvesters and spare parts. The Petitioner Company also provides Information Technology and IT Enabled services in the field of engineering and support functions to its group companies.
4. The Scheme of Arrangement is aimed at achieving the commercial objectives such as Rationalization of its capital structure, improving return on capital, improving earnings per share, achieve optimal capital structure and service the Equity more efficiently.
5. The Petitioner Company has approved the Scheme by passing the Board Resolution which is annexed to the Company Scheme Petition.
6. The Counsel for the Petitioner further states that the Petitioner Company has complied with all the directions passed in Company Summons for Direction and that the Company Scheme Petition have been filed in consonance with the orders passed in Company Summons for Direction.
7. The Counsel for the Petitioner further states that the Petitioner Company has complied with all requirements as per the directions of this Court and they have filed necessary Affidavit 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, as may be applicable and the rules made there under. The said undertaking is accepted.
8. The Regional Director has filed an Affidavit on 22nd April, 2016 stating therein that save and except as stated in paragraph 6 (a) and (b) of the said Affidavit, it appears that the Scheme is not prejudicial to the interest of shareholders and public.

In paragraph 6(a) and 6(b), of the said affidavit it is stated that:

- (a) *The equity share capital of the Petitioner Company is held by foreign Body corporate. For payment of cash consideration/buy back of shares, the Petitioner Company may be directed to comply with FEMA/RBI regulations as applicable in this regard.*
- (b) *It is observed that, for payment of cash consideration on the share capital purchased from its shareholders the relevant provisions of Income Tax Act, 1961 such as Dividend Distribution Tax/Capital Gain Tax payable to Income Tax Department as may be is subject to final decision of Income Tax Authority. The approval of the Scheme by Hon'ble Court may not deter power of the Income Tax Authority to examine the tax issues and the decision of the Income Tax Authority is binding on the Petitioner Company.*

9. As far as observations made in paragraph 6(a) of the Affidavit of Regional Director is concerned, the Petitioner through their counsel undertakes that Petitioner Company shall comply with relevant provisions of FEMA/RBI regulations as may be applicable in this regard.
10. In so far as observations made in paragraph 6(b) of the Affidavit of Regional Director is concerned, the Petitioner through their Counsel submits that all tax issues arising out of the Scheme of Arrangement will be met and answered in accordance with law.
11. The Counsel for the Regional Director on instructions of Mr. M Chandanamuthu, Joint Director (Legal) in the office of Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai, states that they are satisfied with the undertaking and submission given by the Petitioner Company. The said undertakings given by the Petitioner Company are accepted.
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. None of the parties concerned has come forward to oppose the Scheme.

13. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition filed by the Petitioner Company is made absolute in terms of prayer clauses (a) of the Petition.
14. The Petitioner Company 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 receipt of Order.
15. Petitioner Company is 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 21 / E-Form INC 28 in addition to physical copy as per the provisions of the Companies Act 1956 / 2013, whichever is applicable.
16. The Petitioner Company to pay cost of Rs.10,000/- to the Regional Director, Western Region, Mumbai. Cost 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 authorities to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court (O. S.), Bombay.

(B.P Colabawalla , J)

CERTIFICATE

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

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