

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 333 OF 2016.
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 286 OF 2016.

Skanem Interlabels Industries North Private Limited
.... the Petitioner Company

In the matter of the Companies Act of
1956;

AND

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

AND

In the matter of Scheme of
Amalgamation of Skanem Interlabels
Industries North Private Limited
(‘Transferor Company’ or ‘SIINPL’)

WITH

Skanem Interlabels Industries Private
Limited (‘Transferee Company’ or
‘SI IPL’)

AND

Their Respective Shareholders and
Creditors

Called for hearing

Mr. Rajesh Shah i/b Rajesh Shah & Co., Advocate for the Petitioners.

Mr. Pavan S Patil i/b Mr. Pankaj Kapoor for Regional Director.

Mr. Vinod Sharma for Official Liquidator.

CORAM: A. K. Menon, J.

DATE: 27th October, 2016

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 Petitions.
2. The sanction of the Court is sought to a Scheme of Amalgamation of Skanem Interlabels Industries North Private Limited, the Petitioner Company with Skanem Interlabels Industries Private Limited, the Transferee Company and their respective Shareholders and Creditors, under Sections 391 to 394 and other relevant provision of the Companies Act, 2013.
3. The learned counsel appearing on behalf of the Petitioner Company submits that by an order passed in the court on 22nd April 2016 in Company Summons for Direction No. 286 of 2016, the filing of separate Company Summons for

Direction and Company Scheme Petition in relation to the proposed Scheme of Amalgamation by the Transferee Company, namely Skanem Interlabels Industries Private Limited was dispensed with as Transferee Company is 100% holding Company of the Petitioner Company and in view of the Judgment passed by this Court in Mahaamba Investments Limited Versus IDI Limited (2001) 105 Company Cases (pages 16 to 18).

4. The Learned Counsel for the Petitioner states that the Petitioner Company is in the business of manufacturing and trading in different types of labels including adhesive labels, plain and printed labels, and labeling application and dispenser machines and the Transferee Company has been engaged in the business of manufacture and trade in different types of labels including adhesive labels, plain and printed labels, and labeling application and dispenser machines. The amalgamation of the Petitioner Company with Transferee Company under the Scheme of Amalgamation would result in the consolidation of the operations of Petitioner Company and Transferee Company and the automatic dissolution of Petitioner Company and the transaction is expected to give rise to a number of commercial benefits. The Petitioner Company is a wholly

owned subsidiary of the Transferee Company and the amalgamation, which shall be beneficial to the interest of the shareholders, employees and creditors, will result in legal integration of the labels, adhesive labels, adhesive papers, tapes, silicon papers/ films ampoule trays, corrugated boxes and scanning business, reduction of the shareholding layers and direct control of assets of the Petitioner Company in the hands of the Transferee Company and it will simplify corporate structuring.

5. The Learned Counsel for the Petitioner further states that the Board of Directors of the Petitioner Company has approved the said Scheme of Amalgamation and by passing Board Resolutions which are annexed to the respective Company Scheme Petitions.
6. The Learned Counsel for the Petitioner further states that, Petitioner Company have complied with all the directions passed in the respective Company Summons for Directions and that the respective 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 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 undertake 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 21st day of October, 2016 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, the Regional Director has stated that:-

“6. That the Deponent further submits that,

(a) That the Deponent further submits that, the Tax issue if any arising out 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 Companies.

(b) That the Petitioner Companies had accepted the pooling of interest method as set out in AS 14 however not mentioned accounting standard that would be adopted in case of difference in accounting policy as followed by the Petitioner Companies.

9. So far as the observation in paragraph 6 (a) of the Affidavit of Regional Director is concerned, the Petitioner Company through its counsel submitted that the Petitioner Company will comply with all applicable provisions of Income Tax Act and all tax issues arising out of the Scheme will be met and answered in accordance with law.
10. So far as the observation in paragraph 6(b) of the Affidavit of Regional Director is concerned, the Learned Counsel for the Petitioner Company submit that the Petitioner Companies will comply with the pooling of interest method as set out in AS 14 as per the Accounting policy. Further, In case of any difference in accounting policy between the Transferee Company and the Transferor Companies, Transferee Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable accounting standards such as AS-5 etc.
11. The Learned Counsel for Regional Director on instructions of P. Sheela, Joint Director Legal in the office of the Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai states that they are satisfied with the undertakings given by the Petitioner. The above undertakings are accepted.

12. The Official Liquidator has filed his report on 1st October, 2016 stating therein that the affairs of the Petitioner Company has been conducted in a proper manner and that the Transferor Company may be ordered to be dissolved.
13. From the material on record, the Scheme appears to be fair and reasonable and is not violate 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 is made absolute in terms of prayers clause (a) to (c) subject to sanctioning of the Scheme by the High Court of Bombay.
15. The Petitioner Company 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 the Order.
16. The Petitioner Company is directed to file a copy of 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 each. Cost 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.

(A. K. Menon, J.)

CERTIFICATE

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

Uploaded by : Shankar Gawde, Stenographer.