

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 782 OF 2015.

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 708 OF 2015.

RUPANI SPINNING MILLS PRIVATE LIMITED

....Petitioner/ the Demerged Company

AND

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 781 OF 2015.

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 709 OF 2015

MILTON REAL VENTURES PRIVATE LIMITED

....Petitioner/ the Resulting Company

In the matter of the Companies Act, 1 of
1956 and other relevant provisions of the
Companies Act, 2013;

AND

In the matter of Sections 391 to 394 of the
Companies Act, 1956 and other relevant
provisions of the Companies Act, 2013;

AND

In the matter of Scheme of Arrangement between
RUPANI SPINNING MILLS PRIVATE LIMITED (the
Demerged Company) and MILTON REAL
VENTURES PRIVATE LIMITED (the Resulting
Company)

Called for hearing

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

Mr. A. Roy i/b Mr. A.A. Ansari for Regional Director.

CORAM: K. R. Shriram, J.

DATE: 4th March, 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 Arrangement between RUPANI SPINNING MILLS PRIVATE LIMITED, the Demerged Company and MILTON REAL VENTURES PRIVATE LIMITED, the Resulting Company, under Sections 391 to 394 and other relevant provision of the Companies Act, 2013.

3. The Learned Counsel for the Petitioners states that the Transferor/ Demerged Company has been carrying business of spinning and/or dealing in staple and synthetics fiber and waste of all kinds and the Transferee/ Resulting Company and has been engaged in business of properties and estate and for that purpose to acquire by way of purchase, lease, exchange, buy, sell, develop, hire or otherwise lands, buildings, hereditaments, of any tenure or description and any estate, easements, forests, orchards, gardens. The proposed scheme of Arrangement will result in various benefits including ensuring core competency in the respective businesses of each company and to facilitate their further expansions and that the Demerged Company and the Resulting Company are group companies and that the nature of risk, permissions and competition involved in the business is distinct from others and consequently the business or undertaking is capable of attracting different sets of investors, strategic partners, lenders and other stakeholders and that the in order to achieve a distinct focus of the investors to invest in the business and to lend greater focus to the operation of its diverse business, the Company proposes to re-organize and segregate, by way of demerger, its undertakings and that the it will be conducive to better and more efficient and economical control and conduct of the Companies and with the focus and separate capabilities and resources at its disposal, the Resulting Company will have greater flexibility to compete more effectively and that the a larger and growing

Company will mean enhanced financial and growth prospects for the people and organizations connected with the Company.

4. The Learned Counsel for the Petitioners further states that the Board of Directors of the Petitioner Companies have approved the said Scheme of Arrangement and by passing Board Resolutions which are annexed to the respective Company Scheme Petitions.
5. The Learned Counsel for the Petitioners further states that, Petitioner Companies 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.
6. The Learned Counsel appearing on behalf of the Petitioners have stated that the Petitioner Companies have complied with all requirements as per directions of this Court and they have filed necessary affidavit of compliance in the Court. Moreover, the Petitioner Companies 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.
7. The Regional Director has filed an Affidavit on 22nd day of February, 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, 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.

8. So far as the observation in paragraph 6 of the Affidavit of Regional Director is concerned, the Petitioner Company through its counsel submitted that the Petitioner Companies are bound to 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.
9. 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 undertakings given by the Petitioners. The above undertakings are accepted.
10. 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.

11. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition Nos. 781 and 782 of 2015 are made absolute in terms of prayers clause (a) to (c).
12. The Petitioner Companies 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.
13. The Petitioners are directed to file a certified 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.
14. The Petitioner Companies to pay costs of Rs.10,000/- each to the Regional Director, Western Region, Mumbai. Cost to be paid within four weeks from the date of the Order.
15. Filing and issuance of the drawn up order is dispensed with.

16. 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.

(K. R. Shriram, J.)

CERTIFICATE

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

Uploaded by : Shankar Gawde, Stenographer.