IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO 880 OF 2015

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO 799 OF 2015

GIL VIKHROLI REAL ESTATE LIMITED

………… Petitioner / the Transferor Company

AND

COMPANY SCHEME PETITION NO 881 OF 2015

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO 800 OF 2015

GODREJ PROPERTIES LIMITED

………… Petitioner / the Transferee Company

In the matter of the Companies Act, 1956 (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 of GIL Vikhroli Real Estate Limited ('the Transferor Company') WITH Godrej Properties Limited ('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 Petitions.

Mr. D.P.Singh i/b Mr. A. A. Ansari for Regional Director in both the Company Scheme Petitions.

Mr. Vinod Sharma Official Liquidator, present in Company Scheme Petition No. 880 of 2015.

CORAM: K.R. Shriram, J.

DATE: 26^{th} February, 2016

1. Heard the learned counsel for the Petitioner Companies. 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 under Sections 391 to 394 of the Companies Act, 1956, to the Scheme of Amalgamation of GIL Vikhroli Real Estate Limited ("the Transferor Company") with Godrej Properties Limited ("the Transferee Company") and their respective shareholders.

3. Learned Counsel for the Petitioners states that the Petitioners in Company Scheme Petition No. 880 of 2015 is presently engaged in the business of real estate development, directly or indirectly and Petitioner in Scheme Petition No. 881 of 2015 is presently engaged in the business of real estate development.

4. The rationale for the merger is that Godrej Vikhroli Properties LLP ('GVP-LLP') is engaged in real estate development business, wherein Godrej Properties Limited ('GPL'), (along with its Subsidiaries) and GIL Vikhroli Real Estate Limited ('GVREL') are partners in the ratio of 60:40. The Transferee Company being the core real estate player, it is proposed to consolidate GVREL's 40% stake in GVP-LLP into the Transferee Company. The Group believes that the restructuring would benefit both the Companies and its stake holders on account of Consolidation of 40% interest of the Transferor Company in Godrej Vikhroli Properties LLP into the Transferee Company and simplification of group structure.

5. The Petitioner Companies approved the said Scheme by passing Board Resolutions which are annexed to the respective Company Scheme Petitions.

6. The Counsel for the Petitioners state that Petitioner Companies have complied with all directions passed in company summons for Directions and that the Scheme has been filed in consonance with the orders passed in respective Company summons for Directions.

7. The Counsel for the Petitioners further states that the Petitioner Companies 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 undertakings is accepted.

8. The Regional Director has filed an Affidavit dated 1st February, 2016 stating therein that save and except as stated in paragraph 6 (a) and 6(b) of the said affidavit, it appears that the Scheme is not prejudicial to the interest of shareholders and public.

In paragraph 6(a) and6(b), of the said affidavit it is stated that:

a) Clause 12.2 of the scheme provides for adjustment for differences in Accounting Policies between Transferor Company and Transferee Company. In this regard, it is submitted that in addition to compliance of Accounting Standard – 14, the Transferee Company shall pass such accounting entries which are necessary in connection with the Scheme to comply with any other applicable accounting standards such as AS- 5, etc.

b) 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 this Hon'ble 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 company.*

9. As far as observations made in paragraph 6 (a) of Affidavit of the Regional Director is concerned, the Petitioner/Transferee Company undertakes that in addition to compliance of Accounting Standard 14, the Transferee Company shall pass such accounting entries as may be necessary in connection with the Scheme of Amalgamation to comply with any other applicable accounting standards.

10. As far as observations made in paragraph 6 (b) of Affidavit of the Regional Director is concerned, the Petitioner / Transferee Company submits that the Transferee Company is bound to comply with all applicable provisions of the Income Tax Act and all tax issues arising out of the Scheme of Amalgamation 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 Companies. The said undertaking given by the Petitioner Company is accepted i.e. Transferee Company is accepted.

12. The Official Liquidator has filed his report on 12th January, 2016 in the Company Scheme Petition No. 880 of 2015 stating therein that the affairs of the Transferor Company have been conducted in a proper manner and that the Transferor Company may be ordered to be dissolved by this Court.

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, the Company Scheme Petition No. 880 of 2015 filed by the

Petitioner Company are made absolute in terms of prayer clauses (a) to (d) and the Company Scheme Petition No. 881 of 2015 filed by the Petitioner Company are made absolute in terms of prayer clauses (a) to (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 issuance of Order.

16. 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 21 / E-Form INC 28 in addition to physical copy as per the provisions of the Companies Act 1956 / 2013.

17. The Petitioner Companies in both 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. 880 of 2015 to pay costs of Rs.10,000/- 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.

(K.R. Shriram, J.)

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

Uploaded by: - Shankar Gawde, Stenographer