

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
NAGPUR BENCH, NAGPUR

COMPANY PETITION NO.1 OF 2016

connected with

Company Application No.23 of 2015

(Field Media Private Limited, Nagpur)

and

COMPANY PETITION NO.2 OF 2016

connected with

Company Application No.22 of 2015

(Chemfield Cellulose Private Limited, Nagpur)

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*Office notes, Office Memoranda of
Coram, appearances, Court's orders
or directions and Registrar's orders.*

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Court's or Judge's Orders

*Shri A.P. Dhanodkar, Advocate for the petitioner.
Shri R.D. Wakode, Advocate for the respondent.*

CORAM : R.K. DESHPANDE, J.

DATE : 18th MARCH, 2016.

01] 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.

02] The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956 to the Scheme of Amalgamation of Chemfield Cellulose Private Limited ("the Transferor Company") with Field Media Private Limited ("the Transferee Company") and their respective shareholders.

03] Learned Counsel for the petitioners states the petitioner in Company Scheme Petition No.1 of 2016 is presently engaged in the business of Mass Communication and the petitioner in Scheme Petition No.2 of 2016 is presently engaged in the business of chemical preparations and compounds.

04] The rationale for the merger is to consolidate the strategic strength through the combined managerial and asset base and leading to effective and centralized management and reduction of administrative and manpower expenses and overheads. The group believes that the merger would benefit both the companies and its stake holders as the ultimate shareholders are common and will also help in streamlining the group structure.

05] The petitioner companies approved the said scheme by passing Board Resolutions which are annexed to the respective company scheme petitions.

06] The Counsel for the petitioners state that the 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.

07] 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, the 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.

08] The Regional Director has filed an Affidavit dated 26th February, 2016 stating therein that save and except as stated in paragraph 6 of the said affidavit, 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:

“That the deponent respectfully submits that the tax issue, if any, arising out of this scheme shall be subject to final decision of the 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.”

09] As far as observations made in paragraph 6 of Affidavit of the Regional Director is concerned, the 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.

10] The Counsel for the Regional Director on instructions of Mr. K.L. Kamboj, 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 companies is accepted i.e. Transferee Company is accepted.

11] The Official Liquidator has filed his report on March 16, 2016 in the Company Scheme Petition No.2 of 2016 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.

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 Petition No.1 of 2016 filed

by the petitioner company are made absolute in terms of prayer clause (a) and the Company Scheme Petition No.2 of 2016 filed by the petitioner company are made absolute in terms of prayer clauses (a) and (b).

14] The petitioner companies to lodge a copy of this order and the scheme, duly authenticated by the Company Registrar, High Court (O.S.), Bombay, Bench at Nagpur 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.

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 provisions of the Companies Act 1956 / 2013.

16] 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.2 of 2016 to pay costs of Rs.10,000/- to the Official Liquidator, High Court, Bombay, Bench at Nagpur. 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 the scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay.

**sdw*

JUDGE