

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
BENCH, AT MUMBAI
COMPANY SCHEME PETITION NO. 146 OF 2017
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 937 OF 2016**

TATA INTERNATIONAL LIMITED

.....Transferee Company / Petitioner Company

In the matter of the Companies Act, 1956, and the
Companies Act, 2013;

And

In the matter of Sections 391 to 394 of the
Companies Act, 1956 and under Sections 230 to
232 of the Companies Act, 2013;

And

In the matter of Tata International Limited CIN:
U51900MH1962PLC012528, a company
incorporated under the Companies Act, 1956 having
its registered office at 7th Floor, Trent House, G -
Block, Plot No. C-60, Beside Citi Bank, Bandra
Kurla Complex, Bandra (East), Mumbai 400051;

And

In the matter of Scheme of Amalgamation of Bachi
Shoes Limited and Tata International Limited and
their respective shareholders and creditors.

Called for hearing

Mr. Molla Hasan and Himanshoo Tembe i/b AZB & Partners, Advocates for the Petitioner
Company

Mr. Ramesh Gholap, Assistant Director for Regional Director

CORAM: Smt. Ina Malhotra, Member (Judicial)

DATE: 23rd June, 2017

MINUTES OF THE ORDER

1. Heard the learned counsel for the parties. No objector has come before this Tribunal to oppose the Scheme and nor any party has controverted any averments made in the Petition.
2. The sanction of this Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013. to a Scheme of Amalgamation of Bachi Shoes Limited ('Transferor Company') and Tata International Limited ('Petitioner Company' or the 'Transferee Company') and their respective shareholders and creditors ('Scheme').
3. The Board of Directors of the Petitioner Company and the Transferor Company have approved the said Scheme by passing necessary board resolutions, which are annexed to the Company Scheme Petition.
4. The Transferor Company is a wholly owned subsidiary of the Petitioner Company. The Petitioner Company and the Transferor Company are both involved in similar business of leather, leather products and footwear. It is proposed to consolidate the similar business activities of the two companies in one company to create a larger unified entity enabling optimal utilization of resources and synergy of operations. The amalgamation of the Transferor Company with the Petitioner Company would, inter alia, provide the following benefits: (a) a single and larger unified entity / division resulting in better profitability, increased fund mobilization capacity, enlarged technical resources and enhanced production capacity; (b) achievement of better administration, operations and management by consolidation, synchronization, synergies and restructuring and economize administrative costs of running two companies; and (c) improve the financials both in the short term as well as long term and have a stronger asset base thereby enabling the amalgamated company to avail of greater borrowings, to expand and grow into a larger organization, reduce vagaries of business cycle and to avail of new opportunities and increase its global visibility.
5. The Learned Counsel for the Petitioner Company further states that the Petitioner Company has complied with all requirements as per directions of the Hon'ble Bombay High Court and this Tribunal and have filed necessary Affidavits of compliance in this Tribunal. Moreover, the Petitioner Company undertakes to comply with all statutory requirements, if any, as required under the Companies Act, 2013 and the Rules made there under, whichever is applicable. The said undertaking is accepted.
6. The Regional Director has filed his report dated May 19, 2017 and has stated that save and except as stated in Paragraph IV (1) and (2) of the said Report, it appears that the Scheme is not prejudicial to the interest of shareholders and public.

In paragraph IV of the said report, the Regional Director has stated that:-

- “1. *The tax implication if any arising out of scheme is subject to final decision of Income Tax Authorities. The approval of the scheme by this Hon'ble Court/Tribunal may not deter the income tax authority to scrutinize the tax return filed by the transferee Company after giving effect to the scheme. The decision of the Income Tax Authority is binding on the petitioner Company.*
2. *It may be submitted that the Petitioner Companies have submitted the proof of serving notice dated 21.02.2017 and 22.02.2017 upon the Income Tax Authorities for comments, This Directorate has also issued a reminder letter to the Income Tax Department dated 19.05.2017.”*
7. As far as the observations made in in paragraph IV (1) of the Report of Regional Director is concerned, the Petitioner Company submits that the Petitioner Company undertakes to comply with all applicable provisions of the Income Tax Act, 1961 and all tax implications, if any, arising out of the Scheme.
8. As far as the observations made in paragraph IV (2) of the Report of Regional Director is concerned, the Petitioner Company submits that the Petitioner Company has duly served notices to the Income Tax authorities with respect to the Scheme of Amalgamation for their comments and till date, the Petitioner Company has not received any comments/representations from the Income Tax authorities.
9. From the material on record, the Scheme appears to be fair and reasonable and is not in violation of any provisions of law and is not contrary to public policy.
10. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 146 of 2017 is made absolute in terms of prayer Clauses 34(a) and (b) of the Company Scheme Petition.
11. The Petitioner Company is directed to file a copy of this order and the Scheme duly certified by the Deputy Director, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps, within 60 days from the date of the receipt of order, for the purpose of adjudication of stamp duty payable, if any, on the same.
12. The Petitioner Company is directed to file a copy of order along with the Scheme 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, 2013 within 30 days from the date of the receipt of order.

13. The Petitioner Company to pay costs of Rs. 25,000/- to the Regional Director, Western Region, Mumbai. Costs to be paid within four weeks from the date of the Order.
14. All concerned regulatory authorities to act on a copy of this order along with the Scheme of Amalgamation duly certified/ authenticated by the Deputy Director, National Company Law Tribunal, Mumbai bench.

Sd/-
Smt. Ina Malhotra, Member (Judicial)