



पश्चिम बंगाल WEST BENGAL

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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

KOLKATA BENCH

CP (CAA) No. 529 / KB / 2018

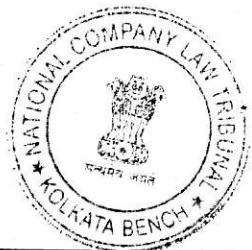
Connected with

CA (CAA) No. 214 / KB / 2017

In the matter of the Companies Act, 2013, Section – 230-232

AND

In the matter of: PS Plywood Products Pvt. Ltd. & Anr.



Certified Copy of the Order dated 10.08.2018 passed by this Bench

08165

Serial No.....

Name..... Raja Sarkar

Address..... High Court, Kol-01

2018

Prop:- Srikant Thakur
Licenced Stamp Dealer
BACHAN GANNA
2 & 3, Bankshall, Kolkata - 700 001

01 2018

Form No. CAA.7

[Pursuant to section 232 and rule 20]

IN THE NATIONAL COMPANY LAW TRIBUNAL

KOLKATA BENCH

CP(CAA) No.529/KB/2018

Connected with

CA(CAA) No. 214/KB/2017

An Application under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Companies(Compromise, Arrangement and Amalgamation) Rules, 2016 ;

-And-

PS PLYWOOD PRODUCTS PRIVATE LIMITED, a Company incorporated under the Companies Act, 1956 and having its Registered Office at 113, Park Street, North Block, 4th Floor, Kolkata - 700 016 in the State of West Bengal, within the aforesaid jurisdiction

-And-

SARDA PLYWOOD INDUSTRIES LIMITED, a Company incorporated under the Companies Act, 1956 and having its Registered Office at 9, Parsee Church Street, Kolkata - 700 001 in the State of West Bengal, within the aforesaid jurisdiction

1. PS PLYWOOD PRODUCTS PRIVATE LIMITED

2. SARDA PLYWOOD INDUSTRIES LIMITED

... Petitioners



Order Under Sections 230 and 232 of the Companies Act,2013

1. The above Company Petition coming on for further hearing on the 01st August, 2018 and upon hearing the advocate appearing for the Petitioners and upon hearing Deputy Director of Regional Directorate, Eastern Region representing the Central Government the final order was passed on the 10th August, 2018.

2. The object of this Petition is to ultimately obtain sanction of this Tribunal for the Scheme of Amalgamation whereby and where under the entire undertaking of PS PLYWOOD PRODUCTS PRIVATE LIMITED, the Petitioner Company No. 1, the Transferor Company together with all rights, interest, claims, debts and obligations of the Transferor Company relating thereto are proposed to be transferred to and vested in and SARDA PLYWOOD INDUSTRIES LIMITED, the Petitioner Company No. 2, the Transferee Company on the terms and conditions stated in the Scheme of amalgamation.

3.. A copy of the Scheme of Amalgamation is annexed with the Petition and marked with Annexure "A".

4. It is stated in the Petition that the Transferor Company was incorporated with the object to carry on the business of manufacturing or dealing in wood products, Timber Veneer, Sheets Plywoods, Particle Boards, Block Boards, Medium Density Fiber Boards, Laminated Plywood, Decorative Plywood, laminates and Wooden Furniture, Hardwood Blocks for flooring etc.



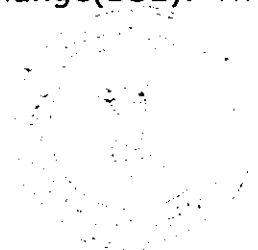
5. The Transferee Company is engaged in manufacturing, trading, exporting importing, assembling, distributing and dealing with various kinds of Plywood, Veneer, Tea and other woodbased items. The Equity shares of the Transferee Company are listed and traded on the Bombay Stock Exchange/BSE Limited.

6. In order to consolidate the business and to achieve synergies in market share, obtain economies of scale, avoid and eliminate unnecessary costs, duplication of costs of administration, it is proposed to merge all the business into one single company. The Amalgamation of the Company will help the Transferee Company to streamline its business and help it to carry on its business more efficiently.

7. It is also stated in the Petition that the Scheme of Amalgamation will have beneficial result for the Transferor Company and the Transferee Company and also to the shareholders of all the Companies involved herein and the real value of the shares will increase.

8. The Board of Directors of PS PLYWOOD PRODUCTS PRIVATE LIMITED and SARDA PLYWOOD INDUSTRIES LIMITED, at their respective Board meeting, both held on 16th September, 2016, by resolution passed, have unanimously approved the Scheme of Amalgamation.

9. It is also stated in the Petition that the shares of SARDA PLYWOOD INDUSTRIES LIMITED are listed at Bombay Stock Exchange(BSE). The



Bombay Stock Exchange, vide their letter dated 30th December, 2016 addressed to the Petitioner Company No.2, have given their consent in regard to filing of the Scheme of Amalgamation.

10. The copy of the said letter dated 30-12-2016 is annexed with the Petition and marked with Annexure "L".

11. It is further stated that the aggregate assets of the Transferor Company are more than sufficient to meet the aggregate liabilities of the Transferor Company. The Scheme will not adversely affect the rights of any of the Creditors of the Transferor Companies in any manner whatsoever.

12. The current provisional balance sheet from 1st April, 2016 of both the Petitioner Companies prepared as on 31st December, 2016 are annexed with the Petition and collectively marked with Annexure "M".

13. There are no proceedings pending under Sections 206 to 213 of the Companies Act, 2013 against any of the Petitioner Companies. There are also no proceedings pending under Sections 241 and 242 of the Companies Act, 2013.

14. It is stated hat no one will be prejudiced if the proposed Scheme of Amalgamation is sanctioned and the sanction of the Scheme of Amalgamation will be beneficial and in the interest of the Petitioner Companies and their shareholders, Creditors, employees and all concerned.



15. By an Order made in Company Application CA(CAA) No. 214/KB/2017 on 28th July, 2017, this Tribunal had directed holding of separate meeting of the Equity Shareholders, Secured Creditors and the Unsecured Creditors of the Petitioner Company Nos. 1 and 2 for the purpose of considering and if thought fit approving with or without modification the Scheme of Amalgamation proposed to be made between the Transferor Company with the Transferee Company.

16. Upon compliance of the terms of the aforesaid Order dated 28th July, 2017 of this Tribunal, passed in CA(CAA) No. 214/KB/2017, separate meetings of the Equity Shareholders, Secured Creditors and the Unsecured Creditors of the Petitioner Companies had been held and the Chairperson appointed for the said meetings had already submitted his reports all dated 8th November, 2017 before this Tribunal duly supported by his affidavits.

17. Subsequent to the above compliance as per order dated 28th July, 2017 of this Tribunal, passed in CA(CAA) No. 214/KB/2017, the Petitioner Companies had filed the second motion before this Tribunal and order was passed on 13th June, 2018, in CP(CAA) No. 529/KB/2018, directing the Petitioner Companies to serve the notice along with copy of petition upon the Central Government through the (a) Regional Director, Eastern Region, Ministry of Corporate Affairs, (b) Registrar of Companies, West Bengal, (c) Income Tax Department of the office having jurisdiction over the respective

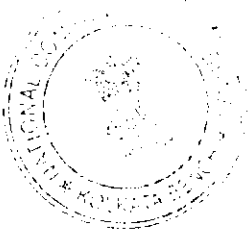


petitioner companies (d) Official Liquidator and for publication to be made once in English daily 'The Business Standard' and in Bengali 'Sambad Pratidin' and for hearing on 1st August, 2018.

18. In terms of the direction of the aforesaid order dated 13th June, 2018 of this Tribunal, the Petitioner Companies have served the notice along with Petition upon the Regional Director, Registrar of Companies, West Bengal on 20th June, 2018 and upon the Income Tax Department of both the petitioner companies on 19th June, 2018 and necessary publication in newspapers was also made in English in 'Business Standard' and in Bengali 'Sambad Pratidin' both dated 2nd July, 2018.

19. Pursuant to the order passed by this Tribunal on 13th June, 2018, in CP(CAA) No. 529/KB/2018, the Petitioner Companies have filed affidavit of Compliance duly affirmed on 24th July, 2018 evidencing publication made once each in "Business Standard", in English and "Sambad Pratidin" in Bengali both dated 2nd July, 2018 and serving copy of the Petition upon the Central Government and other Regulatory Authorities having jurisdiction over the affairs of the Petitioner Companies.

20. The Regional Director , Eastern Region , Ministry of Corporate Affairs has, vide his affidavit affirmed on 31st July, 2018 has reported as below :



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"2.(a) That it is submitted that on examination of the report of the Registrar of Companies, west Bengal it appears that no complaint and nor representation has been received against the proposed Scheme of Amalgamation. The petitioner companies are also up dated in filing their statutory returns. It is further submitted that on examination of the proposed Scheme of Amalgamation, it appears that the proposed Scheme is not prejudicial to the interest of members/shareholders and/or public. The Central Government has, therefore, decided that the instant Petition/Scheme need not be opposed.

(b) It is further submitted that, on perusal of the Chairman's report of the meeting of the Secured Creditor of the Transferee Company held on 11th October, 2017, it is observed that two secured creditors attended the meeting comprising the value of Rs. 8312.48 lakhs and he resolution was passed unanimously. However, in the order of the Hon'ble NCLT dated 13-06-2018, in page 6 of the order it is mentioned that "the meeting was attended by 2 secured creditors of the Transferee Company having an aggregate value of Rs. 8,312.48. The resolution was passed unanimously by the secured creditors of the Transferee Company by presenting and voting at the said meeting". It seems that there is some typographical mistakes in the order of Hon'ble NCLT which may kindly be looked into by the said Hon'ble Tribunal.

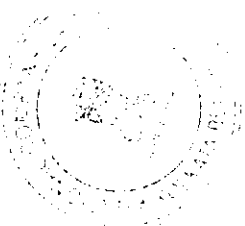


(c) It is submitted that as per instructions of the Ministry of Corporate Affairs, New Delhi, a copy of the scheme was forwarded to the Income Tax Department on 25.09.2017 with a request to forward their comments/observations /objections, if any on the proposed Scheme of Amalgamation within 15 days and report received from the said authority vide letter dated 01-12-2017 and 09-11-2017 are enclosed collectively and marked as "Annexure A", which may kindly be perused by the Hon'ble Tribunal" .

21. The typographical mistakes in the Order of this Tribunal dated 13th June, 2018, as observed by the Regional Director, Eastern Region, Ministry of Corporate Affairs, Kolkata, vide clause 2(b) of his Affidavit affirmed on 31st July, 2018, stands rectified as below :

22. In the Order of this Tribunal dated 13th June, 2018, passed in CP(CAA) No. 529/KB/2018, connected with CA(CAA) No. 214/KB/2017, in Paragraph 13, second sentence it has been written as "The meeting was attended by 2 Secured Creditors of the Transferee Company having an aggregate value of Rs. 8,312.48" which stands corrected as below :

"The meeting was attended by 2 Secured Creditors of the Transferee Company having an aggregate value of Rs. 8,312.48 Lacs."



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23. The Official Liquidator attached to Hon'ble High Court, Calcutta vide his report dated 12th December, 2017 has observed that on the basis of verification carried out in accordance with the generally accepted auditing practices and conventions including test checks, the Official Liquidator is of the opinion that the affairs of the Transferor Company, namely, PS PLYWOOD PRODUCTS PRIVATE LIMITED have not been conducted in a manner prejudicial to the interest of its members or to public interest.

24. Heard the arguments of Ld. Counsels for the Petitioner Companies and the Ld. Deputy Director, Office of the Regional Director, Eastern Region, Ministry of Corporate Affairs.

25. In view of the facts stated above and absence of any objection and since all requisite compliance has been fulfilled, the following orders in terms prayers made in the petition, with modification by this Tribunal are passed :

THIS TRIBUNAL DOTH ORDER

- (a) The Scheme of Amalgamation mentioned in Paragraph 1 of this Petition being Annexure 'A' is sanctioned by this Tribunal to be binding with effect from the 1st April, 2016 on the Petitioner Companies and their Shareholders, Creditors and all concerned.



- (b) All properties, rights, powers of the petitioner Company No. 1 are transferred without further act or deed to the Petitioner Company No.2 and accordingly the same shall be pursuant to Section 232 of the Companies Act, 2013 be transferred to and vest in the Petitioner Company No.2 for all estate and interest of the Petitioner Company No. 1 but subject nevertheless to all charges affecting the same.
- (c) All the debts, liabilities, duties, obligations of the Petitioner Company No.1 are transferred without further act or deed to the Petitioner Company No.2 and accordingly the same shall be pursuant to section 232 of the Companies Act, 2013 be transferred to and become the debts, liabilities, duties, obligations of the Petitioner Company No.2.
- (d) All proceeding and/or suits and/or appeals now pending by or against the Petitioner Company No.1 be continued by or against Petitioner Company No. 2.
- (e) Leave is granted to the Petitioners to file the Schedule of Assets of the Petitioner Company No. 1 as stated in paragraph 23 of the Petition within 6 (Six) weeks from the date of this order ;



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(f) All the Petitioner Companies do within 30(Thirty) days after the date of receiving this Order cause a certified copy of the order to be delivered to the Registrar of Companies, West Bengal for registration respectively and on such certified copy being so delivered, the Transferor Company shall be dissolved and the Registrar of Companies shall place all documents relating to the Transferor Company and registered with him on the file kept by him in relation to the Transferee Company and the files relating to the said companies shall be consolidated accordingly;

26. Any person interested shall be at liberty to apply before this Tribunal in the above matter for such directions as may be necessary.

27. In the event of the petitioner companies supplying the legible computerized print out of the scheme and schedule of assets in acceptable form to the department, the department will append such computerized print out, upon verification to be certified copy of the order without insisting on hand-written copy thereof.

28. Accordingly, the Company Petition CP(CAA) No. 529KB/2018 connected with Company Application CA(CAA) No. 214/KB/2017 stands disposed of.



Witness:

Sri Jinan K R, Hon'ble Member (Judicial) at Kolkata aforesaid on the 10th August, 2018.

Mr. Raja Sarkar, Advocate of petitioners.

Ms. Tia Inla Deputy Director, C/o. Regional Director, Eastern Region,
Ministry of Corporate Affairs, Government of India

Schedule of Assets

First Part-I

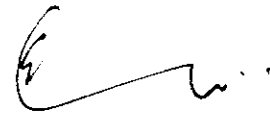
(As per Annexure)

Second Part-II

(As per Annexure)

Third Part-III

(As per Annexure)



Registrar-in-charge

National Company Law Tribunal

Kolkata Bench

Dated, the 31st day of August, 2018



SCHEME OF AMALGAMATION
OF
P S PLYWOOD PRODUCTS PRIVATE LIMITED
WITH
SARDA PLYWOOD INDUSTRIES LIMITED

PART-I

DEFINITIONS :

In this scheme unless repugnant to the meaning or context thereof, the following expression shall have the meaning as under:

1. "PSPPL" means **P S PLYWOOD PRODUCTS PRIVATE LIMITED**, a company incorporated under the Companies Act, 1956 and having its Registered Office at 113, Park Street, North Block, 4th Floor, Kolkata-700016 in the state of West Bengal.
2. "SPIL" means **SARDA PLYWOOD INDUSTRIES LIMITED**, a company incorporated under the Companies Act, 1956 and having its Registered Office at 9, Parsee Church Street, Kolkata-700 001 in the state of West Bengal.
3. "THE TRANSFEROR COMPANY" means **P S PLYWOOD PRODUCTS PRIVATE LIMITED**.
4. "THE TRANSFEREE COMPANY" means **SARDA PLYWOOD INDUSTRIES LIMITED**.
5. "APPOINTED DATE" means the commencement of business on 1st April, 2016.
6. "EFFECTIVE DATE" means the date on which the last of the sanction/permission/approvals specified in the scheme shall have been obtained and filed with the Registrar of Companies, West Bengal.
7. "THE ACT" means the Companies Act, 1956 or the Companies Act, 2013 as in force from time to time. As on the date of approval of this Scheme by the Boards of Directors of the Transferor Company and the Transferee Company, Sections 391 and 394 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the Companies Act, 2013 since the same have not been notified. References in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 1956, unless stated otherwise. Upon such provisions of the Companies Act, 1956 standing re-enacted by enforcement of provisions of the Companies Act, 2013, such references shall, unless a different intention appears, be construed as references to the provisions so re-enacted.
8. "BOARD" or Board of Directors includes any committee thereof.

9. "PROCEEDINGS" include any list, approval or any legal proceeding or whatever matter in any Court of Law or Tribunal or any judicial or quasi-judicial body or any arbitration proceeding.
10. "THE SCHEME" means the Scheme of Amalgamation in its present form or with any modification(s) approved by the Shareholders in general meeting and thereafter by the Honn'ble High Court, Calcutta.

WHEREAS:

1. The Transferor Company was incorporated with the object to carry on the business of manufacturing or dealing in wood products, Timber Veneer, Sheets Plywoods, Particle Boards, Block Boards, Medium Density Fiber Boards, Laminated Plywood, Decorative Plywood, laminates and Wooden Furniture, Hardwood Blocks for flooring etc.
2. The Transferee Company is engaged in manufacturing, trading, exporting, importing, assembling, distributing and dealing with various kinds of Plywood, Veneer, Tea and other woodbased items. The Equity shares of the Transferee Company are listed and traded on the Bombay Stock Exchange / BSE Limited (the Stock Exchange)
3. In order to consolidate the business and to achieve synergies in market share, obtain economies of scale, avoid and eliminate unnecessary costs, duplication of costs of administration, it is proposed to merge all the business into one single company. The amalgamation of the company will help the Transferee Company to streamline its business and help it to carry on its business more efficiently.
4. This scheme will enable the Transferee Company to cut its business losses and to function in more efficient manner and enjoy the economy of scale and will result in reduction of overhead and other expenses and administrative and procedural work and proper and more productive utilisation of various resources.
5. The said scheme will strengthen and consolidate the position of the amalgamated company and will enable the amalgamated company to increase its profitability.
6. The Scheme will have beneficial result for the Transferor Company and the Transferee Company and also to the shareholders of all the companies involved herein and the real value of the shares will increase.
7. In view of the manifest advantages, it is proposed to merge the Transferor Company and the Transferee Company.
8. The present scheme of Amalgamation is proposed for the merger of the Transferor Company with the Transferee Company.

9. SHARE CAPITAL :

The Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferor Company and the Transferee Company is as under:

i. The Transferor Company:

<u>Authorised Share Capital:</u>	<u>(Rs.)</u>
12,750,000 Equity Shares of Rs.10/- each	1,27,500,000/-
<u>Issued Share Capital:</u>	
12,750,000 Equity Shares of Rs.10/- each	1,27,500,000/-
<u>Subscribed and Paid up Share Capital:</u>	
12,750,000 Equity Shares of Rs.10/- each	1,27,500,000/-

ii. The Transferee Company:

<u>Authorised Share Capital:</u>	<u>(Rs.)</u>
25,000,000 Equity Shares of Rs.10/- each	2,50,000,000/-
<u>Issued Share Capital:</u>	
4,697,810 Equity Shares of Rs.10/- each	46,978,100/-
<u>Subscribed and Paid up Share Capital:</u>	
4,517,885 Equity Shares of Rs.10/- each fully paid up	45,178,850/-
5,625 Forfeited Equity Shares of Rs.10/- each partly paid up	28,125/-
TOTAL:	<u>45,206,975/-</u>

None of the Shares of the Transferee Company are held by the Transferor Company. However, 59,50,000 equity shares of Rs. 10/- each of the Transferor Company are held by the Transferee Company as on 31.03.2016.

PART- II
THE SCHEME

1. TRANSFER OF UNDERTAKING:

- 1.1 With effect from the 'Appointed Date' and subject to the provisions of this Scheme in relation to the mode of transfer and vesting, the entire undertakings and the entire business and all the movable and immovable properties, real or personal, corporeal or incorporeal of whatsoever nature and wheresoever situated belonging to or in the ownership, power and possession and/or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company including but without being limited to fixed assets, capital, work-in-progress, current assets, debts, receivables, investments, interest, benefits and advantages of whatsoever nature and wheresoever situated, belonging to or in the ownership, power or possession and/or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company right to use and avail of tenancies, telephones, internet, facsimile connections and installations, utilities, electricity, power lines, communication lines and other services, reserves, deposits, provisions, funds, benefits of all agreements, subsidies, grants and all other interests arising to the Transferor Company and any accretions or additions thereto after the Appointed date (hereinafter collectively referred to as '**the Said Assets**') shall without any further act, instrument or deed be transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the said Act for all the estate, right, title and interest of the Transferor Company therein, so as to become the properties of the Transferee Company.
- 1.2 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company is a party or any writings, as may be necessary, in order to give formal effect to the above provisions.

The Transferee Company shall under provisions of the Scheme be deemed to be authorized to execute any such writing on behalf of the Transferor Company and implement or carry out all such formalities or compliance's referred to above on the part of the Transferor Company to be carried out or performed.

- 1.3 Save as specifically provided in this Scheme, neither the Transferor Company nor the Transferee Company shall make any change in their capital structure (Paid-up Capital) either by any increase (by a fresh issue of rights shares, equity or preference shares, bonus shares, convertible debentures or otherwise), by decrease, reduction, reclassification, sub-division or consolidation, re-organization, or in any other manner which may in any way effect the share exchange ratio prescribed in Clause 7 hereunder, except by mutual consent of the Board of Directors (hereinafter referred to as "the Board") of both the Companies. The Transferee Company may however be and is hereby permitted to take steps for increase of its Authorized Capital, as needs to be enhanced by the provisions of this Scheme or any other proposal as may be undertaken after consent of the Board of Directors of the Transferor Company.

2. TRANSFER OF DEBTS AND LIABILITIES:

With effect from the said Appointed Date, all debts, liabilities, duties and obligations of the Transferor Company (hereinafter referred to as "**the Said Liabilities**") and any accretions and additions or decrections thereto after the Appointed Date shall without any further act or instrument or deed stand transferred and vested in or be deemed to be transferred to and vested in the Transferee Company so as to become as and from that date, the debts, liabilities, duties and obligations of the Transferee Company. PROVIDED ALWAYS that nothing in this clause shall or is intended to enlarge the security for any loan, deposit or other indebtedness created by the Transferor Company prior to the 'Appointed Date' which shall be transferred to and vested in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be required or obliged in any manner to create any further or additional security therefore after the 'Appointed Date' or otherwise.

3. LEGAL PROCEEDINGS:

All legal or other proceedings, if any, by or against the Transferor Company pending and/or arising on or before the 'Effective Date' relating to the said undertakings including their property, rights, powers, liabilities, debts, obligations and duties of the Transferor Company shall be continued and be enforced by or against the Transferee Company, as the case may be, as effectually as if the same had been pending and/or arising by or against the Transferee Company.

4. CONDUCT OF BUSINESS TILL EFFECTIVE DATE:

- 4.1 The Transferor Company shall carry on and be deemed to have carried on all its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all the said Assets for and on account of and in trust for the Transferee Company.
- 4.2 All the profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred by the Transferor Company shall for all purposes be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of the Transferee Company, as the case may be.

- 4.3 The Transferor Company shall carry on its business activities with reasonable diligence, business prudence and shall not alienate, charge, mortgage, encounter or otherwise deal with the said Assets or any part thereof, except in the ordinary course of business, or without the prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken by the Transferee Company prior to the Appointment Date.
- 4.4 The Transferor Company shall also be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, as are necessary for such consents, approvals and sanctions, which the Transferee Company may require.

5. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS:

Subject to other provisions contained in the Scheme, all contracts, deeds, bonds, agreement and other instruments of whatsoever nature to which the Transferor Company a party subsisting or having effect immediately before the amalgamation, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced as fully and effectively as if instead of the Transferor Company, the Transferee Company has been a party thereto. The Transferee Company shall enter into and / or issue and / or execute deeds, writings or confirmation or enter into arrangement, confirmations to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this clause, if so required or it becomes necessary.

6. CONCLUDED MATTERS:

The transfer and vesting of the Said Assets and the Said Liabilities in and the continuous of contracts and proceedings by or against the Transferee Company as provided in the Scheme shall not effect any contract or proceedings relating to the Said Assets and Said Liabilities fully performed and completed by the Transferor Company before the Appointed Date and the Transferee Company accepts and adopts all such acts, deeds, matters and things done and / or executed by the Transferor Company this regard.

7. ISSUE OF SHARES BY THE TRANSFEE COMPANY:

- 7.1 Upon the coming into effect of this scheme and its consideration thereof, the Transferee Company viz. "SPIL" shall without any further application, act or deed, issue and allot :
- (a) 2 (Two) Equity shares of Rs. 10/- (Rupees Ten only) each credited as fully paid-up of the Transferee Company viz. "SPIL" to the Equity Shareholders of the Transferor Company viz. "PSPPL" for every 7(Seven Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each fully paid up and held in "PSPPL" (hereinafter referred to as "Equity Share Exchange Ratio") and whose names are recorded in the Register of Members on a date (hereinafter referred to as "Record Date") to be fixed by the Board of Directors of the Transferee Company or any committee thereof.
- 7.2 If necessary, the Transferee Company shall before allotment of the Equity Shares in terms of the Scheme, increase its Authorised Share Capital by such amount as it stands to the credit of the Transferor Company by creation of at least such number of Equity Shares of Rs. 10/- each as may be necessary to satisfy its obligation under the provisions of the scheme in compliance with the applicable provisions of the Companies Act by paying the requisite fee with the statutory authority.

- 7.3 The Equity Shares so allotted by the Transferee company to the members of the Transferor Company will in all respect rank paripassu with the existing Equity Shares of the Transferee Company for dividend and voting rights, save and except that the holders of such Equity shares shall not be entitled to dividend declared by the Transferee Company before the Effective Date.
- 7.4 Upon the coming into effect of this Scheme, the shareholders of the Transferor Company shall surrender their Share Certificates for cancellation thereof to the Transferee Company. Notwithstanding anything to the contrary, upon the new shares in the Transferee Company being issued and allotted by it to the eligible shareholders of the Transferor Company whose names shall appear on the Registers of Members of the Transferor Company on the Record Date, the Share certificates in relation to the shares held by them in the Transferor Company shall be deemed to have been cancelled and shall be of no effect on and from such issue and allotment.
- 7.5 For the purposes of this clause (a) no fractional certificates shall be issued by the Transferee Company in respect of the fractional entitlements, if any, to which the member of the Transferor Companies may be entitled and all such fractional entitlements shall be allotted to any of the director or officer of the Transferee Company as a trustee(s) for sale at the best available price and the entire net proceeds shall be distributed to the persons entitled thereto in proportion to their respective fractional entitlements and (b) joint shareholders shall be treated as a single shareholder.
- 7.6 The new equity shares of the Transferee Company issued in terms of Clause 7.1 of this Scheme will be listed and/or admitted to trading on the Bombay Stock Exchange Limited / BSE Limited ("the Stock Exchange") where the shares of the Transferee Company are listed and/or admitted to trading. The Transferee Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said stock exchange.
- 7.7 The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends only out of disposable profit earned by respective companies during the relevant financial year and shall not transfer any amount from the reserves for the purposes of payment of dividend. The dividend shall be declared by the companies only by mutual agreement between the Board of Directors of both the Companies.
- 7.8 The holders of the Shares of the Transferor Company and Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their Existing right under their respective Articles of Association including the right to receive dividends from the respective companies, of which they are members till the date, this Scheme finally takes i.e. the Effective Date.
- 7.9 Notwithstanding anything to the contrary in the Articles of Association of the Transferee Company, members of the Transferor Company, upon becoming members of the Transferee Company as envisaged in Clause 7.1 of the Scheme, shall be entitled to pro-rata dividend for the period commencing the day succeeding the last date (which shall in no event be prior to the Appointed Date) up to which the dividend had been declared by the Transferor Company till the Effective Date in addition to such dividend if any that may be declared after the Effective Date as provided above.
- 7.10 It is clarified, however that the aforesaid provisions in respect of declarations of dividend are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company or Transferee Company to demand or claim or

be entitled to any dividend which subject to the provisions of the said Act, shall be entirely on the discretion of the Board of Directors and the approval of the shareholders of the respective companies.

7.11 Subject to an order being made by the High Court at Calcutta under Section 394 of the Act, the Transferor Company shall be dissolved without winding up, upon the Scheme becoming effective.

8. EMPLOYEES:

- a) All the employees of the Transferor Company, wherever applicable, in service on the 'Effective Date' shall become the employees of the Transferee Company on such date, without any break or interruption in service and on the terms and conditions not less favourable than those subsisting with reference to the Transferor Company. The position, rank and designation of the employees of the Transferor Company will be decided by the Transferee Company.
- b) It is expressly provided that, as far as the provident fund, gratuity fund, Superannuation Fund or any other fund created or existing for the benefit of the employees of the Transferor Company including the accrued leave encashment, if any, are concerned, whether managed by themselves or by any other outsiders, upon the Scheme becoming finally effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes, whatsoever related to the administration or operation of such Schemes or funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions of such Scheme. It is the aim and intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such funds shall become those of the Transferee Company, and that the services of the employees of the Transferor Company in the Transferor Company also be reckoned for the purpose of the aforesaid funds or provisions.

9. TREATMENT OF ASSETS & LIABILITIES OF THE TRANSFEROR COMPANY IN THE TRANSFEE COMPANY'S BOOKS:

It is further provided that upon the Scheme coming into effect and subject to any corrections and/or adjustments as may in the opinion of the Board of Directors of the Transferee Company, be required, the amalgamation will be accounted for in the books of the Transferee Company by adoption of method of accounting in accordance with the Accounting Standard 14 (AS 14) / Indian Accounting Standard as would be applicable to the Company, issued by the Institute of Chartered Accountants of India in such a manner that :

- a) Amounts lying to the credit of surplus in the Profit & Loss Account in the books of the Transferor Company shall be treated as surplus in the Profit & Loss Account in the books of the Transferee Company.
- b) An amount equal to the balance lying to the credit of the Reserve & Surplus in the books of the Transferor Company shall be credited by the Transferee Company to its Reserve & Surplus Account and shall constitute the Transferee Company's free reserve as effectively as if the same was created by the Transferee Company out of its own earned and distributable profits.
- c) The investment of the Transferor Company in the Share Capital of Transferor Company, if any shall stand cancelled and will be adjusted accordingly in the Books.
- d) The balance amount representing the excess of the values of assets over the liabilities after making the adjustments/appropriations referred to above shall be reflected as

Reserve in the books of the Transferee Company as per Accounting Standard(AS 14)/Indian Accounting Standard, as would be, applicable to the Company.

10. APPLICATION:

The Transferee Company and the Transferor Company shall, with all reasonable dispatch, make necessary applications under Sections 391 to 394 of the Act, to the Hon'ble High Court at Calcutta for seeking shareholders' approvals in accordance with law and sanction and carrying out of the Scheme and for consequent dissolution of the Transferor Company without winding up. The said companies shall also apply for and obtain such other approvals, as required by law. Any such application shall, upon constitution of the National Company Law Tribunal be made and/or pursued before the National Company Law Tribunal, if so required. In such event references in this Scheme to the Hon'ble High Court at Calcutta shall be construed as references to the National Company Law Tribunal as the context may require. Further, the Transferor Company and the Transferee Company shall be entitled to take such other steps as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.

11. APPROVAL OF SHAREHOLDERS TO SCHEME THROUGH POSTAL BALLOT AND E-VOTING :

The Transferee Company shall provide for voting by its public shareholders through postal ballot and e-voting, after disclosure of all material facts in the explanatory statement to be sent to the shareholders in relation to the resolution as to be proposed for approval of this scheme under the instructions of the High Court or otherwise in terms of the provisions of the Companies Act, 1956 / 2013 or as directed.

Further, the scheme shall be acted upon only if the votes cast by the public shareholders of the transferee company in favour of the proposal are more than the number of votes cast by its public shareholders against it, through postal ballot and e-voting as mentioned hereinabove.

Furthermore, the Transferee Company shall comply with the Circular No. CIR/CFD/CMD/1/2015 dated November 30, 2015 as issued by the Securities and Exchange Board of India in this regard.

12. MODIFICATIONS/AMENDMENTS TO THE SCHEME:

12.1. The Transferor Company (by its Board) and the Transferee Company (by its board) :

- (i) may assent to any modification or amendment to the Scheme which the Court and/or any other authorities under law may deem fit to direct or impose, and/or
- (ii) may assent to any terms and/or conditions which the Court and/or any other authorities under law may deem fit to direct or impose, and/or
- (iii) give such directions and/or may assent to any modification or amendment which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme, and/or
- (iv) may do all acts, deeds and things as may be necessary, desirable or expedient for giving effect to the Scheme, and the aforesaid modifications, amendments and terms and conditions.

12.2. After dissolution of the Transferor Company, the Transferee Company by its Board of Directors may assent to any modification or amendment to the Scheme which the Court and/or any other authorities under law may deem fit to direct or impose, and/or may assent to any terms and/or conditions which the Court and/or any other authorities under law may deem fit to direct or impose, and/or

- (i) give such directions and/or may assent to any modification or amendment which may otherwise be considered necessary or desirable for setting any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme, and/or
- (ii) may do all acts, deeds and things as may be necessary, desirable or expedient for giving effect to the Scheme and the aforesaid modifications, amendments and terms and conditions.

14. EXPENSES CONNECTED WITH THE SCHEME:

All costs, charges and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with negotiations leading up to the Scheme and of carrying out and completing the terms and provisions of this Scheme in relation to or in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Company in pursuance of this Scheme shall be borne and paid by the Transferee Company.

Notwithstanding anything contained in this Scheme ALL THE immovable properties standing in the name of the Transferor Companies shall be transferred and vested with the Transferee Company after the payment of requisite amount of stamp duty as applicable in the State of Gujarat in case of Scheme of Amalgamation of Companies and standing in the name of the Transferor Company. All the necessary stamp duties require for such transfer shall be paid and borne by the Transferee Company.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

KOLKATA BENCH, KOLKATA

COMPANY PETITION (CAA) NO 529 of 2018
connected with
COMPANY APPLICATION (CAA) NO. 214 OF 2017

In the Matter of :

The Companies Act, 2013.

And

In the Matter of :

An application under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromise, Arrangement and Amalgamation) Rules 2016.

And

In the Matter of:

P S PLYWOOD PRODUCTS PRIVATE LIMITED, a company incorporated under the Companies Act, 1956 and having its Registered Office at 113, Park Street, North Block, 4th Floor, Kolkata-700 016 in the state of West Bengal, within the aforesaid jurisdiction.

And

In the Matter of:

SARDA PLYWOOD INDUSTRIES LIMITED, a company incorporated under the Companies Act, 1956 and having its Registered Office at 9, Parsee

Church Street, Kolkata-700 001 in the state of West Bengal, within the aforesaid jurisdiction:

1. P S PLYWOOD PRODUCTS PRIVATE LIMITED.
2. SARDA PLYWOOD INDUSTRIES LIMITED.

... Petitioners

SCHEDULE OF ASSETS OF P S PLYWOOD PRODUCTS PRIVATE LIMITED (the Transferor Company) TO BE TRANSFERRED TO AND VESTED IN SARDA PLYWOOD INDUSTRIES LIMITED (The Transferee Company):

PART - I

(A short description of the Free Hold Properties and other Assets of the Transferor Company as on 31.03.2016)

W.D.V. as per Books

SL. NO.	PARTICULARS	AMOUNT	
		RS. P.	RS. P.
1.	Land		28028370.00
2.	Buildings		32050174.00
3.	Plant & Machinery		18716037.00
4.	Motor Vehicles		35194.00
5.	Furniture Fixtures		1081.00

PART -II

(A short description of the Lease Hold Properties of the Transferor Company as on 31.03.2016)

NIL

PART -III

(A short description of all shares, stocks, debentures and other chooses in action of the Transferor Company)

INVESTMENTS:

Unquoted fully paid up	Face Value	No. of Shares	Amount (Rs.)
Rajkot Nagrik Sahakari Bank Ltd.	50	39926	Rs. 19,96,300.00

B.	LONG TERM LOANS & ADVANCES	Rs. 6,29,74,312.00
C.	OTHER NON CURRENT ASSETS	Rs. 3,75,000.00
D.	<u>CURRENT ASSETS:</u>	

Particulars	Amount Rs.
Cash and Bank Balances	38,81,191.00
Short Term Loans & Advances	2,09,802.00
Other Current Assets	9,72,222.00

Total	50,63,215.00
	=====

E.	DEFFERED TAX ASSETS	----	NIL
F.	MISCELLANEOUS EXPENSES	----	NIL



MM No - 1580/15
Date of presentation
Application for Copy 20/08/18
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Copying Fee 2600
Registration & Postage Fee 10 Per page
Total ₹ 15000
Date of Receipt & Record of Copy 20/08/18
Date of Preparation of Copy 21/08/18
Date of Deliver of Copy 21/08/18

DD / DR / AR / Court Officer
National Company Law Tribunal
Kolkata Bench

21/08/18