

IN THE HIGH COURT OF JHARKHAND AT RANCHI

Company Petition No.5 of 2015

with

Company Petition No.6 of 2015

Aditya Birla Chemicals(India) Limited, a Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Garhwa Road, P.O. & P.S. Rehla, District Palamau, Jharkhand-822124 through its Authorized Signatory Mr. Hemanta Kumar Panda, Chief Financial Officer, having Office address at Aditya Birla Chemicals(India) Limited, Garhwa Road, P.O. & P.S. Rehla, District Palamau (In C.P. No.6 of 2015)

M/s Aditya Birla Chemicals(India) Limited a company incorporated under the Companies Act, 1956 and having its registered office at Garhwa Road, P.O. & P.S.-Rehla, Palamau, Jharkhand 822124, through its Authorised Signatory Mr. Akash Mishra aged about 44 years, having office address at Aditya Birla Chemicals (India) Limited, Garhwa Road, P.O.-Rehla, Palamau, Jharkhand 822124, Authorised Signatory of Aditya Birla Chemicals (India) Limited (hereinafter referred to as the "Transferor Company")

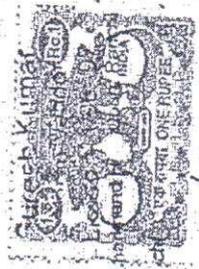
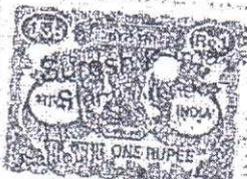
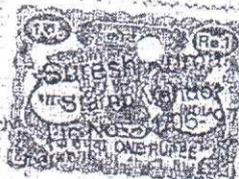
CORAM: HON'BLE MR. JUSTICE D.N. PATEL Petitioners

For the Petitioner:

M/s M.S. Mittal, Sr. Adv.
Shilpi John, Adv.
Naveen Kr., Adv.
Ankit Vijay, Adv.
Saurav Singh, Adv.

03/Dated 24th November, 2015

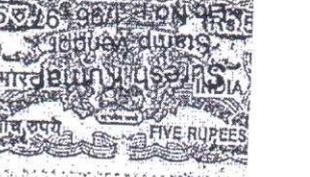
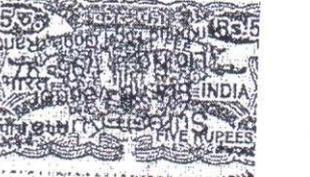
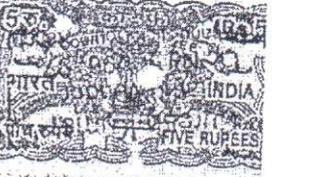
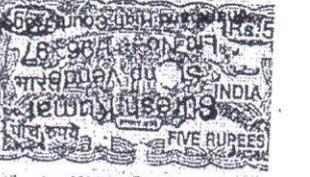
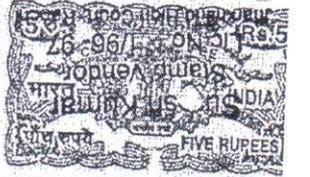
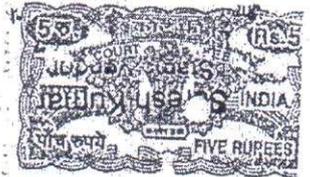
1. Heard Learned counsel for the Parties.
2. This petition under sections 391 to 394 of the Companies Act, 1956 has been filed by the petitioner "Aditya Birla Chemicals (India) Limited" in the matter of Scheme of Amalgamation of Aditya Birla Chemicals (India) Limited (Transferor Company) and Grasim Industries Limited (Transferee Company) and their respective shareholders and creditors (Scheme) and the approval of the said Scheme of Amalgamation in this regard. The registered office of the petitioner-Transferor Company is located at Garhwa Road, P.O. Rehla, District Palamau within the territorial jurisdiction of this Court, whereas the registered office of the Transferee Company namely Grasim Industries Limited is located at Birlagram, Nagda, District Ujjain, Madhya Pradesh and it has been submitted by the counsel for the petitioner that the Transferee Company has filed a separate petition before the High Court of Madhya Pradesh, bench at Indore, which has, by its order dated 9th October, 2015, approved the said Scheme, subject to the outcome of this petition filed by the petitioner before this Court.



Suresh Kumar
Stamp Vendor
Lic No. 1/96-C
Jharkhand High Court

S.N. SASTRY
Unit Head
Grasim Industries Limited
(Chemical Division Renukoot)
P.O. Renukoot-231217, Dist. Sonbhadra, (U.P.)

3. In the first stage proceedings, this court, vide orders dated 1st May, 2015 and 22nd May, 2015 in Company Petition No. 5 of 2015 had directed the meeting of the equity shareholders and unsecured creditors of the petitioner Company and further dispensed the requirement of meeting of secured creditors in view of no objection given by secured creditors to the scheme. The report of the Chairman had been filed disclosing that the shareholders and unsecured creditors had approved the scheme in the meeting.
4. In the present petition, this Court vide order dated 28th August, 2015 had directed the petitioner to serve notice to the concerned Regional Director, Eastern Region, Ministry of Corporate Affairs, Kolkata, West Bengal, Registrar of Companies, Bihar & Jharkhand, Official Liquidator, Jharkhand and Income Tax authority with a direction that the Income Tax Authority may submit their comments/views/remarks on the tax aspects of the Scheme to the concerned Regional Director within 15 days from the receipt of the Notice of the hearing of the petition, in terms of General Circular No. 1/2014, F.No.2/2014 dated 15th January, 2014 issued by Ministry of Corporate Affairs, Government of India. It was further directed that if no response is received by the concerned Regional Director from the Income Tax Department within 15 days it may be presumed that Income Tax Department has no objection to the proposed Scheme and that the concerned Regional Director, Registrar of Companies, Income Tax Department and Official Liquidator are directed to file their reports before the date fixed for hearing and also directed to publish the notice of hearing of the petition in Prabhat Khabar (Ranchi edition) in Hindi and in Hindustan Times (Ranchi edition) in English and publication of notice in the Jharkhand Government Gazette was dispensed with. The affidavit of compliance has been filed in the matter along with the paper publications.
5. From the record and submission of counsel for petitioner, it is found that the petitioner/Transferor Company Aditya Birla Chemicals (India) Limited, was originally incorporated on the 20th day of July, 1976 under the name of "Bihar" Caustic & Chemicals Limited" under the Companies Act, 1956 and the Registrar of Companies, Bihar, Patna had issued a Certificate of Incorporation dated 20th July, 1976. The Registrar of Companies, Bihar, Patna had also issued a Certificate of Commencement of Business dated 18th August, 1976. Thereafter, the name of the

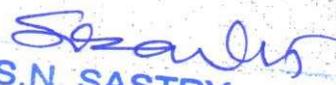



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Transferor Company was changed from "Bihar Caustic & Chemicals Limited" to "Aditya Birla Chemicals (India) Limited" on the 14th day of January, 2009. Consequent to the change of name, the Registrar of Companies, Bihar and Jharkhand issued a fresh Certificate of Incorporation. The Transferor Company has its registered office at Garhwa Road, P.O.-Palamau, Jharkhand-822124. The objects for which the Petitioner Company has been established are set out in its Memorandum of Association. The petitioner Company is inter-alia engaged in the business of manufacture of Chlor Alkali and allied chemicals. The Transferor Company is one of the leading Chlor-Alkali Company with manufacturing plants located at Rehla (Jharkhand), Renukoot (Uttar Pradesh), Karwar (Karnataka) and Ganjam (Odisha).

6. The Transferee Company was initially incorporated as "Gwalior Rayon Silk Manufacturing (Weaving) Company Limited" on the 25th day of August, 1947 in the then Gwalior State, pursuant to the provisions of the Gwalior Companies Act (1 of Samvat 1963). The name "Gwalior Rayon Silk Manufacturing (Weaving) Company Limited" was subsequently changed to the current name, i.e. "Grasim Industries Limited", on the 22nd day of July, 1986. Consequent to the change of name under the provisions of the Companies Act, 1956 (hereinafter referred to as the "Act"), a Fresh Certificate of Incorporation was issued by the Registrar of Companies, Madhya Pradesh, Gwalior. The Transferee Company has its registered office at Birlagram, Nagda, 456331, District Ujjain, Madhya Pradesh. The objects for which the Transferee Company has been established are set out in its Memorandum of Association. The Transferee Company is primarily engaged in the manufacture and sale of viscose staple fibre, chemicals, textiles and cement (through its subsidiary). The Articles and Memorandum of Association along with the last Audited Balance-Sheet of both of the companies, Petitioner and Transferee Company, as on 31st March, 2014 have been filed.

7. The Scheme of Amalgamation has been proposed to consolidate the Chlor-Alkali business of the Aditya Birla Group into the transferee Company in line with the Group's philosophy to unify similar business in one Company, since the petitioner company and Transferee Company are also engaged in business of Chlorin derivatives in a substantial manner. It is considered desirable and expedient to amalgamate the Transferor Company with the Transferee Company in the manner and on the terms


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and conditions stated in the Scheme. The said amalgamation will also enable better and efficient management, control and running of the business to attain operational efficiencies. Cost competitiveness, create synergies and will be beneficial for capitalising on the growth opportunities to the fullest extent.

8. The scheme of amalgamation has been approved by the Board of Directors of the petitioner and Transferee Company on 11th February, 2015, which has already been filed with the petition.

9. The learned counsel appearing on behalf of the Petitioner Company has further stated that the Transferor Company has complied with all the requirements as per directions of this court and they have filed necessary affidavits of compliance in the Court. Moreover, the petitioner company undertakes to comply with all the statutory requirements, if any, under the Companies Act, 1956 and 2013, and rules made thereunder, whichever is applicable. The said undertaking is accepted.

10. The Regional Director has filed an Affidavit stating therein that the Central Government has decided that the petition/application need not be opposed and the matter may be decided by this Hon'ble High Court on merits. It was also noted from the affidavit that Registrar of Company, Bihar & Jharkhand has submitted their report to the Regional Director.

11. The Official Liquidator has filed his report stating therein that the affairs of the Transferor Company do not appear to have been conducted in a manner prejudicial to the interest of its members or to the public interest as per the second proviso of Section 394(1) of the Companies Act, 1956.

12. No objector has come before the court to oppose the Scheme and nor has any party controverted any averment made in the petitions.

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 compliance have been fulfilled, Company Petition No. 6 of 2015 filed by the Transferor Company is made absolute in terms of prayer, which are as follows:-

- (a) That the scheme being Annexure-1 to the petition be sanctioned by this Hon'ble Court so as to be binding on all the equity shareholders, secured creditors and unsecured creditors


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of the petitioner company and the Transferee company and other concerned persons.

(b) Order under Section 394 of the Act for amalgamation of the Petitioner Company with the Transferee Company as set out in the scheme, being Annexure-1 of the Company Petition No. 6 of 2015, and that the same shall, without any further act or deed, be amalgamated or deemed to be amalgamated with the Transferee Company as set out in the Scheme.

(c) Order under Section 394 of the Act for transfer of all the assets including the immovable properties to the Transferee Company without any further act or deed on the part of the petitioner company or transferee company

(d) that all the debts, liabilities, duties, obligations and undertakings of the Petitioner/Transferor Company as set out in the Scheme shall, without any further act or deed, be amalgamated in the Transferee Company so as to become the debts, liabilities, duties and obligations of the Transferee company as set out in the Scheme.

(e) Order under Section 394 of the Act that all suits/appeals or other proceedings of whatsoever nature relating to the petitioner/Transferor company pending and/or arising on or before the date on which the Scheme shall finally take effect, be continued and be enforced by or against the Transferee company as effectually as if the same had been pending and/or arising by or against the Transferee company as set out in the Scheme.

(f) order under Section 394 of the Act, that all employees of the petitioner/Transferor company on its payroll as on the effective date, shall become the employees of the Transferee company in accordance with the provisions set out in the scheme and without any breach or interruption of service, as set out in the Scheme.

(g) Order under Section 394 of the Act of the dissolution, without winding up of the petitioner transferor company on the effective date, as set out in the scheme

15. The scheme being Annexure 1 of the Company Petition No. 6 of 2015 be read as part of this order.

16. The petitioner company is directed to lodge a copy of this order and the scheme with the concerned Superintendent of


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Stamps; for purposes of adjudication of stamp duty payable, if any, on the same within 60 days from the date of the order.

17. The petitioner company is directed to file a copy of this order along with a copy of the scheme with the concerned Registrar of Companies, as per relevant provisions of the Companies Act, 1956 and the Companies Act, 2013, and Rules made thereunder whichever are applicable.

18. The petitioner company is directed to pay a cost of Rs.50,000/- to the Regional Director, Eastern Region, Ministry of Corporate Affairs, Kolkata, West Bengal and Rs. 50,000/- to the Official Liquidator, Jharkhand within the four weeks from the date of the order.

19. All concerned regulatory authorities to act on a copy of this order along with scheme. Both the petitions, namely Company Petition No. 5 of 2015 and Company Petition no. 6 of 2015 are accordingly disposed off

sdt- D. N. Patel. J.

Authorized to be used by:

P. S. Roy
16.12.2015

Company Officer

Designated under Section 111 of J.H.C. Code
Authorized under Section 117B

The 25th Aghahona, 1037
16/12/15

PS
16/12/15

S. N. SASTRY

S.N. SASTRY
Unit Head

Grasim Industries Limited
(Chemical Division Renukoot)
P.O. Renukoot-231217, Distt. Sonbhadra, (U.P.)

ANNEXURE - 1

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SCHEME OF AMALGAMATION

(UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956 AND THE COMPANIES ACT, 2013)

OF

ADITYA BIRLA CHEMICALS (INDIA) LIMITED

WITH

GRASIM INDUSTRIES LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

This scheme of amalgamation (herein after referred to as the "Scheme") provides for the amalgamation of Aditya Birla Chemicals (India) Limited with Grasim Industries Limited pursuant to provisions of Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 and/or the Companies Act, 2013 (to the extent notified and applicable).

DESCRIPTION OF THE TRANSFEROR AND THE TRANSFEREE COMPANY

Aditya Birla Chemicals (India) Limited is a public company, limited by shares, incorporated under the provisions of the Companies Act 1956, under Corporate Identity No. L24100JH1976PLC001255 and having its registered office at Garhwa Road, P.O. - Renu, Palamau, Jharkhand 822124 ("Transferor Company") and is *inter alia* engaged in the business of manufacture of Chlor Alkali and allied chemicals. The equity shares of the Transferor Company are listed on BSE Limited and the National Stock Exchange of India Limited.

Grasim Industries Limited is a public company, limited by shares, incorporated under the provisions of the Companies Act, 1956, under Corporate Identity No. L17124MP1947PLC000410 and having its registered office at Birlagram, Nagda, Dist. Ujjain, Madhya Pradesh 456331 ("Transferee Company") and is *inter alia* engaged in the business of manufacture of viscose staple fibre, chemicals and cement (through its subsidiary). The equity shares of the Transferee Company are listed on BSE Limited and the National Stock Exchange of India Limited.

RATIONALE

The rationale for the proposed amalgamation of Aditya Birla Chemicals (India) Limited with Grasim Industries Limited is, *inter alia*, as follows:

- (a) The nature of the business of the Transferor Company and the Chemical business of the Transferee Company is similar to each other. It is considered desirable to amalgamate the Transferor Company into the Transferee Company to integrate and consolidate the chemical businesses in a single entity. The combined entity will have geographically diversified manufacturing operations spread across the country. The proposed amalgamation will enable better and efficient management, control and running of the businesses to attain operational efficiencies, cost competitiveness, create synergies and will be beneficial for capitalizing on the growth opportunities to the fullest extent.

Certified to be true:

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For Aditya Birla Chemicals (India) Ltd.


(Akash Mishra)
Company Secretary


S.N. SASTRY
Unit Head

Grasim Industries Limited
(Chemical Division Renukoot)
P.O. Renukoot-231217, Distt. Sonbhadra, (U.P.)

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be considered as intra-party transactions for all purposes, from the Appointed Date.

3.12 On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Company and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Transferor Company in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.

3.13 For avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of the bank accounts of the Transferor Company would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. The Transferee Company shall be allowed to maintain bank accounts in the name of the Transferor Company for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Company. It is hereby expressly clarified that any legal proceedings by or against the Transferor Company in relation to the cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company shall be instituted, or as the case maybe, continued by or against the Transferee Company after the coming into effect of the Scheme.

3.14 For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure the smooth transition and sales of products and inventory of the Transferor Company, manufactured and/or branded and/or labelled and/or packed in the name of the Transferor Company prior to the Effective Date, the Transferee Company shall have the right to own, use, market, sell, exhaust or to in any manner deal with any such products and inventory (including packing material) pertaining to the Transferor Company at manufacturing locations or warehouses or retail stores or elsewhere, without making any modifications whatsoever to such products and/or their branding, packing or labelling. All invoices/payment related documents pertaining to such products and inventory (including packing material) may be raised in the name of the Transferee Company after the Effective Date.

4. PERMITS, CONSENTS AND LICENSES

All the licenses, permits, quotas, approvals, incentives, subsidies, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by and all rights and benefits that have accrued to the Transferor Company, pursuant to the provisions of Section 394(2) of the Act, shall without any further act, instrument or deed, be transferred to and vest in or be deemed to have been transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date, the estates, assets, rights, title, interests and authorities of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible in law. Upon the Effective Date and until the licenses, permits, quotas, approvals, incentives, subsidies, rights,



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claims, leases, tenancy rights, liberties, rehabilitation schemes, special status etc transferred, vested, recorded effected and or perfected, in the record of the Appropriate Authority, in favor of the Transferee Company, the Transferee Company is authorized to carry on business in the name and style of the Transferor Company and under the relevant license and or permit and / or approval, as the case may be, and the Transferee Company shall keep a record and/or account of such transactions.

5. EMPLOYEES

(a) Upon the Scheme coming into effect and with effect from the Appointed Date, the Transferee Company undertakes to engage all the Employees of the Transferor Company on the same terms and conditions on which they are engaged by the Transferor Company without any interruption of service as a result of the amalgamation of the Transferor Company with the Transferee Company. The Transferee Company agrees that the services of all such employees with the Transferor Company prior to the amalgamation of the Transferor Company with the Transferee Company shall be taken into account for the purposes of all benefits to which the said Employees may be eligible including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits and to this effect the accumulated balances, if any, standing to the credit of the employees in the existing provident fund, gratuity fund and superannuation fund of which they are members will be transferred to such provident fund, gratuity fund and superannuation funds nominated by the Transferee Company and/or such new provident fund, gratuity fund and superannuation fund to be established and caused to be recognized by the Appropriate Authorities by the Transferee Company. Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the Employees would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Transferor Company. It is clarified that upon transfer of the aforesaid funds to the respective funds of the Transferee Company, the existing trusts created for such funds by the Transferor Company shall stand dissolved.

(b) It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the other employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other employees of the Transferee Company), unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement / settlement, if any, entered into or deemed to have been entered into by the Transferor Company with any union / employee of the Transferor Company.

6. LEGAL PROCEEDINGS

6.1 If any suit, cause of actions, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatever nature (hereinafter called "the Proceedings") by or against the Transferor Company be pending on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the undertaking or of anything contained in the Scheme, but the Proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to



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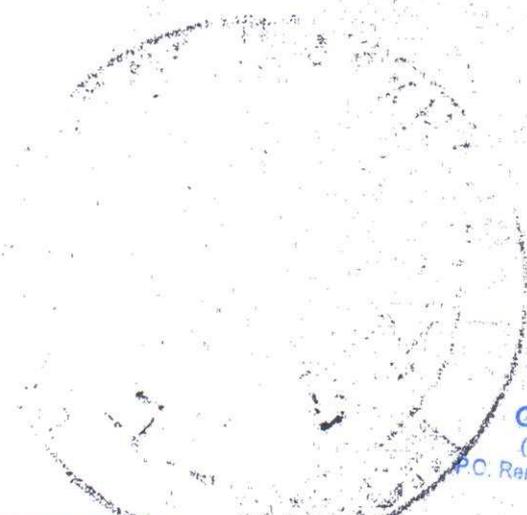
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S. N. Sastry
S.N. SASTRY
 Unit Head
 Grasim Industries Limited
 (Chemical Division Renukoot)
 P.O. Renukoot-231217, Distt. Sonbhadra, (U.P.)

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**HIGH COURT OF MADHYA PRADESH
BENCH AT INDORE
(SB: HON. SHRI JUSTICE PRAKASH SHRIVASTAVA)**

Company Petition No.13/2015

In the matter of the Companies Act of 1956;

AND

in the matter of summons for Directions under Sections 391
to 394 of the Companies Act, 1956;

AND

in the matter of Scheme of Amalgamation of Aditya Birla
Chemicals (India) Limited with Grasim Industries Limited
and their respective shareholders and creditors;

AND

In the matter of
Grasim Industries Limited

... Petitioner
Company

Shri A.K. Chitale, learned senior counsel with Shri
B.A. Chitale, learned counsel for the petitioner.
Shri Deepak Rawal, learned counsel for the R.D.

Whether approved for reporting :

ORDER

(Passed on 9th October, 2015)

1/ This petition under Section 391 to 394 of the
Companies Act, 1956 has been filed by the petitioner Grasim
Industries Limited in the matter of Scheme of Amalgamation of
Aditya Birla Chemicals (India) Limited with the petitioner


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Unit Head

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Company and for the approval of the Scheme of Amalgamation in this regard. The registered office of the petitioner-transferee company is located at Birlagram Nagda, District Ujjain within the territorial jurisdiction of this Court, whereas the registered office of the transferor company namely Aditya Birla Chemicals (India) Ltd. is located at Garhwa Road, P.O.-Palamau, Jharkhand and it has been submitted by counsel for the petitioner that the transferor company has filed a separate petition before the Jharkhand High Court.

2/ In the first stage proceedings, this Court vide order dated 22.4.2015 in Company Petition (Application) No.7/2015 had directed the meeting of the equity shareholders, secured creditors and unsecured creditors of the petitioner-Company. The report of the Chairman has been enclosed with the petition disclosing that the shareholders, secured creditors and unsecured creditors have approved the Scheme in the meeting.



3/ In the present petition, this Court vide order dated 6.7.2015 had issued notice to the Registrar of Companies, Madhya Pradesh and Chhattisgarh, Gwalior and Regional Director, Western Region, Ahmedabad and had also directed advertisement of petition in accordance with the Rules in the official gazette of the State and two daily newspapers namely 'Nai Dunia' (Hindi) and 'Free Press' (English) having circulation in Indore. The affidavit of compliance has been filed in the matter.

4/ From the record, it is found that the petitioner-transferee company was incorporated as 'Gwalior-Rayon Silk Manufacturing (Weaving) Company Limited' on 25.8.1947 and its name was subsequently changed to


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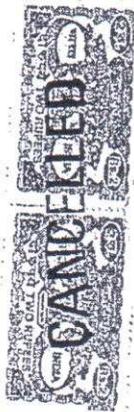


Grasim Industries Limited on 22.7.1986. The company is primarily engaged in the manufacture and sale of viscose staple fibre, chemicals, textiles and cement (through its subsidiary). The Article and Memorandum of Association as also the last audited balance-sheet of the petitioner-Company as on 31.3.2014 has been filed.

5/ So far as the transferor company Aditya Birla Chemicals (India) Limited is concerned, it was originally incorporated on 20.7.1976 and its name has subsequently been changed. The transferor company is *inter alia* engaged in the business of manufacture of Chlor Alkali and allied chemicals. The Article and memorandum of association along with the last audited balance-sheet of the transferor company as on 31.3.2014 has been filed.

6/ The Scheme of Amalgamation has been proposed to consolidate the Group's Chlor-Alkali business into the petitioner-Company in line with the Group's philosophy to unify similar business in one company, since the petitioner-Company and transferor company are also engaged in the business of Chlorine derivatives in a substantial manner. The object of amalgamation is to strengthen the petitioner Company's existing portfolio of viscose staple fibre, caustic soda and allied chemicals and to enable the geographical diversification for the petitioner-Company.

7/ The scheme of amalgamation has been approved by the Board of Directors of the petitioner as well as transferor company on 11.2.2015. The detailed scheme



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Unit Head

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has been filed as Exhibit 'F'.

8/ In pursuance to the notice issued by this Court, the Regional Director has filed the report raising certain objections. These objections are decided hereunder :-

A) The Regional Director has raised the objection that the transferee company is listed with the BSE and NSE and, therefore, it is required to comply with various provisions of the Circulars of SEBI and also required to take NOC from SEBI.

An affidavit dated 21.9.2015 has been filed by the petitioner in response to the objection clarifying that the petitioner will comply with the SEBI Circular and in the SEBI Circular dated 4.2.2013 and 21.5.2013, there is no requirement of obtaining the NOC.

In view of this the objection raised by the RD does not survive.

B) The Regional Director has also raised an objection that 3.49% of equity shares of the petitioner-Company are held by the foreign national/NRI/foreign bodies corporates, therefore, the petitioner should disclose about the compliance of FEMA and RBI guidelines.

The petitioner in response thereof has disclosed in the affidavit dated 21.9.2015 that though 3.49% of equity shares are held by the foreign nationals but the Scheme does not involve violation of any provisions of the Foreign Exchange Management Act, 1999 or any guidelines of the RBI, therefore, no special



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permission of RBI is required.

C) The R.D. has also raised an objection that the communication dated 27.7.2015 was sent by the R.D. to Chief Commissioner of Income Tax with a request to give specific comments of the Income Tax Department about the proposed scheme but no reply has been received, therefore, the petitioner should undertake compliance of provisions of the Income Tax Act and Rules.

In this regard, in the reply dated 21.9.2015 the petitioner has disclosed that in terms of the Circular dated 15.1.2014 of the Ministry of Corporate Affairs, if no response is received from the Income Tax Department within 15 days of receipt of notice, it is to be presumed that the Income Tax Department has no objection against the proposed Scheme of Amalgamation under Section 391 to 394 of the Act. That apart, the petitioner has also undertaken to ensure compliance of the provisions of the Income Tax Act.



9/ Apart from the above, no other objection has been raised by the RD. In the report RD has disclosed that there is no other complaint against the petitioner and the R.D. has not received any objection to the Scheme or affidavit opposing this petition, and that the Scheme may be sanctioned.

10/ Having considered the scheme and on perusal of the record and reports, the scheme appears to be fair and

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reasonable and not opposed to public interest.

11/ Accordingly, the Scheme of Arrangement filed as Exhibit 'F' to the petition is hereby approved. The said scheme may be read as part of this order. The petitioner company shall, within 30 days of this order, file with the Registrar of Companies, Madhya Pradesh a certified copy of this order. The sanction of scheme by this order will be subject to the outcome of the petition filed by the transferor Company before the Jharkhand High Court.

12/ The Petitioner Company to pay the cost of Rs.7,500/- to the counsel for Regional Director within four weeks from today.

13/ In view of the foregoing discussion, it is hereby directed that no formal order is required to be drawn up in terms of Rule 37 in Form No.41 and 42. This petition thus stands disposed of as aforesaid.

C.C. as per rules.



Trikak

(PRAKASH SHRIVASTAVA)
Company Judge

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