

**NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD BENCH  
AHMEDABAD**

T.P. No. 77/NCLT/AHM/2017 (New)  
Gujarat High Court C.P. No. 363/2017 With CA 263/2016 (Old)

Coram:

**Present: Hon'ble Mr. BIKKI RAVEENDRA BABU  
MEMBER JUDICIAL**

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF AHMEDABAD BENCH  
OF THE NATIONAL COMPANY LAW TRIBUNAL ON 30.08.2017**

Name of the Company: Stone Sapphire (India) Pvt. Ltd.

Section of the Companies Act: Section 391-394 of the Companies Act, 1956

<u>S.NO.</u>	<u>NAME (CAPITAL LETTERS)</u>	<u>DESIGNATION</u>	<u>REPRESENTATION</u>	<u>SIGNATURE</u>
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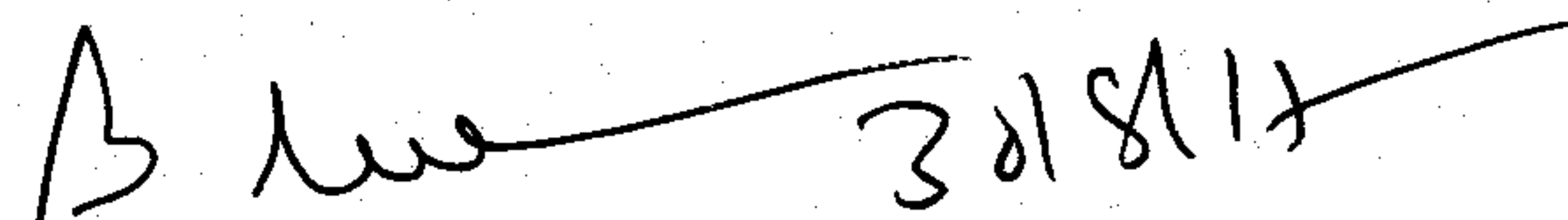
1.	NAVIN PAHWA	ADV.	Petitioner	Abasha
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2.

**ORDER**

Learned Advocate Mr. Navin Pahwa present for petitioner.

Common order pronounced in open Court. Vide separate sheet.

  
**BIKKI RAVEENDRA BABU  
MEMBER JUDICIAL**

Dated this the 30th day of August, 2017.

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD BENCH**

**TP No.76/NCLT/AHM/2017**

**With**

**TP No.77/NCLT/AHM/2017**

In the matter of :-

1. AR Printing & Packaging (India)  
Private Limited,  
A company having its registered  
office at 627, GIDC, Savli,  
Manjusr Savli Road,  
District-Vadodara-391775.

...Petitioner of T.P. No. 76 of 2017  
(Transferor Company)

AND

2. Stone Sapphire (India) Private Limited,  
A company having its registered office  
At Plot No. 627, GIDC, Savli,  
Manjusr, Savli Road,  
District-Vadodara-391 775

...Petitioner of T.P. No. 77 of 2017  
(Transferee Company)

Order delivered on 30<sup>th</sup> August, 2017

**Coram: Hon'ble Sri Bikki Raveendra Babu, Member (J)**

**Appearance:**

Mr. Navin Pahwa with Ms. Natasha Sutharia, Advocates for M/s Thakkar & Pahwa, Advocates for the petitioner companies.

**COMMON ORDER**

1. These petitions under Sections 230-232 of the Companies Act, 2013 have been filed seeking sanction of a proposed Scheme of Arrangement ("Scheme" for short) in the nature of amalgamation of

AR Printing & Packaging (India) Private Limited (Transferor Company) with Stone Sapphire (India) Private Limited (Transferee Company).

2. The petitioner of T.P. No. 76/NCLT/AHM/2017, i.e. AR Printing & Packaging (India) Private Limited, had filed an application in the Honourable High Court of Gujarat, being Company Application No. 262 of 2016, seeking dispensation of the meetings of Equity Shareholders and Unsecured Creditors of the said Company. The Honourable High Court, vide order dated 9<sup>th</sup> June 2016, dispensed with the convening and holding of the meetings of the Equity Shareholders and Unsecured Creditors of the petitioner-company in view of the consent letters given by the Equity Shareholders and Unsecured Creditors of the petitioner-company. Subsequently, the petitioner Transferor Company filed Misc. Civil Application (OJ) No. 92 of 2017 in Company Application No.262 of 2016 before the Hon'ble High Court seeking clarification as to the meeting of the Secured Creditors. By order dated 21.6.2017, the Hon'ble High Court of Gujarat has clarified that as the Transferor Company does not have secured creditor, no meeting of secured creditors was required to be held.

3. The petitioner of T.P. No. 77/NCLT/AHM/2017 i.e. Stone Sapphire (India) Private Limited, had filed an application in the Honourable High Court of Gujarat, being Company Application No.263 of 2016, seeking dispensation of the meeting of Equity Shareholders of the said Company. The Honourable High Court, vide order dated 9<sup>th</sup> June 2016 dispensed with the convening and

holding of the meeting of equity shareholders of the petitioner transferee company in view of the consent letters given by all the equity shareholders. In that order, the Honourable High Court observed that being Transferee Company, the meeting of the creditors is not required to be held.

4. The petitioners, thereafter, filed Company Petitions No. 362 and 363 of 2016 in the Honourable High Court of Gujarat seeking sanction of the Scheme. The Honourable High Court, by its orders, dated 16<sup>th</sup> August, 2016 admitted the aforesaid Company Petitions and directed the issuance of notice to the Regional Director in both the aforesaid Company Petitions and to the Official Liquidator in case of Transferor Company i.e. Company Petition No. 362 of 2016. The High Court also directed publication of notice of hearing of the petitions in the English Daily Newspaper "Times of India" and Gujarati Daily Newspaper "Gujarat Samachar" having circulation in Ahmedabad. The High Court also dispensed with publication of the notice in the Government Gazette.

5. Pursuant to the order dated 16<sup>th</sup> August, 2016 passed by the Honourable High Court, the petitioner- companies published the notice of hearing of the petitions in the English Daily Newspaper "Times of India" and Gujarati Daily Newspaper "Gujarat Samachar", both having circulation in Vadodara on 8.9.2016.

6. In response to the notice to the Regional Director, Ministry of Corporate Affairs, the Regional Director filed a common



representation dated 27<sup>th</sup> October 2016 making two observations. The first observation is with regard to compliance of Accounting Standards-14 and the second observation is with regard to non-convening of meeting of secured creditors by the Transferor Company.

6.1 The petitioner filed reply dated 22.4.2017 to the report of Regional Director, inter alia, stating that without prejudice, the petitioner companies undertake to comply with the Accounting Standards-14. So far as the observation with regard to meeting of secured creditors is concerned, it is submitted that the transferor company does not have secured creditor and therefore, no prayer for dispensation of meeting of secured creditors was made in Company Application No. 262 of 2016. It was further submitted that the Transferor Company has obtained certificate of M/s. D.C. Parikh & Co, Chartered Accountants dated 18.4.2016 certifying that the Transferor Company does not have any secured creditor.

7. In response to the notice to the Official Liquidator, the Official Liquidator filed a representation dated 2<sup>nd</sup> December 2016. However, there are no adverse observations made in the representation except seeking certain compliances. The petitioner Transferor Company filed reply affidavit dated 6<sup>th</sup> June 2017 giving undertaking to make compliances.

8. Subsequently, the Honourable High Court in view of Rule 3 of The Companies (Transfer of Pending Proceedings) Rules, 2016 vide

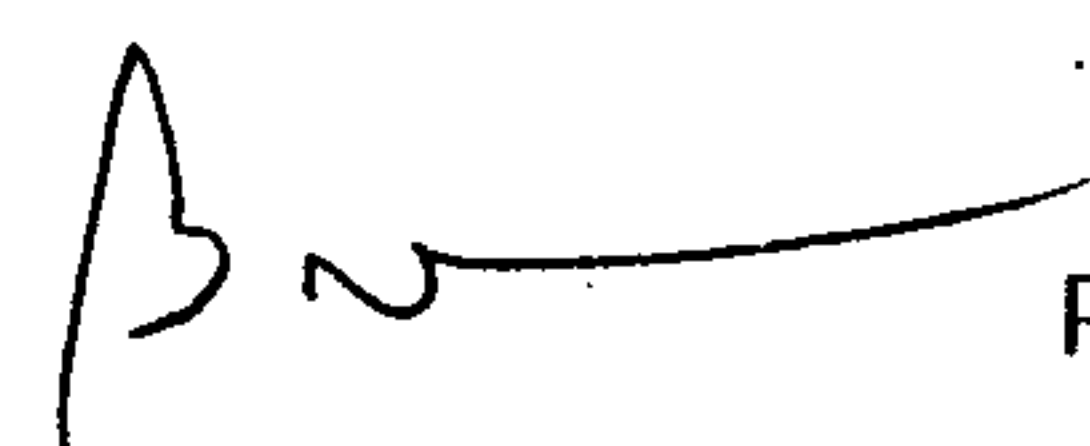
orders dated 28<sup>th</sup> April 2017, transferred the aforesaid Company Petitions to this Tribunal and they came to be renumbered as T.P. Nos. 76 and 77 of 2017.

9. Thereafter, this Tribunal vide orders dated 12<sup>th</sup> July 2017, directed the petitioner-companies to publish notice in the newspaper in which already publication had been made informing the date of hearing. The petitioner-companies were also directed to give notice to the following statutory authorities:-

- a. The Central Government through the Regional Director, Gujarat;
- b. The Registrar of Companies, Gujarat;
- c. The Income Tax Authority;
- d. The Reserve Bank of India; and
- e. The Competition Commission of India

The petitioner-company in T.P. No. 76 of 2017 was also directed to serve notice on the Official Liquidator. The Tribunal also directed issuance of individual notices to equity shareholders and unsecured creditors in case of both the Companies and issuance of individual notices to secured creditors in case of Transferee Company at least 10 days before the date of hearing.

10. In pursuance to order dated 12.7.2017, the petitioner-companies published separate notices of hearing of T.P. Nos. 76 and



77 of 2017 in English daily "Times of India", Ahmedabad Edition and Gujarati Daily "Gujarat Samachar", Vadodara Edition on 27<sup>th</sup> July 2017. Notices of hearing of the petitions were also served upon statutory authorities, namely, (i) the Central Government through the Regional Director, (ii) the Income Tax Authority, (iii) the Registrar of Companies, Gujarat, Ahmedabad, (iv) Reserve Bank of India, (v) Competition Commission of India and (vi) the Official Liquidator and an affidavit of service dated 14<sup>th</sup> August 2017 has been filed by the authorized director of the petitioner-companies. Pursuant to these notices, no representation is received from (i) the Central Government through the Regional Director, (ii) the Income Tax Authority, (iii) the Registrar of Companies, Gujarat, Ahmedabad, (iv) Reserve Bank of India, or (v) the Official Liquidator. The Competition Commission of India has made a representation stating that, as of date, the scheme of arrangement referred to in the subject notice has not been filed with the Commission under the provisions of the Act. The Commission, therefore, requested this Tribunal to seek an undertaking from the companies involved in the Scheme of Amalgamation/Compromise/ Arrangement that CCI approval is not required for the amalgamation.

11. The petitioners also served individual notices to equity shareholders and unsecured creditors of both the Companies and separate affidavits dated 14.8.2017 with regard to service of notices is filed by both the companies. The Transferee Company also served individual notices to secured creditors and an affidavit dated 14.8.2017 with regard to service of notice is filed by it.



12. Heard learned Advocates, Mr. Navin Pahwa with Ms. Natasha Sutaria, for M/s. Thakkar & Pahwa, Advocates, for the petitioner-companies.

13. Considering the entire facts and circumstances of the case and on perusal of the Scheme and the documents produced on record, it appears that the requirements of the provisions of Sections 230 and 232 of the Companies Act, 2013 are satisfied. The Scheme appears to be genuine and *bona fide* and in the interest of the shareholders and creditors.

14. In the result, these petitions are allowed. The Scheme of Arrangement as placed at Annexure-E, is hereby sanctioned and it is declared that the same shall be binding on the petitioner-companies namely, AR Printing & Packaging (India) Private Limited and Stone Sapphire (India) Private Limited, their equity shareholders, creditors and all concerned under the Scheme. The petitioner transferor Company, viz. AR Printing & Packaging (India) Private Limited shall stand dissolved without following the process of winding up.

15. The fees of the Official Liquidator are quantified at Rs. 7500/-. The said fees to the Official Liquidator shall be paid by the Transferee Company.



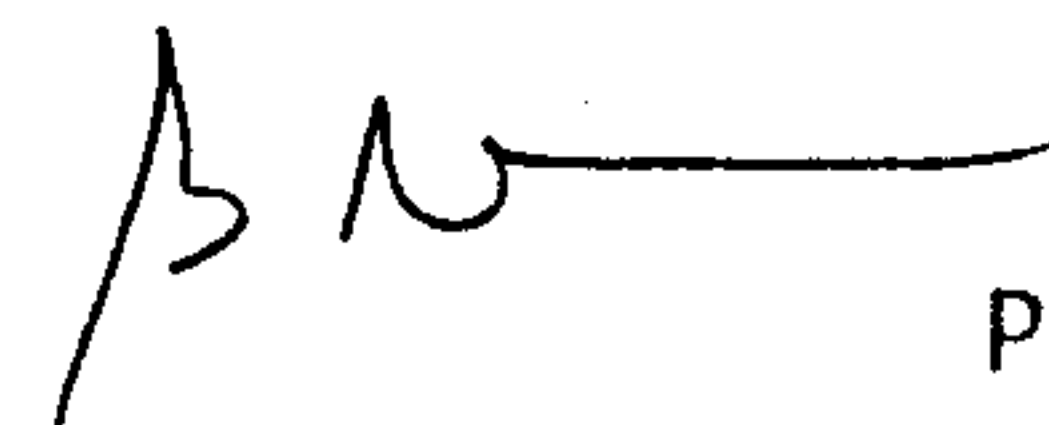
16. The petitioner companies are directed to strictly comply with the requirements of Accounting Standard-14.

17. Transferee Company is hereby directed to preserve the books of accounts, papers and records of the Transferor Company and not to dispose of the same without prior permission of the Central Government as required under section 239 of the Companies Act, 2013.

18. It is further directed that even after the Scheme is sanctioned, the Transferor Company shall comply with all the applicable provisions of law and shall not be absolved from any of its statutory liability.

19. The petitioners are also directed to file an undertaking before the Registry of this Tribunal to the effect that CCI approval is not required for the scheme of amalgamation.

20. It is ordered that the petitioner companies shall comply with Rule 17(2) of Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 with respect to filing of order, if any, for confirmation of the Scheme in form INC-28 with the Registrar of Companies having jurisdiction over the Petitioner Companies.



21. Filing and issuance of drawn up orders are dispensed with. All concerned authorities to act on a copy of this order along with the Scheme duly authenticated by the Registrar of this Tribunal. The Registrar of this Tribunal shall issue the certified copy of this order along with the Scheme immediately.

22. These company petitions are disposed of accordingly.

Signature:.....  
[Bikki Raveendra Babu, Member (J)]

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