

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL**

**BENCH, AT MUMBAI**

**CSP NO 636 OF 2017**

**AND**

**CSP NO 637 OF 2017**

Under the Sections 230 to 232  
of the Companies Act, 2013

In the matter of Scheme of Amalgamation of Pravir  
Polymers Private Limited, the Transferor Company  
with Organic Industries Private Limited, the  
Transferee Company and their respective  
Shareholders and Creditors.

Pravir Polymers Private Limited	...Petitioner/ Transferor Company
Organic Industries Private Limited	...Petitioner/ Transferee Company

Judgement / Order Delivered on 6<sup>th</sup> Day of September 2017.

Coram:

Hon'ble Mr. B.S.V Prakash Kumar, Member (J)

Hon'ble Mr. V. Nallasenapathy, Member (T)

Mr. Ajit Singh Tawar and Mr. Rushil Aiya i/b Ajit Singh Tawar & Co.,  
Advocates for Petitioner

Mr. S. Ramakantha, Joint Director for the Regional Director.

Mr. Snatosh Dalvi, Representative from the office of Official Liquidator.

Per: B.S.V Prakash Kumar, Member (J)



1. Heard learned Counsel for the parties. No objector has come before the court to oppose the Scheme and nor any party has controverted any averments made in the Petitions of Amalgamation of Pravir Polymers Private Limited, the Transferor Company with Organic Industries Private Limited, the Transferee Company.
2. The sanction of the Tribunal is sought under Sections 230 to 232 read with Rule 15(1) of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of Companies Act, 2013 to a Scheme of Amalgamation of Pravir Polymers Private Limited, the Transferor Company with Organic Industries Private Limited, the Transferee Company and their respective Shareholders and Creditors.
3. The Petitioner Companies have approved the said scheme of Amalgamation by passing the Board Resolution in Board Meeting which is annexed to the respective Company Scheme Petitions.
4. The Learned Advocate appearing on the behalf of Petitioner states that the petitions have been filed in consonance with the order passed in the company scheme Application no 519 and 520 of National Company Law Tribunal.
5. The Learned Advocate appearing on the behalf of Petitioner Further states that the Petitioner Companies have complied all requirements as per directions of National Company Law Tribunal, Mumbai Bench. Moreover, Petitioner Companies undertake to comply with all the statutory requirements if any, as required under Companies Act 1956/2013 and the rules made there under whichever is applicable. The said Undertaking is accepted.



6. The Learned Counsel for the Petitioners states that, Transferor Company is company currently carrying out business activity of giving property on rent which is covered in the objects which is incidental or ancillary to the attainment of main object of the Company Whereas the Transferee Company is engaged in the business of manufacturing, processing and refining of Chemicals and manufacturing of Plastics Packaging Products.
7. The proposed Scheme of Amalgamation will lead to consolidation of companies within the group, simplified corporate structure, reduction of intra-group transactions and compliance requirements under various laws, reduction of operating and compliance costs and achievement of administrative, operative and management efficiencies.
8. The Official Liquidator filed his report on 6<sup>th</sup> day of June, 2017 stating that the affairs of the Transferor Company have been conducted in proper manner and that the Transferor Company may be ordered to be dissolved.
9. The Regional Director has filed his report dated 5<sup>th</sup> Day of September 2017 and has stated that save and except as stated in Paragraph IV of the said Report, the regional Director has stated that:

“IV. The observations of the Regional Director on the proposed Scheme to be considered by the Hon’ble NCLT are as under:-

- (a) *In addition to compliance of AS-14 (IND AS-103) the Transferee Company shall pass such Accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS-8) etc.*



(b) *As per existing practice, the Petitioner companies are required to serve notice for scheme of arrangements to the income tax department for their comments. It is observed that the company vide letter dated 08.05.2017 has served a copy of company scheme application no 519 and 520 2017 along with relevant orders etc. further this directorate has also issued a reminder on 04.09.2017 to IT Department.*

(c) *Tax implication if any arising out of scheme is subject to final decision of Income Tax Authorities. The approval of the scheme by this Hon'ble Court/Tribunal may not deter the income tax authority to scrutinize the tax return filed by the Transferee Company after giving effect to the scheme. The decision of the Income Tax Authority is binding on the Petitioner Companies.*

10. As far as the observations made in paragraph IV (a) of the Report of Regional Director is concerned, the Petitioner Companies submits that the Transferee Company undertakes to comply as may be necessary; the Transferee Company shall pass such accounting entries as may be necessary in connection with the scheme to comply with the applicable accounting standards including As 14 (IND AS 103) and AS 5 (IND AS 8).

11. As far as the observations made in paragraph IV (b) and IV (c) of the Report of Regional Director is concerned, The Transferee Company undertakes to comply with all applicable provisions of companies act 1961 and all tax issues arising out of scheme will be met and answered in accordance with Law.



12. The Observations made by the Regional Director have been explained by the Petitioner Companies in Paragraph 10 & 11 above. The clarifications and undertakings given by the Petitioner Companies are accepted.
13. From the material on record, the scheme appears to be fair and reasonable and is not in violation of any provisions of Law and is not contrary to public policy.
14. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 636 and 637 of 2017 are made absolute in terms of prayers stated in the respective petitions.
15. The Petitioner Companies are directed to file a certified / authenticated copy of this order and the scheme with the concerned Superintendent of Stamps, within 60 working days from the date of the receipt of certified true Copy of Order, for the purpose of adjudication of stamp duty payable, if any, on the same.
16. The Petitioner Companies are directed to file a certified / authenticated copy of order and the scheme on the receipt of said order from National Company Law, Tribunal, Mumbai Bench with the concerned Registrar of Companies, electronically, along with E-Form INC-28 as per the relevant provisions of the Companies Act, 2013.
17. The Petitioner Companies to pay costs of Rs. 25,000/- each to the Regional Director, Western Region, Mumbai and the Petitioner in the Company Petition No. 636, the Transferor Company to pay costs of Rs. 25,000/- to the Official Liquidator, High Court, Bombay. The cost to be paid within four weeks from the date of receipt of Certified True Copy of Order.



18. All concerned regulatory authorities to act on a copy of this order along with Scheme duly certified by the Registrar, National Company Law Tribunal, Mumbai Bench.

Sd/-

**V. Nallasenapthy,**

**Member (T)**

Sd/-

**B.S.V. Prakash Kumar,**

**Member (J)**