

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH

COMPANY PETITION NO. 77 OF 2017.

IN

COMPANY SCHEME APPLICATION NO. 37 OF 2017.

(HIGH COURT TRANSFERRED APPLICATION)

CLASSIC STRIPES PRIVATE LIMITED

....Petitioner/ the First Transferor Company

AND

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH

COMPANY PETITION NO. 198 OF 2017.

IN

COMPANY SCHEME APPLICATION NO. 38 OF 2017.

(HIGH COURT TRANSFERRED APPLICATION)

GANADHIPA GRAPHICS PRIVATE LIMITED

....Petitioner/ the Second Transferor Company

AND

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH

COMPANY PETITION NO. 168 OF 2017.

IN

COMPANY SCHEME APPLICATION NO. 39 OF 2017.

(HIGH COURT TRANSFERRED APPLICATION)

RESYNC AUTO SOLUTIONS PRIVATE LIMITED

....Petitioner/ the Transferee Company

In the matter of the Companies Act, 2013 (18 of  
2013);

AND

In the matter of Sections 230 to 232 of the  
Companies Act, 2013 and other relevant provisions  
of the Companies Act, 2013;

AND

In the matter of Sections 391 to 394 of the  
Companies Act, 1956 and other relevant provisions  
of Companies Act, 2013;

AND

In the matter of Scheme of Amalgamation of Classic  
Stripes Private Limited (the First Transferor Company)  
and Ganadhpa Graphics Private Limited (the Second

Transferor Company) with Resync Auto Solutions Private Limited(the Transferee Company)

Called for hearing

Mrs.Alpana Ghone, Mr. Rajesh Shah with Mr. Ahmed M Chunawala i/b M/s. Rajesh Shah & Co., Advocates for the Petitioners.

Ms. P. Sheela, Joint Director for the Regional Director.

Mr. Vinod Sharma, the Official Liquidator.

**Coram:** B.S.V. Prakash Kumar Hon'ble Member (J) and  
V .Nallasenapthy Hon'ble Member (T)

Date: 27<sup>th</sup> April, 2017

1. Heard Learned Counsel for the parties. No objector has come before this Tribunal to oppose the Scheme nor has any party controverted any averments made in the Petitions to the Scheme of Amalgamation of CLASSIC STRIPES PRIVATE LIMITED, the First Transferor Company and GANADHIPA GRAPHICS PRIVATE LIMITED, the Second Transferor Company with RESYNC AUTO SOLUTIONS PRIVATE LIMITED, the Transferee Company.
2. The sanction of this Tribunal is sought under Sections 391 to 394 of the Companies Act, 1956 and Sections 230 to 232 of the Companies Act, 2013 to a Scheme of Amalgamation of CLASSIC STRIPES PRIVATE LIMITED, the First Transferor Company and GANADHIPA GRAPHICS PRIVATE LIMITED, the Second Transferor Company with RESYNC AUTO SOLUTIONS PRIVATE LIMITED, the Transferee Company.
3. The Learned Counsel for the Petitioners states that the Transferor Companies and the Transferee Company belong to the same group. The First Transferor Company is engaged in the business of providing imaging solutions with comprehensive capabilities across a range of printing and imaging applications. The Second Transferor Company is a wholly owned

subsidiary of the First Transferor Company and is engaged in the business of providing designing and printing solutions on PVC films, Acrylic, Vinyl, Polycarbonate etc besides trading in self adhesive PVC stickers etc. The Transferee Company is engaged in the business of providing designing solutions on PVC films etc and installation/ application services to retail advertising companies, manufacturers of automotive decals and design companies.

4. The rationale of the Scheme of Amalgamation is to (a) consolidate the activities and operations of the Transferor Companies with the Transferee Company for synergistic linkages and benefits arising there from through combining and pooling of resources in one consolidated entity (b) enable optimum utilization of existing resources and provide an opportunity to fully leverage the assets, experience , expertise and infrastructure of the amalgamated company (c) capitalizing on each of the company's core competency and resources which is expected to result in stability of operations and cost savings for the amalgamated company (d) consolidation of the shareholdings of all the shareholders in one combined entity resulting in enhancement of shareholders' value.
5. The Petitioner Companies have approved the said Scheme of Amalgamation by passing Board Resolutions which are annexed to the respective Company Scheme Petitions.
6. The Learned Advocate appearing on behalf of the Petitioners states that Petitions have been filed in consonance with the orders passed in Company Scheme Application Nos.37 of 2017, 38 of 2017 and 39 of 2017 of the Hon'ble Tribunal.
7. The Learned Advocate appearing on behalf of the Petitioners further states that the Petitioner Companies have complied with all requirements as per directions of the Hon'ble National Company Law Tribunal, Mumbai Bench and they have filed necessary affidavits of compliance in the Hon'ble National Company Law Tribunal, Mumbai Bench. Moreover, the Petitioner Companies undertake to



comply with all statutory requirements if any, as required under the Companies Act, 1956 /2013 and rules made there under whichever is applicable. The said undertaking is accepted.

8. The Regional Director has filed his Report dated 24<sup>th</sup> day of April, 2017 stating therein, save and except as stated in paragraph IV, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph IV of the said Report, the Regional Director has stated that:-

*"IV. The observations of the Regional Director on the proposed Scheme to be considered by the Hon'ble NCLT are as under:*

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

*(2) Petitioner in clause 11 of the Scheme inter alia mentioned that no fractional shares shall be issued and the same shall be ignored. In this regard, the petitioner to undertake to protect the interest of the minority shareholder.*

*(3) As per the Share Exchange Ratio recommended by the Chartered Accountants, the value of 100% equity Shares in the Company is estimated at Rs.6674.32 million i.e. Rs. 558/- per fully paid equity share of the company. The company in the scheme proposed for issuing Shares at premium of Rs.558/- (including premium of Rs.548/-). Further Petitioner in clause 15 of the Scheme inter alia mentioned that the transferee company shall credit the aggregate face value of shares to its account and premium to the Securities Premium Account/ Capital Reserve Account of the Transferee Company. In this regard, the petitioner to undertake to transfer the amount only to Securities Premium Account and not Capital Reserves.*

9. So far as the observation made in paragraph IV (1), of the Report of the Regional Director is concerned, this Tribunal directs the Petitioner Companies to comply

with the same. Accordingly, the Petitioner Companies submit that the tax implications if any arising out of the Scheme will be subject to final decision of the Income Tax Authorities and undertake that the decision of the Income Tax Authority shall be binding on the Petitioner Companies.

10. So far as the observation in paragraph IV (2) of the Report of Regional Director is concerned, the Learned Counsel for the Petitioner/Transferee Company submits that clause 11.1 of the Scheme provides for issue of equity shares by the Transferee Company in the ratio of one Equity share of Rs.10/- each credited as fully paid up at a fair value of Rs. 558/- per Equity Share (including premium of Rs.548/- per Equity Share), in the share capital of the Transferee Company to the Equity share holders of the First Transferor Company for every one equity share of the face value of Rs.10/- each fully paid up held by the Equity share holders in the First Transferor Company. Thus, there will be no entitlement for any fractional shares and the interest of the minority shareholders will not be affected in any manner. The said explanation is found to be satisfactory.
11. So far as the observation in paragraph IV (3) of the Report of Regional Director is concerned, the Petitioner/Transferee Company undertakes that the premium in respect of the equity shares issued and allotted by the Transferee Company pursuant to clause 11.1 of the Scheme shall be credited to its Securities Premium Account and not to Capital Reserves.
12. The Official Liquidator has filed his report dated 6<sup>th</sup> March, 2017 in the Company Petition No.77 of 2017 and Company Petition No.198 of 2017 in Company Scheme Application No. 37 of 2017 and Company Scheme Application No. 38 of 2017 respectively, inter alia, stating there in that the affairs of the Transferor Companies have been conducted in a proper manner and that the Transferor Companies may be ordered to be dissolved by this Hon'ble Tribunal.
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 compliances have been fulfilled, Company Petition No.77 of 2017 is made absolute in terms of prayers clause (a) to (d) and Company Petition No.198 of 2017 is made absolute in terms of prayer clauses (a) to (d) and Company Petition No.168 of 2017 is made absolute in terms of prayer clauses (a) to (c).
15. Petitioners are directed to lodge a certified copy of order along with a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically, along with E Form INC- 28 in addition to physical copy as per the relevant provisions of the Companies Act, 1956/2013.
16. The Petitioner Companies to pay costs of Rs.25,000/- each to the Regional Director, Western Region, Mumbai and the Petitioners in Company Petition No.77 of 2017 and 198 of 2017 to pay costs of Rs.25,000/- each to the Official Liquidator, High Court, Bombay. Cost to be paid within four weeks from the date of the Order.
17. All concerned regulatory authorities to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, National Company Law Tribunal, Mumbai.

Sd/-

B.S.V. Prakash Kumar Member (Judicial)

Sd/-

V. Nallasenapthy Member (Technical)