

THE NATIONAL COMPANY LAW TRIBUNAL
GUWAHATI BENCH, GUWAHATI

C.P. (CAA) No.02/GB/2019
IN
CA (CAA) No.09/GB/2018

Sections 230 to 232 of the Companies Act, 2013 read with
Companies (Compromises Arrangements and Amalgamation)
Rules, 2016.

Order Delivered on 08th March, 2019.

In the Matter of:

Greenply Industries Ltd. ... First Petitioner/Demerged Company
- And -
Greenpanel Industries Ltd. ... Second Petitioner/Resulting Company

Coram:

Present: Hon'ble Member (J), Shri Jinan K.R

For the Applicants/Petitioners : Mr. Palashmony Talukdar, Advocate
Mr. Rupam Baishya, Advocate

ORDER

1. The learned counsel for the petitioner companies submit that the present Scheme is a Composite Scheme of Arrangement between Greenply Industries Ltd. (Demerged Company) and Greenpanel Industries Ltd. (Resulting Company) and their respective shareholders and creditors. The second petitioner company is 100% subsidiary of the first petitioner company.
2. The learned counsel for the petitioner companies further submit that the first petitioner company is, inter-alia, engaged in the business of manufacturing, marketing and trading of plywood, medium density fibre boards (MDF), pre-laminated MDF, wood floors, block-boards, decorative veneers, veneers, doors and allied products. The second petitioner company, being newly incorporated, is inter alia authorized by its Memorandum of Association to do business comprising of manufacturing, marketing and trading of Medium Density Fibre Boards (MDF), pre-laminated MDF, wood floors, plywood, decorative veneers, doors and allied products.

3. The proposed demerger of the demerged undertaking envisaged in the Scheme is aimed at achieving the following business and commercial objectives and is expected to result in the following benefits for the demerged company and the resulting company:

- (i) Enhanced strategic flexibility to build a viable platform solely focusing on each of the businesses.
- (ii) Enable dedicated management focus, resources and skill set allocation to each business, which will in turn accelerate growth and unlock significant value for the shareholders of the demerged company.
- (iii) Provide enhanced strategic flexibility in the operation of each of the aforementioned businesses.
- (iv) Expanding the potential client /customer market for each business vertical.
- (v) Access to various sources of funds and investments for the rapid growth of both the businesses.
- (vi) Therefore, in view of the potential growth and profitability prospects, the Board of Directors of the companies have proposed a business reorganization for demerger of the demerged undertaking of the demerged company and vesting of the same with the resulting company under this Scheme under the provisions of Section 230 to 232 read with section 66 and other applicable provisions of the Act.
- (vii) This scheme is expected to be in the beneficial interest of the shareholders and creditors of both the companies. This scheme is not expected to be in any manner prejudicial to the interest of the concerned members, creditors, employees or general public at large.

4. It is further stated that the Board of Directors of the first petitioner company and the second petitioner company vide their resolutions dated 30th day of May, 2018 approved the Composite Scheme of Arrangement between the first petitioner company and the second petitioner company and their respective shareholders and creditors.

5. It is further stated that a copy of the certificate issued by B S R & Co. LLP, Chartered Accounts, Firm's Regn. No.101248W/W-100022, Statutory Auditors of the first petitioner company to the effect that the accounting treatment specified in the Scheme is in conformity with the accounting standards prescribed under section 133 of the Companies Act, 2013. The same is annexed at Exhibit – H to the petition.

6. The learned counsel for the petitioner companies submits that in pursuance of an order dated 12th December, 2018 rendered in CA (C.A.A.)/09/2018 by this Tribunal, the meeting of the

equity shareholders of the first petitioner company was convened and held on 04th February, 2019 at 10.00 am at the registered office of the first petitioner company at Makum Road, P. O. Tinsukia, Tinsukia 786125, Assam, India and the scheme was approved with requisite majority without any modification. The Chairman's report of the meeting of the equity shareholders is annexed as Exhibit L1 to the petition. The meeting of the creditors of the first petitioner company was also held on 04th February, 2019 at 11.30 am at the registered office of the first petitioner company at Makum Road, P. O. Tinsukia, Tinsukia 786125, Assam, India. The scheme was unanimously approved by the creditors without any modification. The Chairman's report of the meeting of the creditors is annexed as Exhibit-L2 to the petition.

7. The learned counsel for the petitioner companies further submit that the second petitioner company is 100% subsidiary of the first petitioner company. The meeting of the equity shareholders of the second petitioner company was dispensed with in view of consent affidavits given by all the seven equity shareholders of the second petitioner company. The meeting of the sole unsecured creditor was also dispensed with in view of consent affidavit filed by the sole unsecured creditor.

8. The learned counsel for the petitioner companies further submit that the office of the Assistant Commissioner of Income Tax by their letters dated 15th February, 2018 addressed to this Tribunal have given their no objection to the proposed Composite Scheme of Arrangement.

9. Heard the learned counsel for the petitioner companies and upon perusal of the documents submitted by the petitioner companies, the following are ordered:

- (i) The date of hearing of the petition jointly filed by the petitioner companies is fixed on 22nd March, 2019.
- (ii) Notice of hearing of this petition in form NCLT 3A shall be advertised in two local newspapers viz. "The Assam Tribune" in English language and translation thereof in "Dainik Janambhumi" in Assamese language, circulated in the State of Assam and also in "Business Standard" (All English Edition) not less than 10 days before the aforesaid date fixed for hearing.
- (iii) In addition to above public notice, the first petitioner company shall serve notice of the petition on the following authorities namely-
 - (a) The Central Government through the Regional Director, Ministry of Corporate Affairs, North Eastern Region, Shillong
 - (b) Registrar of Companies, Ministry of Corporate Affairs, North Eastern Region, Shillong

(c) Bombay Stock Exchange Ltd. (BSE), Mumbai

(d) National Stock Exchange of India Ltd. (NSE), Mumbai

(iv) The second petitioner company shall serve notice of the petition on the following authorities namely-

(a) The Central Government through the Regional Director, Ministry of Corporate Affairs, North Eastern Region, Shillong

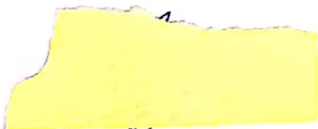
(b) Registrar of Companies, Ministry of Corporate Affairs, North Eastern Region, Shillong

(v) The notices to the aforesaid authorities shall be served by Hand Delivery/Courier/Registered Post/ Speed post or through Email within 7 days from the date of this order for filing their representation, if any, on the petition.

(vi) The petitioner companies shall file an affidavit of service regarding the direction given by this Tribunal three days before the date fixed for final hearing and shall report to this Tribunal that the directions regarding the issue of advertisement of the notice and service of notice to concerned regulatory authorities has been duly complied with.

10. Registry is directed to list the company petition No.CP (CAA)/02/GB/2019 for final hearing on 25th April, 2019.

11. Urgent certified copy of this order, if applied for, be supplied to the parties, subject to compliance of all requisite formalities.


Member (Judicial)
National Company Law Tribunal
Guwahati Bench, Guwahati

Dated, Guwahati the 08th March, 2019
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**NATIONAL COMPANY LAW TRIBUNAL
GUWAHATI BENCH: GUWAHATI**

CP(CAA)/02/GB/2019

Under Section 230/232 of the Companies Act, 2013 read with (compromise, Arrangement and Amalgamations) Rules, 2016

In the matter of:

- 1) Greenply Industries Ltd. : First Petitioner/Demerged Company
2) Greenpanel Industries Ltd. : Second Petitioner/Resulting Company

Order delivered on 25th April, 2019

Coram:

Present: Hon'ble Member (J), Shri Jinan K. R.

For the Petitioners : Ms. Anjum Parveen, Advocate

ORDER

1. The learned counsel for the petitioners sought time to submit argument for want of arguing counsel.
2. List it for hearing on admission on 27th June, 2019.

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Member (Judicial)
National Company Law Tribunal
Guwahati Bench: Guwahati