

IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
DIVISION BENCH
COURT - 1

ITEM No.306

C.P.(CAA)/73(AHM)2022 in C.A.(CAA)/45(AHM)2022

Order under Section 230-232

IN THE MATTER OF:

M Pratapray Prints Pvt Ltd
M Pratapray Fashions Pvt Ltd

.....Applicants

Order delivered on: 27/09/2023

Coram:

Mr. Shammi Khan, Hon'ble Member (J)
Mr. Kaushalendra Kumar Singh, Hon'ble Member(T)

PRESENT:

For the Applicant :
For the Respondent :

ORDER

The case is fixed for pronouncement of the order. The order is pronounced in the open court, vide separate sheet.

-SD-

KAUSHALENDRA KUMAR SINGH
MEMBER (TECHNICAL)

-SD-

SHAMMI KHAN
MEMBER (JUDICIAL)

**NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD
DIVISION BENCH
COURT-1**

CP (CAA) No.73/NCLT/AHM/2022 in
CA(CAA)No.45/NCLT/AHM/2022

[Application under Sections 230-232 of the Companies Act, 2013 read with the Companies (Compromise, Arrangement and Amalgamation) Rules, 2016]

Scheme of Arrangement in the nature of Demerger

of

M Pratapray Prints Private Limited
(Petitioner No.1/Demerged Company)

with

M Pratapray Fashions Private Limited
(Petitioner No.2/Resulting Company)

and

Their respective Shareholders and Creditors

M Pratapray Prints Private Limited

A Company incorporated under the provisions of the Companies Act, 1956 and its Registered Office is situated at: MP House, 689 2 CNR Krupa Petrol Pump, Ellisbridge, Ahmedabad-380 006, Gujarat.

...Petitioner No. 1/
Demerged Company

With

M Pratapray Fashions Private Limited

A Company incorporated under the provisions of the Companies Act, 2013 and its Registered Office is situated at: 689/2, Nr. Old Sharda Mandir Char Rasta, Punjab National Bank Bldng., Ellisbridge-380 006, Gujarat

...Petitioner No. 2/
Resulting Company

Order Pronounced on: 27.09.2023

Coram: Mr. Shammi Khan-Member (Judicial)
Mr. Kaushalendra Kumar Singh-Member (Technical)

Appearance:

Mr. Pavan S. Godiawala, Advocate for the Petitioner Companies.
Mr. Shiv Pal Singh, Assistant Director for Regional Director-NWR.

ORDER

1. The present joint Company Petition has been filed by the Petitioner Companies under Sections 230–232 of the Companies Act, 2013, read with Rule 3 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, seeking approval of the Scheme of Arrangement in the nature of Demerger of Investment Undertaking along with all the assets and liabilities of the Investment Undertaking from M/s. M Pratapray Prints Private Limited (Petitioner Demerged Company) to M/s. Pratapray Fashions Private Limited (Petitioner Transferee Company) and their respective Shareholders with the effect from the Appointed Date, i.e. 01.01.2022, as mentioned in the Scheme.
2. An affidavit has been sworn by Mr. Pratapbhai Sanghvi, Authorized Signatory of the Demerged Company and the same is annexed to the application. The above-named Authorized Signatory for the Demerged Company has been authorized vide Board Resolution dated 02.06.2022 passed by the Applicant Demerged Company.
3. An affidavit has been sworn by Mr. Rajesh Sanghvi, Authorized Signatory of the Resulting Company and the same

is annexed to the application. The above-named Authorized Signatory for the Resulting Company has been authorized vide Board Resolution dated 02.06.2022 passed by the Applicant Resulting Company.

4. The Petitioner Companies had filed a joint application before this Tribunal being CA (CAA) No. 45 of 2022, sought dispensation of the meetings of the Equity Shareholders and Unsecured Creditors of both the Petitioner Companies. This Tribunal, vide order dated 11.10.2022, dispensed with the meetings of Equity Shareholders and Unsecured Creditors of both the Petitioner Companies. Since there were no Secured Creditors in the Petitioner Companies, it was held that meetings of the Secured Creditors of the Petitioner Companies were not required.
5. By the order dated 11.10.2022, passed in CA (CAA) No.45 of 2022, this Tribunal had directed the Petitioner Companies to serve Notice of the Scheme in compliance with Section 230(5) of the Companies Act, 2013 in the Form 'CAA-3' along with disclosures mentioned under Rule 6 to (i) the Central Government through the Regional Director, North Western Region, (ii) the Registrar of Companies, Gujarat; and (iii) the Income Tax Authorities; stating that representations, if any, to be made within a period of 30 days from the date of receipt of such notice, and in case no representation is received by this Tribunal within the stipulated period of 30 days, it should be presumed that the authorities have no representation to make.

6. In compliance with the order dated 11.10.2022, the Petitioner Companies have served notices to the Central Government through the Regional Director, North-Western Region, the Registrar of Companies, Gujarat and the Income Tax Authorities concerned. The Petitioner Companies have filed affidavit of service dated 08.11.2022.
7. Thereafter, the Petitioner Companies have jointly filed the present Company Petition being CP (CAA) No.73 of 2022 before this Tribunal seeking sanction of the Scheme.
8. This Tribunal by order dated 21.11.2022, admitted the petition and directed for publication of hearing in “Business Standard” in English and in Vernacular language both in Ahmedabad edition not less than ten days before the next date of hearing, calling for objections, if any, on or before the date of hearing and kept for hearing on 09.11.2023. This Tribunal also directed to issue a notice of hearing of the petition to (i) Central Government through Regional Director, North-Western Region, (ii) Registrar of Companies, Gujarat and (iii) concerned Income Tax Authorities.
9. Pursuant to the order dated 21.11.2022 passed by this Tribunal, the Petitioner Companies have published the notice of hearing of the company petition in English daily, “Business Standard”, in English but also in “Jai Hind” in Vernacular language both in Ahmedabad edition on 14.12.2022. As the Business Standard in Vernacular was not in circulation and hence the publication was made in different newspaper and also the notice of hearing of the petition being served upon the concerned statutory authorities. The Petitioners filed IA

04/2022 dated 26.12.2022 came to be filed for ratification of the action of publication in Jai Hind newspaper but this Tribunal directed vide order dated 25.01.2023 to republish again in "Sandesh" Gujarati Daily within two weeks. Accordingly in due compliance the Petitioner published in the said newspaper on 02.02.2023 and affidavit to the said effect dated 04.02.2023 came to be filed.

10. In response to the notices served upon the Statutory Authorities, the office of the Regional Director, North-Western Region (**RD**) has filed its representation dated 23.12.2022 on 11.01.2023 wherein the RD had made several observations along with the report of the Registrar of Companies (**RoC**) dated 25.08.2022, which are as under:-

- (i) To direct the petitioner resulting company to comply with the provisions of Section 61 of the Companies Act, 2013 and also as to the payment of stamp duty, registration fees etc. and file the relevant e-form with respective Registrar of Companies.
- (ii) The petitioner companies have not provided specific Division of demerged undertaking in the scheme as on the Appointed Date. The Hon'ble NCLT may therefore be pleased to direct the petitioner companies to place on record all the relevant facts of the matter.
- (iii) To direct the petitioner companies to undertake the compliance of Section 2(19AA) of the Income Tax Act in the matter, since this is a scheme of demerger
- (iv) To direct the petitioner companies to submit the complete list and full details of assets and liabilities which are proposed to be transferred to the Resulting Company through this scheme.
- (v) To direct the applicant companies to pay the legal fees / expenses of the office of the Regional Director for submitting this report on behalf of the Central

Government.

- (vi) To direct the both the companies to place the fact on record and shall file the relevant E-Form i.e.MGT-14 for any alteration/ change in Main Objects of the Demerged /Transferor company as well as Resulting/ Transferee with follow the procedure laid down under Section 13 of the Companies Act 2013 and Rules made thereunder with the Ministry of Corporate Affairs along with requisite fees /additional fees, if any, as the case may be.
- (vii) To direct the petitioner company to preserve its books of accounts, papers and records and shall not be disposed of without prior permission of Central Government as per the Provision Section 239 of the Companies Act, 2013.
- (viii) To direct the Petitioner Companies to ensure Statutory compliance of all applicable Laws and also on sanctioning of the present Scheme, the Demerged/ Transferor Company and Resulting/ Transferee company shall not be absolved from any of its Statutory liabilities, in any manner.
- (ix) Necessary Stamp Duty on transfer of property/Assets, if any is to be paid to the respective Authorities before implementation of the Scheme.
- (x) To direct the petitioner companies to comply with the provisions of Section 232(5) of the Companies Act, 2013 with respect to file certified copy of order sanctioning the scheme with Registrar of Companies within 30 days from date of passing order.

11. The Petitioner Companies have filed an affidavit in reply dated 05.01.2023 in response to the observations made by the Regional Director and the Registrar of Companies. Following are the response to the observation of Regional Director and Registrar of Companies:-

- i) The petitioner companies undertake to abide by the provisions of Section 61 of the Companies Act, 2013.
 - ii) The Petitioner stated that, valuation is undertaken by the registered valuer and after considering the value of proposed demerge unit/undertaking valuation is arrived and swap ratio worked out and hence upon considering all aspects pertaining to segregated list of assets and liabilities for the purpose of demerger came to be considered and the valuation is an integral part of the scheme and for the clarity and to clarify the observation of RD the annexures segregating list of assets produced at Annexure I to the said affidavit dated 05.01.2023.
 - iii) The petitioners unequivocally undertake to comply with section 2(19AA) of the Income Tax Act 1961.
 - iv) The petitioner companies annexed the list of assets and liabilities of the Demerged Undertaking.
 - v) The petitioner companies submitted that upon sanction of the scheme the necessary Form MGT-14 shall be uploaded and compliance will be made and is undertaken to be made under Section 13 of the Companies Act, 2013.
 - vi) The petitioner companies unequivocally undertake to comply with the observation made by the Regional Director and the Registrar of Companies in their report /representation.
12. The Income-tax Department has filed its report dated 09.12.2022 stated that
- “ this office is in receipt of intimation regarding scheme of demerger in CP(CAA)/73/Ahm/202 connected with CA(CAA) no.45 of 2022 from the above-mentioned assess (M/s. M.Pratapray Prints Private Limited). In this context, it is

stated that in the case of the assessee, there is outstanding demand as detailed below:-

Sr. No.	A.Y.	Demand section	Date of order	Demand Outstanding (in Rs.)	Amount difficult to recover (in Rs.)	Amount collectible (in Rs.)
1	2021-22	1431a	17.09.2022	6,45,980/-	0	6,45,980/-
2	2022-23	1431a	02.11.2022	33,230/-	0	33,230/-

Further, penalty proceeding u/s. 270A of the Act is also pending in this case for A.Y. 2017-18.

13. In response to the report of the Income Tax Department, the petitioner companies have filed their affidavit in reply dated 13.01.2023 came to be filed where the petitioners undertaken that such outstanding demand shall be paid as per law and undertaken to pay the outstanding demand if any.
14. It is stated that none of the petitioner companies are listed companies and further none of the companies are non-banking financial institution.
15. Further stated that the activities of the petitioner companies and other group companies pursuant to the scheme shall not be violating the provisions of The Competition Act, 2002.
16. It is stated that there is no investigation instituted or pending in relation to the Companies under Chapter XV of the Act or under the corresponding provisions of Section 230 to 240 of the Companies Act, 2013. Further, no proceedings are pending under the Act or under the corresponding provisions of the Companies Act, 2013 against any of the Companies.

17. It is further stated that no winding up petition is pending against the Demerged Company and the Resulting Company.
18. Heard Ld. Counsel Mr. Pavan S. Godiawala for the Petitioner Companies also gone through the records.
19. Supreme Court in ***Miheer H. Mafatal V/s Mafatlal Industries Ltd JT 1996 (8) 205*** while considering the scope of the jurisdiction of the Company Court in respect of matters of sanction of the Scheme of Amalgamation as per the provisions of Section 391 read with Section 393 of the Companies Act, 1956, observed as under:

“It is commercial wisdom of the parties to the scheme who have taken an informed decision about the usefulness and propriety of the scheme by supporting it by the requisite majority vote that has to be kept in view by the Court. The Court certainly would not act as a court of appeal and sit in judgment over the informed view of the concerned parties to the compromise as the same would be in the realm of corporate and commercial wisdom of the concerned parties. The Court has neither the expertise nor the jurisdiction to delve deep into the commercial wisdom by the creditors and members of the company who have ratified the Scheme by the requisite majority. Consequently, the Company Courts jurisdiction to that extent is peripheral and supervisory and not appellate.”

In view of the above Supreme Court Judgment, this Tribunal is not supposed to examine the commercial wisdom of the shareholders and creditors.

20. On the basis of the above facts and submissions made by the learned counsel and by considering the entire facts and circumstances of the aforesaid company petition and on perusal of the Scheme and the proceedings, it appears that the requirements of the provisions of Sections 230 and 232 are satisfied by the Petitioner Companies. We are of the considered view that the proposed Scheme of Demerger is bona fide and in the interest of the shareholders and creditors. In the result, Company Petition No. CP (CAA) 73 of 2022 is allowed. The Scheme envisages Demerger of Investment Undertaking along with all the assets and liabilities of the Investment Undertaking from M/s. M Pratapray Prints Private Limited (Petitioner Demerged Company) to M/s. Pratapray Fashions Private Limited (Petitioner Transferee Company). It is declared that the said sanctioned scheme shall be binding on the Petitioner Companies and their shareholders, creditors and all concerned under the scheme.
21. Notwithstanding the above, if there is any deficiency found or, violation committed qua any enactment, statutory rule or regulation, the sanction granted by this Tribunal to the scheme will not come in the way of action being taken, albeit, in accordance with the law, against the concerned persons, directors and officials of the Petitioners.
22. While approving the Scheme as above, we further clarify that this order should not be construed as an order in granting any exemption from payment of stamp duty, taxes including income tax, GST, etc. or any other charges, if any, and payment in accordance with law or in respect of any

permission/ compliance with any other requirement which may be specifically required under any law.

23. It is further clarified that Income Tax Department will be free to examine the aspect of any tax payable as a result of the sanction of the Scheme and sanction of the Scheme of arrangement given hereunder shall not adversely affect the rights of Income Tax Department on any past, present or future proceedings.
24. The Scheme of Arrangement in the nature of Demerger is approved with the following directions:
- (i) The Scheme of Demerger as annexed herewith as **“Annexure A”** is hereby sanctioned and it is declared that the same shall be binding on the Demerged Company, the Resulting Company, and their Shareholders and Creditors and all concerned under the Scheme.
 - (ii) All the properties annexed herewith in the schedule as “Annexure B”, rights and powers of the Demerged Company specified in the schedule hereto and all the other property, rights and powers of the Demerged Company be transferred without any further act or deed to the Resulting Company and accordingly the same shall, pursuant to Section 232 of the Act, be transferred to and vested in the Resulting Company for all the estates and interest of the Demerged Company, therein but subject nevertheless to all charges now affected the same, if any.

(iii) **Issue of Shares by the Resulting / Transferee Company**

Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the Investment Undertaking of the Demerged/Transferor company in the Resulting/Transferee Company in terms of the Scheme, the Resulting/Transferee Company shall subject to the provisions of the Scheme and without any further application, act or deed, issue and allot at par the Equity Shares of Rs.10/- (Rupees Ten Only) each credited as fully paid-up in the Capital of the Resulting/Transferee Company to the members of the Demerged/Transferor company whose names appear in the Register of Members of the respective Demerged/Transferor Company on a date (Record Date) to be fixed by the Board of Directors of the Resulting/Transferee Company or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Resulting/Transferee Company and approved by them to be placed on its register of names in the following proportion :

1 (One) Equity Share of Rs. 10/- each credited as fully paid-up in the Resulting/Transferee Company for every 10 (Ten) Equity Shares of Rs.10/- each fully paid-up held by such member in the capital of the Demerged / Transferor Company.

The said new Equity Shares shall rank for voting rights and in all other aspects pari-passu with the Equity Shares of the Resulting / Transferee Company.

- (iv) All licenses, permissions, permits, approvals, certificates, clearances, authorities, leases, tenancy, assignments, rights, claims, liberties, special status, other benefits or privileges and any power of attorney relating to the Investment Undertaking along with all the assets and liabilities of the Demerged Undertaking shall stand transferred to and vest in the Resulting Company, without any further act or deed. The Resulting Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting Company.
- (v) All the liabilities of the Investment Undertaking of the Demerged Company be transferred, without further act or deed, to the Resulting Company and accordingly the same shall pursuant to Sections 230 and 232 of the Companies Act, 2013, be transferred to and become the liabilities and duties of the Resulting Company.
- (vi) All contracts, agreements, insurance policies, bonds and all other instruments of whatsoever nature or description, of the Investment Undertaking of the Demerged Company, shall stand transferred to and vested in the Resulting Company and be in full force and effect in favour of the Resulting Company and may be enforced by or against it as fully and effectually

against the Resulting Company.

- (vii) All taxes paid or payable by the Investment Undertaking of the Demerged Company including existing and future incentives, un-availed credits and exemptions, benefit of carried forward losses and other statutory benefits, shall be available to and vest in the Resulting Company.
- (viii) All proceedings now pending by or against the Investment Undertaking of the Demerged Company, if any, shall be continued by or against the Resulting Company.
- (ix) All employees in the service of the Investment Undertaking of the Demerged Company shall be deemed to have become the employees and the staff of the Resulting Company on date on which the scheme finally takes effect on the basis that their services shall be deemed to have been continuous and not have been interrupted by reasons of the said transfer and on terms and conditions no less favourable than those on which they were/ are engaged, as on the Effective Date.
- (x) The Petitioner Companies are directed to lodge a copy of this Order, the approved Scheme and the Schedule of Assets of the Demerged Company duly authenticated by the Registrar of this Tribunal, with the concerned Superintendent of Stamps, for adjudication of stamp duty, and pay requisite stamp duty payable, if any, within 60 days from the date of this Order.
- (xi) The Petitioner Companies are further directed to file a

copy of this order along with the copy of the Scheme with the concerned Registrar of Companies, electronically, along with e-form INC-28 in addition to physical copy within 30 days from the date of issuance of the certified copy of the Order by the Registry as per relevant provisions of the Act.

- (xii) All concerned Authorities to act on copy of this order along with the Scheme 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.
- (xiii) The legal fees/ expenses of the office of the Regional Director are quantified at Rs.10,000/- each in respect of the Petitioner Companies. The said fees to the Regional Director shall be paid by the Demerged Company.
- (xiv) Income Tax Department will be free to examine the aspect of any tax payable as a result of the sanction of the Scheme and if it is found that the Scheme of Arrangement ultimately results in tax avoidance or is not in accordance with the applicable provisions of Income Tax Act, then the Income Tax Dept. shall be at liberty to initiate appropriate course of action as per law. Any sanction of the Scheme of Arrangement under Sections 230-232 of the Companies Act, 2013 shall not adversely affect the rights of Income Tax Department or any past, present or future proceedings and the sanction of the scheme shall not come in its way for the

appropriate course of action as per law for the tax liabilities, if any.

- (xv) Any person aggrieved shall be at liberty to apply to the Tribunal in the above matter for any direction that may be necessary.
- (xvi) 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 authenticated copy of this order along with Scheme immediately.

25. The Company Petition CP (CAA) No. 73 of 2022 connected with CA (CAA) No. 45 of 2022 is allowed and stands disposed of, in terms of the above order.

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KAUSHALENDRA KUMAR SINGH
MEMBER (TECHNICAL)

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SHAMMI KHAN
MEMBER (JUDICIAL)

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**SCHEME OF ARRANGEMENT
IN THE NATURE OF DEMERGER OF
UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF
THE COMPANIES ACT, 2013
AMONGST
M PRATAPRAY PRINTS PRIVATE LIMITED
AND
M. PRATAPRAY FASHIONS PRIVATE LIMITED**

PREAMBLE

Both the companies, the Demerged / Transferor Company and the Resulting / Transferee Company, are under the same management and are closely held private limited companies.

The demerger of the Demerged Undertaking with the Resulting / Transferee Company would broaden the capital base of the resultant unit/company which can diversify into various other profitable businesses keeping in mind the changed economic and business conditions and opportunities in India. Further the Demerged Company would be able to focus on retained undertaking and thereby both the companies as part of synergy would be in position to enlarge their worth and market share and the undertaking in question upon getting merged with the resulting company would boost the business of the resulting company and also market share.

The demerger would streamline the business activities and eventually the several overhead expenses shall get reduced and will lead to economy in administrative and management costs and improving overall profitability.

The demerger of the undertaking of the Transferor Company/Demergered Company into the Transferee Company/resulting company would also improve profitability by improving the efficiency and economic viability of the both the companies as it will have the advantage of larger scale of financial management and more resources will be available for the activities of the new undertaking.

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The said demerger of the undertaking would be eventually advantageous to the shareholders-members of both the companies.

RATIONALE FOR THIS SCHEME

The proposed restructuring pursuant to this Scheme is expected, inter-alia, to result in following benefits:

- (i) Segregation of the Demerged Business of Demerged Company into Resulting Company;
- (ii) The management of Resulting Company will have the benefit of the resources of Demerged Company. Further, the proposed restructuring will provide an opportunity to expand the Demerged Business which is presently undertaken by the Demerged Company with the help of the experienced management of the Resulting Company. This will also benefit all the stakeholders.
- (iii) Demerged Company as well as Resulting Company would have its own management teams, board of directors who can chart out their own independent strategies to maximize value creation for their respective stakeholders.
- (iv) The proposed segregation would enable greater/enhanced focus by the management of the Demerged Company in the Remaining Business of the Demerged Company.
- (v) Restructuring will provide an opportunity to build a stronger sustainable business as well as enhance the financial profile of the Resulting Company.
- (vi) It is believed that the proposed demerger will create enhanced value for shareholders and allow a focused strategy and specialization for sustained growth, which would be in the best interest of all the stakeholders and the persons connected with the aforesaid companies;
- (vii) The demerger will also provide scope for independent collaborations and expansion.

In view of the aforesaid advantages, Board of Directors of Demerged Company and Resulting Company have considered and proposed the Scheme of Arrangement. The



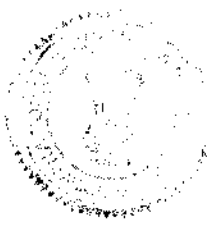
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proposed restructuring is in the interest of the shareholders, creditors, employees and other stakeholders of each of the companies.

1. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- 1.1 **"Act"** means the Companies Act, 1956, Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force.
- 1.2 **"Appointed Date"** means the 1st day of January, 2022 or such other date as the Hon'ble National Company Law Tribunal may direct.
- 1.3 **"Appropriate Authority"** means:
- (a) the government of any jurisdiction (including any central, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, central bank, commission or other authority thereof;
 - (b) any public international organisation or supranational body and its institutions, departments, agencies and instrumentalities; and
 - (c) any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing or other governmental or quasi-governmental authority over the Companies or any Company including (without limitation), the NCLT (as defined hereinafter);
- 1.4 **"Effective Date"** means the date on which certified copy of the Order of Hon'ble National Company Law Tribunal vesting the assets, properties, liabilities, rights, duties, obligations and the like of the undertaking of the Demerged Company in the Transferee Company is filed with the respective Registrar of Companies of State of Gujarat, after obtaining the consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary therefor.



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- 1.5 **"Record Date"** means a day following the Effective Date as fixed by the Board of Directors of Transferee Company or a committee thereof for the purpose of determining the members of the Transferor Company to whom shares will be allotted pursuant to this Scheme.
- 1.6 **"Scheme"** means this Scheme of Demerger in its present form or with any modification(s) approved by the Hon'ble National Company Law Tribunal.
- 1.7 **"Resulting / Transferee Company"** means **M. Pratapray Fashions Private Limited** a company incorporated under the Companies Act, 2013 under the corporate identity number U18109GJ2020PTC114369 having its Registered Office at 689/2, Nr. Old Sharda Mandir Char Rasta, Punjab National Bank Bldng, Ellisbridge, Ahmedabad - 380006 Gujarat State, India. It is engaged in the business of Manufacturing and Trading of Various Textiles and Fibrous materials and printing on textile products.
- 1.8 **"Demerged/Transferor Company"** means **M Pratapray Prints Private Limited**, a company incorporated under the Companies Act, 1956 under the corporate identity number U17110GJ1993PTC019167 having its Registered Office at MP House, 689 2 CNR Krupa Petrol Pump, Ellisbridge, Ahmedabad - 380006 Gujarat State, India. It is inter-alia engaged in the business of Manufacturing and Trading of Various Textiles and Fibrous materials and printing on textile products.
- 1.9 **"Demerged Undertaking"** shall mean and include the whole of the undertakings/assets, investments etc. of the Demerged/Transferor Company, as a going concern, including all secured and unsecured debts, liabilities, Direct Taxes paid, or refund of Direct Taxes Due or Receivable in respect of any appeals, Benefits of Set off & Carry Forward of Unabsorbed Losses, Unabsorbed Depreciation, Carry Forward of Capital Gains etc. (Whether as per Books or Income Tax), duties and obligations and all the assets and properties, whether movable or immovable, real or personal, in possession or revision, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to all fixed immovable and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, investments in shares,



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debentures and other securities held by the Demerged / Transferor Company pertaining to the Demerged Undertaking, reserves, provisions, funds, quota rights, import quotas, licenses, registrations, copyrights, patents, trade names, trade marks and other industrial rights and licenses in respect thereof, applications for copyrights, patents, trade names, trade marks, leases, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, computers, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements, powers, beneficial rights in any assets, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, provisions, advances, receivables, funds, bank balances, accounts and all other rights, claims and powers, of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company, as on the Appointed Date and all earnest money and/or deposits including security deposits paid by the Transferor Company as on the Appointed Date.

In case of any question that may arise as to whether any particular asset or liability and/or employee forms part or does not form part of the Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking, the same shall be decided by mutual agreement between Board of the Demerged / Transferor Company and the Resulting / Transferee Company.

1.10 "**Remaining Business**" means all business activities of the Demerged / Transferor Company other than the business activities pertaining and being carried out by Demerged Undertaking;

1.11 "**Tribunal**" or "**NCLT**" means the Hon'ble National Company Law Tribunal, Ahmedabad Bench or any other appropriate forum or authority empowered to approve the Scheme as per the law for the time being in force.

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2. SHARE CAPITAL

(a) *The Share Capital of the Demerged/Transferor Company as on Appointed date.*

AUTHORISED	(IN RUPEES)
50,000 Equity Shares of Rs. 10/- each	5,00,000/-
TOTAL	5,00,000/-

ISSUED, SUBSCRIBED AND PAID UP	(IN RUPEES)
42,430 Equity shares of Rs. 10/- each	4,24,300/-
TOTAL	4,24,300/-

There has been no change in the capital structure of Transferor Company subsequent to above date till the date of approving of the Scheme by the Board of Directors.

(b) *The Share Capital of the Resulting/Transferee Company as on Appointed date.*

AUTHORISED	(IN RUPEES)
10,000 Equity Shares of Rs. 10/- each	1,00,000/-
TOTAL	1,00,000 /-

ISSUED, SUBSCRIBED AND PAID UP	(IN RUPEES)
10,000 Equity shares of Rs. 10/- each	1,00,000 /-
TOTAL	1,00,000 /-

There has been no change in the capital structure of Transferee Company subsequent to above date till the date of approving of the Scheme by the Board of Directors.



3. **TRANSFER AND VESTING**

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- (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, the Demerged Undertaking of the Demerged/Transferor Company shall, under Section 232 of the Companies Act, 2013 and all other applicable provisions, if any, of the Act and pursuant to the order of the Hon'ble NCLT or any other appropriate authority and without any further act or deed, stand transferred to and vested in and/ or deemed to have been transferred to and vested in the Resulting/Transferee Company as a going concern so as to become the undertaking with all estates, assets, properties, rights, title and interest of the Resulting/Transferee Company from the Appointed Date.
- (b) With effect from the Appointed Date, any statutory licenses, permissions, approvals or consents to carry on the operations of the Demerged/Transferor Company shall stand vested in or transferred to the Resulting/Transferee Company without any further act or deed and shall be appropriately mutated by the Statutory Authorities concerned in favour of the Resulting/Transferee Company upon the vesting and transfer of the Undertaking pursuant to this Scheme. The benefit of all statutory and regulatory permissions, factory licenses, environmental approvals and consents, sales tax registrations or other licenses and consents availed by the Demerged/Transferor Company shall vest in and become available to the Resulting/Transferee Company pursuant to this Scheme. In so far as the various incentives, subsidies, rehabilitation Schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other persons, or availed of by the Demerged/Transferor Company are concerned, the same shall vest with and be available to the Resulting/Transferee Company on the same terms and conditions.



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(c) With effect from the Appointed Date, all income, expenses, debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of the undertaking of the Demerged/Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised, incurred or utilized for its business activities and operations, shall, pursuant to the sanction of this Scheme by the NCLT and under the provisions of section 232 and other applicable provisions, if any, of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Resulting/Transferee Company so as to become as from the Appointed Date the income, expenses, debts, liabilities, contingent liabilities, duties and obligations of the Resulting /Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this clause.

(d) With effect from the Appointed date, all Direct Taxes paid, Direct Taxes Refund Due or Receivable, Carried forward losses, depreciation, capital losses, pending balances of amortizations etc., under Income Tax and including those defined under Section 72 to 79 of the Income Tax Act in respect of any assessment and/or appeal, (whether as per Books or as per Income Tax) and any rights / refunds under Income Tax Act, Wealth Tax Act, including application for rectification, appeals filed with tax authorities of the Resulting/Transferor Company shall also, pursuant to provisions of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Companies, so as to become as from the Appointed Date the Direct Taxes paid, Direct Taxes Refund Due or Receivable, (whether as per Books or as per Income Tax) of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person, in order to give effect to the provision of this clause.



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- (e) The transfer and vesting of the assets and investments of the Demerged/Transferor Company as aforesaid, shall be subject to the existing securities, charges etc., if any subsisting, over or in respect of the property and assets or any part thereof of the Demerged/Transferor Company.

Provided, however, that any reference in any security documents or arrangements (to which the Demerged/Transferor Company are a party) to the assets of the Demerged/Transferor Company offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to the undertaking of the Demerged/Transferor Company as are vested in the Resulting / Transferee Company by virtue of the aforesaid Clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Demerged/Transferor Company or any of the assets of the Resulting / Transferee Company.

Provided further that the securities, charges, mortgages and other encumbrances, if any, subsisting over and in respect of the assets or any part thereof of the Resulting / Transferee Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend to the assets of the Demerged/Transferor Company vested in the Resulting/ Transferee Company.

4. CONTRACT, DEEDS, BONDS AND OTHER INSTRUMENTS:

- (a) Upon the coming into effect of this Scheme and subject to the other provisions contained in the Scheme, all contracts, deeds, bonds, agreements, Schemes, arrangements and other instruments of whatsoever nature to which the Demerged / Transferor Company are a party or to the benefit of which the Demerged / Transferor Company are or may be



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eligible, and which are subsisting or having effect on the Effective Date, shall remain in full force and effect against or in favour, as the case may be, of the Resulting / Transferee Company, and may be enforced as fully and effectually as if, instead of the Demerged / Transferor Company, the Resulting / Transferee Company had been a party or beneficiary or obligee thereto.

- (b) All deposits including public deposits, debentures or bonds and any amount remaining unpaid / unclaimed relating thereto of the Demerged/Transferor Company, if any, shall be kept distinctly identified in the records of the Resulting/Transferee Company for all intents and purposes including taxation and accounting and shall not be combined with any existing outstanding deposit scheme or series of debentures or bonds of the Resulting/Transferee Company.
- (c) The Resulting/Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings or arrangement with any party to any contract or arrangement to which the Demerged/Transferor Company are a parties or any writings as may be necessary to be executed in order to give formal effect to the above provisions.

5. LEGAL PROCEEDINGS:

- (a) Upon the coming into effect of the Scheme, all suits, actions and other legal proceedings (including but not limited to before any statutory or quasi-judicial authority or tribunal or court) by or against the Demerged/Transferor Company pending and/or arising on or before the Effective Date shall be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or



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against Demerged/Transferor Company, as if this Scheme had not been made.

- (b) In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Demerged / Transferor Company, the Resulting / Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of the Resulting / Transferee Company.
- (c) The Resulting / Transferee Company undertakes to have all legal or other proceedings initiated by or against the Demerged / Transferor Company referred to in sub-clause (a) above transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting / Transferee Company.

6. CONDUCT OF BUSINESS BY DEMERGED/TRANSFEROR COMPANIES TILL EFFECTIVE DATE:

With effect from the Appointed Date and up to the Effective Date:

- (a) The Demerged/Transferor Company shall carry on and be deemed to carry on all its businesses and activities and stand possessed of its properties and assets for and on account of and in trust for the Resulting/Transferee Company.
- (b) All the profits accruing to the Demerged/Transferor Company or losses arising or incurred (including the effect of taxes, if any, thereon) by it shall, for all purposes, be treated as the profits or losses of the Resulting/Transferee Company as the case may be.
- (c) The Demerged/Transferor Company hereby undertakes to carry on its business until the Effective Date with reasonable diligence and shall not, without the written consent of the Resulting/Transferee Company,



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alienate, charge or encumber or otherwise deal with the assets or any part thereof except in the ordinary course of its business.

- (d) The Demerged/Transferor Company shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure without the written consent of the Resulting/Transferee Company, except in the ordinary course of business.
- (e) The Demerged/Transferor Company shall not, without the written consent of the Resulting/Transferee Company, undertake any new business.
- (f) Save as specifically provided in this Scheme, neither the Demerged/Transferor Company nor the Resulting/Transferee Company shall make any change in their capital structure by way of increase (whether by a rights issue, issue of equity or preference shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, reorganisation or in any manner which may in any manner affect the Share Exchange Ratio prescribed in Clause 9 except by mutual consent of the Board of Directors of both the companies.
- (g) The Demerged/Transferor Company shall not vary the terms and conditions of the service of its staff, workmen and employees except in the ordinary course of business.

7. DATE OF TAKING EFFECT AND OPERATIVE DATE:

The Scheme, although operative from the Appointed Date, shall become effective from the Effective Date.



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8. TRANSFEROR COMPANY'S STAFF, WORKMEN AND EMPLOYEES:

- (a) All employees of the Demerged / Transferor Company pertaining to the Demerged Undertaking in service on the Effective Date, shall become employees of the Resulting / Transferee Company on such date without any break or interruption in service and on terms and conditions of their employment with the Demerged/ Transferor Company, such as payment of remuneration not less favorable than those subsisting with reference to the Demerged/ Transferor Company as on the said date. The Resulting/Transferee Company undertakes to continue to abide by the terms of agreement/ settlement entered into by the Demerged/ Transferor Company with employees' union/ employee or association as the case may be.
- (b) It is provided that upon coming into effect of this Scheme, the Gratuity Fund, created or existing for the benefit of the staff and employees of the Demerged/Transferor Company pertaining to the Demerged Undertaking are concerned, the Resulting/Transferee Company shall stand substituted for all purposes whatsoever related to the administration or operation of the Fund or in relation to the obligation to make contributions to the said Fund in accordance with provisions of such Fund as per the terms provided in the Trust Deed, to the end and intent that all the rights, duties, powers and obligations of the Demerged/ Transferor Company in relation to such Fund shall become those of the Resulting / Transferee Company. It is clarified that the services of the employees of the Demerged/ Transferor Company will be treated as having been continuous for the purpose of the aforesaid Fund.
- (c) It is provided that upon coming into effect of this Scheme, the Provident Fund or any other Special Scheme(s)/Fund(s) (except Gratuity Fund), if any, created or existing for the benefit of the employees of the Demerged/ Transferor Company pertaining to the Demerged Undertaking are concerned, the same shall merge into such Scheme(s)/ Fund(s)



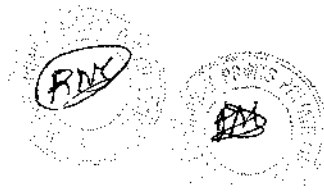
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maintained/ administered/ operated by the Resulting / Transferee Company for the benefit of the employees of the Demerged / Transferor Company to the end and intent that all the rights, duties, powers and obligations of the Demerged/Transferor Company in relation to such Schemes/Funds shall become those of the Resulting / Transferee Company. It is clarified that the services of the employees of the Demerged/Transferor Company will be treated as having been continuous for the purpose of the aforesaid Schemes/Funds. On such demerger the erstwhile Fund for the benefit of the employees of the Demerged/Transferor Company shall, subject to fulfillment of procedural requirement, if any, shall stand dissolved.

9. ISSUE OF SHARES BY THE RESULTING / TRANSFEREE COMPANY

- (a) Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the Investment Undertaking of the Demerged/Transferor company in the Resulting/Transferee Company in terms of the Scheme, the Resulting/Transferee Company shall subject to the provisions of the Scheme and without any further application, act or deed, issue and allot at par the Equity Shares of Rs.10/- (Rupees Ten Only) each credited as fully paid-up in the Capital of the Resulting/Transferee Company to the members of the Demerged/Transferor company whose names appear in the Register of Members of the respective Demerged/Transferor Company on a date (Record Date) to be fixed by the Board of Directors of the Resulting/Transferee Company or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Resulting/Transferee Company and approved by them to be placed on its register of names in the following proportion :

1 (One) Equity Share of Rs. 10/- each credited as fully paid-up in the Resulting/Transferee Company for every 10 (Ten) Equity Shares of



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Rs. 10/- each fully paid-up held by such member in the capital of the Demerged/Transferor Company.

The said new Equity Shares shall rank for voting rights and in all other respects pari-passu with the Equity Shares of the Resulting/Transferee Company.

10. ACCOUNTING TREATMENT IN THE BOOKS OF DEMERGED / TRANSFEROR COMPANY AND RESULTING / TRANSFEREE COMPANY

FOR RESULTING / TRANSFEREE COMPANY:

On the Scheme becoming effective and with effect from the Appointed Date, Resulting Company shall account for the arrangement of undertaking in its books as under:

- 10.1 All the assets and liabilities recorded in the books of Demerged Company relating to the Demerged Undertaking shall be recorded by Resulting Company in its books of accounts at their respective book values.
- 10.2 Resulting Company shall credit the aggregate face value of the Equity Shares issued and allotted under clause 9 to the Equity Share Capital account.
- 10.3 The inter-company balances and investments, pertaining to the demerged undertaking if any, appearing in the books of accounts of Resulting Company and Demerged Company; if any, will stand cancelled.
- 10.4 The surplus/deficit, if any arising after taking the effect of clauses 10.1 to 10.3, shall be adjusted in "Capital Reserve" in the financial statements of the Resulting Company and shall be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.



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- 10.5 If considered appropriate for the purpose of application of uniform accounting methods and policies between Demerged Company and Resulting Company; Resulting Company may make suitable adjustments and reflect the effect thereof in the reserves of Resulting Company.
- 10.6 The companies have duly followed the accounting standards and complied with the provisions of Section 133 of the Companies Act, 2013.

FOR DEMERGED / TRANSFEROR COMPANY:

Upon the Scheme being effective, Demerged Company shall account for demerger in its books of accounts with effect from the Appointed Date in the following manner:

- 10.7 Demerged Company shall reduce the book value of assets and liabilities relating to or pertaining to the Demerged Undertaking transferred to the Resulting Company from its books of accounts as appearing in its books at the close of business on the day immediately preceeding the Appointed Date.
- 10.8 The excess or deficit, of the book value of the assets transferred over the book value of the liabilities transferred shall be adjusted in the Reserves and Surplus of the Demerged Company.

11. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE RESULTING/TRANSFeree COMPANY.

- a) Upon the Scheme being effective, the Resulting/Transferee Company shall be entitled to commence and carry on the business and activities currently being carried on by the Demerged/Transferor Companies qua demerged undertaking, without any further act or deed with effect from the appointed date. It is clarified that there will be no need to pass a separate Shareholders'



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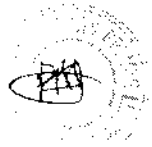
resolution as required under Section 11 of the Companies Act, 2013 (earlier Section 149(2A) of the Companies Act, 1956)

12. DECLARATION OF DIVIDEND

- (a) The Demerged/Transferor Companies and the Resulting/Transferee Company shall be entitled to declare and pay dividend, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date, provided that the Demerged/Transferor Companies shall not make any such declaration, except with the prior approval of the Board of Directors of the Resulting/Transferee Company.
- (b) It is clarified that the aforesaid provision in respect of declaration of dividends, whether interim or final, is an enabling provision only and shall not be deemed to confer any right on any of the members of the Demerged/Transferor Company and/or the Resulting/Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Demerged/Transferor Companies and the Resulting/Transferee Company and subject, wherever necessary, to the approval of the shareholders of the Demerged/Transferor Company and the Resulting/Transferee Company respectively.

13. CONTINUATION OF DEMERGED / TRANSFEROR COMPANY:

On the Scheme becoming effective, the Demerged/Transferor Company shall not stand dissolved without being wound up and shall continue with the remaining business.



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14. TAX CREDITS:

Demerged Company and Resulting Company shall be entitled to, amongst others, file/or revise its income tax returns, TDS/TCS returns, wealth tax returns, goods and service tax, service tax, excise duty, sales tax, value added tax, entry tax, cess, professional tax or any other statutory returns, if required, credit for advance tax paid, tax deducted at source, claim for sum prescribed under Section 43B of the Income-Tax Act, 1961 on payment basis, claim for deduction of provisions written back by Resulting Company previously disallowed in the hands of Demerged Company pertaining to Demerged Undertaking of Demerged Company under the Income-Tax Act, 1961, credit of tax under Section 115JB read with Section 115JAA of the Income-tax Act, 1961, credit of foreign taxes paid/withheld etc. if any, as may be required consequent to implementation of this Scheme and where necessary to give effect to this Scheme, even if the prescribed time limits for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum. Resulting Company shall have the right to claim refunds, tax credits, setoffs and/or adjustments relating to its income or transactions entered into by it by virtue of this Scheme with effect from Appointed Date. The taxes or duties paid by, for, or on behalf of Demerged Undertaking relating to the period on or after Appointed Date shall be deemed to be the taxes or duties paid by Resulting Company, and accordingly Resulting Company shall be entitled to claim credit or refund for such taxes or duties.

15. APPLICATIONS TO HON'BLE NATIONAL COMPANY LAW TRIBUNAL

The Demerged/Transferor Company and the Resulting/Transferee Company shall with all reasonable dispatch make applications and petitions under Section 230 and 232 and other applicable provisions of the Act to the Hon'ble National Company Law Tribunal for sanctioning this Scheme.



16. MODIFICATION / AMENDMENT TO THE SCHEME

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- (i) The Demerged/Transferor Company and the Resulting/Transferee Company, through their respective Board of Directors, may give consent to any modifications or amendments to the Scheme or agree to any terms or conditions which the Hon'ble Tribunal and/or other authorities under law may deem fit to impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise in implementing and/or carrying out the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting the Scheme into effect.
- (ii) For the purpose of giving effect to the Scheme or to any modification thereof, the Directors of the Resulting/Transferee Company are authorised to give such directions and/or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

17. SCHEME CONDITIONAL ON APPROVAL / SANCTIONS

The Scheme is conditional on and subject to:

- (a) the approval to the Scheme by the requisite majorities of the shareholders and creditors, if any, of the Demerged/Transferor Company and the shareholders of the Resulting/Transferee Company.
- (b) the sanction of the National Company Law Tribunal, under Section 230 to 232 of the Act, in favour of the Demerged/Transferor Company and the Resulting/Transferee Company and to the necessary Orders under Section 230 to 232 of the Act, being obtained.



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- (c) filing of the order obtained from the National Company Law Tribunal, under Section 230 to 232 of the Companies Act, 2013 with the Registrar of Companies, Gujarat State.
- (d) any other sanction or approval of any concerned authorities, as may be considered necessary and appropriate by the respective Board of Directors of the Demerged/Transferor Company and the Resulting/Transferee Company, being obtained and granted in respect of any of the matters for which such sanction or approval is required.

18. EFFECT OF NON-RECEIPT OF PERMITS AND MATTERS RELATING TO REVOCATION/ WITHDRAWAL OF THIS SCHEME

- (a) The Demerged Company and the Resulting Company acting through their respective Boards shall each be at liberty to withdraw from this Scheme: (a) in case any condition or alteration imposed by any Appropriate Authority is unacceptable to any of them; or (b) they are of the view that coming into effect of this Scheme could have adverse implications on the respective Companies.
- (b) In the event of revocation/withdrawal under Clause (a) above, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Demerged Company and the Resulting Company or their respective shareholders or creditors or employees or any other person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the Applicable Law and in such case, each Company shall bear its own costs, unless otherwise mutually agreed.
- (c) If any clause of this Scheme is held to be invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Companies that such clause



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shall be severable from the remainder of this Scheme, and this Scheme shall not be affected thereby, unless the deletion of such clause shall cause this Scheme to become materially adverse to any party, in which case the Board of Directors of the Companies involved in the Scheme shall attempt to bring about a modification in this Scheme, as will best preserve for the Companies, the benefits, and obligations of this Scheme, including, but not limited to, such clause.

19. EXPENSES CONNECTED WITH THE SCHEME AND INCIDENTAL TO THE COMPLETION OF THE AMALGAMATION

All costs, charges and expenses of the Demerged/Transferor Company and Resulting/Transferee Company in relation to or in connection with the Scheme and of carrying out and completing the terms and provisions of the Scheme and/or incidental to the completion of Amalgamation of the Demerged/Transferor Company in pursuance of the Scheme shall be borne by the respective companies.



(FMS)

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M. PRATAPRAY PRINTS PRIVATE LIMITED

Dealers in Cotton Printed Sarees

Annexure - B

Investment Details of M Pratapray Prints Pvt Ltd Division - II (Investment)

A) Ask Indian Entrepreneur Portfolio

Name of Company	No of Shares	Value as on 31-12-2021
Bajaj Finance Ltd	964	67,25,732
Bajaj Finserv Ltd	372	60,97,154
Apl Apollo Tubes Ltd	5,956	59,54,511
Tata Consultancy Services Ltd	1,460	54,55,801
Divis Laboratories Ltd	1,093	51,13,163
Aarti Industries Ltd	5,093	51,24,577
Havells India Ltd	3,574	49,93,593
P I Industries Ltd	1,014	48,96,876
Astral Poly Technik Ltd	2,125	48,54,669
Page Industries Ltd	112	45,28,121
Torrent Pharmaceuticals Ltd	1,391	45,28,506
Reliance Industries Ltd	1,061	44,07,127
Au Small Finance Bank Ltd	4,140	42,90,282
Titan Company Ltd	1,649	41,62,653
Asian Paints Ltd	1,219	41,22,597
Cholamandalam Investment And Finance Company Ltd	7,795	40,56,518
Sona Blw Precision Forgings Ltd	5,447	40,50,662
Kotak Mahindra Bank Ltd	2,070	37,18,341
Dixon Technologies India Ltd	598	32,97,671
Shree Cements Ltd	117	31,60,129
Dabur India Ltd	5,391	31,28,936
Metropolis Healthcare Ltd	787	27,06,926
Avenue Supermarts Ltd	559	26,10,362
Total		10,19,84,907

B) Ask India Select Portfolio

Name of Company	No of Shares	Value as on 31-12-2021
Bajaj Finance Ltd	1,091	76,11,798
Apl Apollo Tubes Ltd	6,517	65,15,371
Bajaj Finserv Ltd	382	62,61,056
Infosys Ltd	3,221	60,86,563
Polycab India Ltd	2,428	59,81,985
Icici Bank Ltd	7,874	58,28,729
Dixon Technologies India Ltd	1,052	58,01,254
Aarti Industries Ltd	5,424	54,57,628
Divis Laboratories Ltd	1,156	54,07,884
P I Industries Ltd	1,708	51,82,072
Reliance Industries Ltd	2,152	50,96,259
Titan Company Ltd	1,974	49,83,067
Page Industries Ltd	119	48,11,128
Asian Paints Ltd	1,330	44,97,994
Dabur India Ltd	6,611	38,37,024
Navin Fluorine International Ltd	912	38,18,635
Au Small Finance Bank Ltd	3,453	35,78,344
Teamlease Services Ltd	832	34,59,706
Dalmia Bharat Ltd	1,702	31,43,169
Hdfc Life Insurance Company Ltd	4,584	29,74,099
Britannia Industries Ltd	815	29,39,461
Icici Lombard General Insurance Company Ltd	1,824	25,55,333
Hdfc Bank Ltd	1,459	21,59,028
Sona Blw Precision Forgings Ltd	2,400	17,84,760
Vaibhav Global Ltd	1,020	6,00,525
Total		11,03,72,870



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Rasangh



10/10/23
Chartered Accountant
Ahmedabad Bench, Ahmedabad

GST IN No: 24AA DCM1158P129

CIN No: U17110GJ1993PTC019167

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M. PRATAPRAY PRINTS PRIVATE LIMITED

Dealers in Cotton Printed Sarees

C) Ask Liquid Strategy

Name of Company	No of Shares	Value as on 31-12-2021
Icici Prudential Liquid - Direct Plan - Growth	12,907,8240	
Total		40,33,884
		40,33,884

D) Kotak Private Banking - Mutual Funds

Name of Company	No of Units	Value as on 31-12-2021
Mirae Asset Large Cap Fund - Regular Plan - Growth	1,90,128,9650	1,49,87,296
Axis Focused 25 Fund - Growth	3,27,585,1290	1,51,14,778
Icici Arbitrage Fund Regular Plan - Growth	1,64,009,8700	42,91,859
		3,43,93,933

E) Kotak Private Banking - PMS (Equity)

Name of Company	No of Units	Value as on 31-12-2021
Unifi Blended PMS - Regular		9,95,375
Unifi Capital Others PMS - Regular		39,99,343
White Oak India Pioneers Equity Portfolio - Regular		10,17,835
		60,12,553

F) Kotak Private Banking - PMS (Debt)

Name of Company	No of Units	Value as on 31-12-2021
White Oak India Liquid Portfolio - Regular		40,05,909
		40,05,909

G) Kotak Private Banking - Other Products Alternate

Name of Company	No of Units	Value as on 31-12-2021
Kotak Optimus Aggressive Scheme, Class A - Direct		1,49,50,462
		1,49,50,462

H) Citi Bank Investment -

Name of Company	No of Units	Value as on 31-12-2021
Axis Mid-Cap Fund - Direct Plan - Growth	2,32,506.64	1,81,86,670
Axis Mid-Cap Fund - Regular Plan - Growth	1,08,486.02	75,96,191
Dsp Eq & Bond Fund - Direct Plan - Growth	65,040.70	1,67,76,986
Dsp Midcap Fund - Direct Plan - Growth	1,08,793.63	1,06,37,624
Dsp Midcap Fund - Regular Plan - Growth	49,205.33	44,76,455
Icici Pru Balance Adv Fund - Direct Plan - Growth	2,90,808.38	1,55,46,616
Icici Pru Equity Arbitrage Fund - Growth	16,50,455.59	4,55,66,274
Invesco India Arbitrage Fund - Growth	8,00,340.48	2,03,34,010
Invesco India - Growth	4,99,975.00	47,18,364
Kotak Equity Arbitrage Fund - Regular Plan - Growth	3,42,354.84	1,02,45,105
Business Opportunity Fund - Motilal Oswal		3,54,95,862
		18,95,80,157



R. N. Sanghani
R. N. Sanghani

GST IN No.: 24AA DCM1158P129

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Phone: 26442040, 26440100, 26447200, Fax: 079-26447300

M. PRATAPRAY PRINTS PRIVATE LIMITED

Dealers in Cotton Printed Sarees

I) Equity Stock - ASE Capital Markets Ltd

Name of Company	No of Units	Value as on 31-12-2021
Citicorp Fin (I) Ltd NCF	100	1,00,00,000
Gppl Ltd	2,500	2,49,250
Huhtamaki India Ltd	500	1,13,900
Kirloskar Ferr Ind Ltd	500	1,06,050
Mahindra Epc Irrp Ltd	5,000	5,89,500
Mgl Ltd	500	4,31,675
Orient Refractories Ltd	150	55,013
Petronet LNG Ltd	1,500	3,24,375
Swaraj Engines Ltd	1,000	16,18,800
		1,34,88,563

J) Equity Stock - Beeline Broking Ltd

Name of Company	No of Units	Value as on 31-12-2021
Adani Power Ltd	1,000	99,750
Honda India Power Products Ltd	200	2,62,040
Huhtamaki India Ltd	500	1,13,900
Infosys Ltd	50	94,483
Ite Ltd	500	1,09,000
Kirloskar Ferr Ind Ltd	2,000	4,24,200
Kirloskar Pneumatic Co Ltd	500	2,14,450
Nuvoco Vistas Corporation Ltd	364	1,81,836
Petronet LNG Ltd	1,000	2,16,250
Sona BLW Precision Forgings Ltd	550	4,09,008
Tcs Ltd	150	5,60,628
Transpeak Industry Ltd	100	2,12,970
		28,98,414

K) Equity Stock - Shah Investors Ltd

Name of Company	No of Units	Value as on 31-12-2021
Hdfc Amc Ltd	27	66,066
Tes Ltd	632	23,61,689
		24,27,755
Total Assets (Investment)		48,41,49,406
Total Liability		



Pratapray
Pratapray



GST IN No.: 24AA DCM1158P129

CIN No. : U17110GJ1993PTC019167

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