

**NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD  
(COURT NO. II)**

**CP (CAA) 33/AHM/2022**

**IN**

**CA (CAA) 62/AHM/2021**

(In the matter of Sections 230-232 and read with Section 66 of the Companies Act, 2013 read with The Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016)

**In the matter of Scheme of Amalgamation  
OF**

**GUJARAT WOOD- TECH PRIVATE LIMITED**  
(Petitioner Company No. 1/ Transferor Company No. 1)

**AND**

**GUJARAT MICA- PRODUCTS PRIVATE LIMITED**  
(Petitioner Company No. 2/ Transferor Company No. 2)

**AND**

**GUJARAT PLYLAM SALES AGENCIES PRIVATE LIMITED**  
(Petitioner Company No. 3/ Transferor Company No. 3)

**WITH**

**GUJARAT WOODLAM PRODUCTS PRIVATE LIMITED**  
(Petitioner Company No. 4/ Transferee Company)

**Order Pronounced on: 23/01/2023**

**Coram:**

**DR. DEEPTI MUKESH,  
HON'BLE MEMBER (JUDICIAL)  
AJAI DAS MEHROTRA,  
HON'BLE MEMBER (TECHNICAL)**

**MEMO OF PARTIES**

**In the matter of:**

**GUJARAT WOOD- TECH PRIVATE LIMITED**

(CIN: U20299GJ2000PTC038154)

Registered Office at:

H. No. 8/2453, Aara Street,  
Nr. Wadi Falia Police Chowky,  
Kotsafil Road, Surat-395003, Gujarat, India.

**... Petitioner Company No. 1/  
Transferor Company No. 1**

**GUJARAT MICA- PRODUCTS PRIVATE LIMITED**

(CIN: U20299GJ2002PTC040942)

Registered Office at:

H. No. 8/2453, Aara Street,  
Nr. Wadi Falia Police Chowky,  
Kotsafil Road, Surat-395003, Gujarat, India.

**... Petitioner Company No. 2/  
Transferor Company No. 2**

**GUJARAT PLYLAM SALES AGENCIES PRIVATE LIMITED**

(CIN: U51909GJ1995PTC024665)

Registered Office at:

H. No. 8/2453, Aara Street,  
Nr. Wadi Falia Police Chowky,  
Kotsafil Road, Surat-395003, Gujarat, India.

**... Petitioner Company No. 3/  
Transferor Company No. 3**

**GUJARAT WOODLAM PRODUCTS PRIVATE LIMITED**

(CIN: U20291GJ1994PTC024009)

Registered Office at:

Block No. 232, Nr. Molvan Limdi Chokdi,

At Post: Limbodara, Village: Karanj,

Taluka: Mandvi, Surat-394160, Gujarat, India.

**... Petitioner Company No. 4/  
Transferee Company**

- For the Petitioners** : Mr. Pavan Godiawala, Advocate a.w. Mr. Tirth Nayak, Advocate  
**For the Income Tax** : Ms. Pankit Shah, Advocate.  
**For RD** : Mr. Shiv Pal Singh, Assistant Director.  
**For OL** : Mr. Suresh Srivastava, UDC.

**ORDER**

1. This joint petition has been filed by the petitioner companies above named under Sections 230 and 232 read with Section 66 of the Companies Act, 2013 (for brevity 'the Act') read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (for brevity "CAA Rules") seeking sanction of the Scheme of Amalgamation (hereinafter called the "Scheme") of the M/s. Gujarat Wood-Tech Private Limited (for brevity "Transferor Company No. 1"), M/s. Gujarat Mica-Products Private Limited (for brevity "Transferor Company No. 2"), and M/s. Gujarat Plylam Sales Agencies Private Limited (for brevity "Transferor Company

No. 3”), into M/s. Gujarat Woodlam Products Private Limited (for brevity “Transferee Company”).

2. From the records, it is seen that the first motion application seeking directions for dispensation of the meeting of the equity shareholders, secured and unsecured creditors of all the Petitioner Companies was allowed vide order dated 04.10.2021.
3. The 2<sup>nd</sup> motion joint petition was filed on 25.04.2022 with the prayer to condone the delay of 191 days caused due to the pandemic like situation widely prevailing all over. Vide order dated 12.05.2022, the Bench condoned the delay, and this petition was admitted, issuing Notices to the concerned Statutory authorities and also directing publication in English language in “Financial Express” and in Gujarati language in “Dhabkar” newspaper, both having circulation in Surat.
4. The Regional Director, North Western Region, MCA has filed common report on 27.05.2022 along with the report of RoC, Ahmedabad. They have sought following directions:
  - i) The transferee company to undertake the compliance of section 232(3)(i) of the Companies Act, 2013 and to pay fees accordingly.
  - ii) The petitioner companies to incorporate the justification/reason in the Scheme about gap of more than one year in filing date of application and appointed date and place on record all the relevant

facts of the matter. The petitioner companies to comply MCA Circular no. 09/2019.

- iii) The petitioner companies to pay legal fees/cost to the central government.
- iv) The petitioner companies to pay necessary stamp duty on transfer of property/assets to the respective authorities before implementation of the scheme.

5. The Official Liquidator, attached with the Hon'ble High Court of Gujarat has filed observations, seeking directions as follows:

- i) The transferor companies to preserve its books of accounts, papers and records and shall not dispose them without prior permission of the Central Govt. as per the provisions of the section 239 of the Companies Act, 2013.
- ii) The transferor companies to ensure statutory compliance of all applicable laws and also on sanctioning of the scheme, the transferor companies shall not be absolved from any of its statutory liability, in any manner.
- iii) The transferee company to undertake the compliance of section 232(3)(i) of the companies Act, 2013.
- iv) The transferee company to pay such cost and expenses to the office of the official liquidator for the transferor companies or any such amount as may be considered appropriate by this Bench.

6. The Petitioner Companies have filed a common affidavit in reply to the observations of Regional Director, ROC and Official Liquidator. The submission made in above stated replies are as follows:

- i) For differential fees, the transferee company gave undertaking for compliance of section 232(3)(i) of the Companies Act, 2013.
- ii) If the date is changed i.e., appointed date is changed it would require audited financial statements for the year 2020-21 and due to the lockdown for the substantial period from 20/3/2020 it was practically not possible to prepare the same in short period and could have further delayed the application. More importantly the companies have got the valuation certificates based on the audited financials as on 31/3/2020 and the scheme was ultimately approved by the respective classes pursuant to the first stage order passed by this Hon'ble Tribunal and changing the date of the appointed date would be a cumbersome procedure besides the fact that entire procedure needs to be restarted and non-filing of the application within one year from the date fixed from the appointed date was neither intentional nor wilful but practically impossible and due to such act of God as well as the entire mandatory procedure needs to be restarted would involve huge expenses, energy, and resources and the company would lose the synergic benefit and such delay in filing is not against the public interest and rights of neither of the parties are even remotely affected.

It is respectfully submitted that the scheme in fact could not reflect the

said explanation as the companies i.e., Petitioners have never envisaged that the application shall be filed beyond 1 year. It is needless to state that the covid period i.e., 2<sup>nd</sup> wave of covid-19 was at peak in the month March 2021 and April 2021 and thus the delay was unavoidable. The delay in filing the application is neither intentional nor wilful and there are no adverse financial implications due to such delay. It is further submitted that the circular in question dated 21.8.2019 was before the global pandemic of covid-19, and admittedly later on in the subsequent financial years the Income Tax Authorities have also extended the time limits for auditing and filing of the returns.

- iii) The transferee company gave undertaking to pay legal fees, as per the order.
- iv) The transferee company gave undertaking to pay the necessary stamp duty on the scheme to the relevant stamp authority in accordance with the applicable Stamp Act/law.
- v) The transferee company gave undertaking to preserve the books of accounts, papers and records of the transferor company and not to dispose of the same without prior permission of the Central Govt. as per the provisions of section 239 of the Companies Act, 2013.
- vi) The transferee company gave undertaking to comply with statutory compliances under applicable laws and after the scheme coming into effect, all liabilities including statutory liabilities of the transferor

company stand transferred to the transferee company and the same will be paid by the transferee company in ordinary course of business and as per applicable law.

7. The Income Tax Department filed their reports and raised objection with respect to the sanctioning of the Scheme, which are as follows:

i) As per Para no. 8 of the Scheme, it has been represented that the proposed amalgamation would improve profitability by improving the efficiency and economic viability of the resultant undertaking. Further it would lead to reduction in duplication of several overhead expenses and lead to combination of managerial and financial resources of the companies. The 2 transferor companies i.e., M/s Gujarat Wood-tech Pvt Ltd and M/s Gujarat Mica Products Pvt Ltd have been doing no/miniscule business while the business of 3rd Transferor company i.e. M/s Gujarat Plylam Sales Agencies Pvt Ltd has already been consistently reduced to minimum over the last few years by diverting the business to M/s Gujarat Woodlam Products Pvt Ltd (Transferee) as reflected from former's financial results. The latest position of 3 transferor companies is reflected in following table:

Name	Equity Shareholders	Nature of ownership	Operational Revenues (FY 2019-20) in lakh Rs.	Net Assets (FMV) in lakh Rs.	PBT(FY-2019-20) in lakh Rs.



M/s. Gujarat Wood- Tech Private Limited	5	Relatives (closely held)	0.0	93.63	0.03
M/s. Gujarat Mica- Products Private Limited	6	Relatives (closely held)	0.0	219.44	-3.24
M/s. Gujarat Pylam Sales Agencies Private Limited	13	Relatives (closely held)	0.00	75.89	0.14
Total				389	

From the above details, that claim of applicants that amalgamation shall create increased efficiency and economic viability of the resultant undertaking is not correct. At the most, the proposed scheme is only a device to transfer book assets with FMV amounting to Rs 3.89 crores of three transferor companies to transferee company without paying of any taxes or state stamp duties by the promoters and their family members.

- ii) That three transferor companies, being separate legal entities, are only entitled to distribute their assets to its shareholders by way of a taxable transfer or a dividend distribution. In the case of the former, the gains arising on the transfer would be subject to Capital Gains tax at the rate of approx. 20%, while in the case of the latter, the amounts distributed would be subject to dividend distribution tax u/s 115(O) IT Act, 1961 at the rate of approx. 15%. Further, transfer of assets attracts stamp duty

which is paid either to Registrar of Companies or State Revenue Department and forms part of the overall public exchequer. Advancement of public interest has been one of the defining criteria employed by NCLT while approving the amalgamation or mergers under the Companies Act 2013. In case of amalgamation between closely held companies, therefore, the public interest is best secured where scheme does not adversely affect public tax revenues through its design. Only in the case where a scheme demonstrates creation of substantial output gains and efficiencies post-merger, can it be said that the loss of public interest through unpaid/saved public taxes/duties has been compensated to an extent. However, in the instant case, the only interest that is served to facilitate tax avoidance to promoter family as substantial tax incidence may accrue on disposal of assets with FMV of 3.89 crores as there are no business or productivity gains to successor firm.

iii) Further, the proposed scheme may trigger invocation of General Anti Avoidance Rules (GAAR) as it being impermissible avoidance arrangement because not only it lacks commercial substance, but also it is primarily entered for the main purposes of obtaining a tax benefit. To clarify, Chapter XA, Section 96 of the IT Act is reproduced below:

*“Impermissible avoidance arrangement  
96(1). An impermissible avoidance arrangement means an arrangement, the main purpose of which is to obtain a tax benefit, and it-*

- (a) Creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length."*
- (b) Results, directly or indirectly, in the misuse, or abuse, of the provisions of this Act.*
- (c) Lacks commercial substance or is deemed to lack commercial substance under section 97, in whole or in part. Or*
- (d) Is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes.*

*96(2), An arrangement shall be presumed, unless it is proved to the contrary by the assessee, to have been entered into, or carried out, for the main purpose of obtaining a tax benefit, if the main purpose of a step in, or a part of, the arrangement is to obtain a tax benefit, notwithstanding the fact that the main purpose of the whole arrangement is not to obtain a tax benefit."*

- iv) That the petitioner companies are closely held companies and since the tax payable on the Capital Gain arising on transfer of Capital Asset is not ascertainable and whether the amount distributed by the amalgamated company is subject to Dividend Distribution Tax u/s 115-O of the IT Act cannot be ascertained. Thus, this case does not seem to be a fit case for merger/amalgamation.
- v) The Income Tax Department also relied upon case of Re Gabs Investment Pvt. Ltd. & Ajanta Pharma Ltd. (CSP no. 995 and 995 of 2017) wherein the order passed by the NCLT Mumbai Bench on 30.08.2018, whereby the proposed scheme of amalgamation was rejected on the ground that scheme only facilitated tax avoidance and no public interest was served. The department also relied on judgment of Hon'ble NCLAT, New Delhi in the case of Wiki Kids Ltd Company Appeal (AT) No. 285 of 2017 wherein, Hon'ble NCLAT, New Delhi upheld the

decision of rejection of scheme of amalgamation by NCLT Hyderabad on the grounds that no public interest was served and benefits only flowed to promoters and their family members.

8. The Petitioner Companies have filed affidavit in reply to the reports and objections of Income Tax Department, which are as follows:

i) In response to para 3 of the Income Tax Department report, the petitioner companies submitted that in the present scheme of arrangement in the nature of amalgamation, in such a manner that –

a) All the properties of the Transferor Companies immediately after the amalgamation will become the properties of the Transferee Company by virtue of the amalgamation;

b) All the liabilities of the Transferor Companies prior to the amalgamation become the liabilities of the Transferee Company by virtue of the amalgamation;

c) Shareholders holding not less than three-fourths in value of the shares in the Transferor Company (other than shares already held therein immediately before the amalgamation by, or by a nominee for, the amalgamated company or its subsidiary) will become shareholders of the Transferee Company by virtue of the amalgamation, and

d) The scheme of arrangement in the nature of amalgamation fulfills conditions prescribed in Sub Section 1B of Section 2 of Income Tax Act, 1961.

The petitioner companies also submitted that all the companies fulfill the criteria of Indian Company in terms of sub-section 26 of section 2 of Income Tax Act, 1961.

e) Any transfer, in a Scheme of Amalgamation of capital Assets by the Transferor Company to the Transferee Company, if the transferee company is an Indian Company; is not a transaction in the nature of transfer in terms of Sub Section (vi) of Section 47 of Income Tax Act, 1961.

f) Any transfer by a shareholder, in a scheme of amalgamation, of a capital asset being a share held by him in the amalgamating company, if –

1. The transfer is made in consideration of the allotment to him of any shares in the amalgamated company except where the shareholder itself is the amalgamated company, and the amalgamated company is an Indian Company; is not a transaction in the nature of transfer in terms of Sub Section (vii) of Section 47 of Income Tax Act, 1961.

g) No amount is declared, distributed or paid by the transferor or transferee company out of current or accumulated profit nor any payment by way of advance or loan is given to shareholder who is beneficial owner of the shares or any payment is made by company for individual benefit of shareholder under Scheme of

Amalgamation for which amalgamated company is subject to Dividend Distribution Tax under Section 115-O of the Income Tax, 1961.

It is further submitted that there is no tax payable on the capital gain arising on the transfer of capital asset and that there is no question of dividend distribution tax and the observations made are unacceptable in law.

- ii) With respect judgements as relied upon by the Income Tax Department are not applicable to the present facts of the case as there is no avoidance of tax for which the scheme is proposed. The scheme of amalgamation is proposed for the synergic benefit and the preamble is provided in the scheme itself which is self-explanatory and the scheme has been approved by all the stakeholders without any modification and upon considering the requisite members of all the stakeholders under the law. This Hon'ble Tribunal vide its order 04.10.2021 passed the order dispensing with the meetings. The copy of the order is annexed with the Petition.

It is submitted that such letter is without any basis and there is no justification or any document which even remotely suggests that there is tax evasion. Further by merely referring to some judgements passed in some other contexts cannot be applicable to the present case. Further submitted that both the companies are into business activities since their inception and the amalgamation is not for the

avoidance of the tax as both the companies are not loss-making companies. It is respectfully submitted that such letter, as issued by the Deputy Commissioner is without any basis.

9. The petitioner companies have filed their respective audited financial statements as on 31<sup>st</sup> March 2021, which are annexed with an affidavit filed on 14.06.2022.
10. Ld. Assistant Director, from the office of Regional Director, MCA, and the Official Liquidator made a statement that they do not have any objection to the Scheme, as recorded in the daily order dated 23.12.2022. The Ld. Counsel for the petitioner companies stated that no objections to the Scheme were received from any quarters in response to the advertisements issued in this regard, as recorded in daily order dated 23.12.2022.
11. Heard submissions and perused documents placed on record. We have perused the approval accorded by the members and creditors of the Petitioner Companies to the proposed Scheme, and the no objections given by the respective statutory authorities i.e., Official Liquidator and Regional Director, and the response given by the petitioner companies against the objection raised by the Income Tax Department. We also note that anti-avoidance regulations are codified and brought in the Income Tax Act. Thus, even if this scheme is approved in the present form, the Income Tax Department shall have the right to recover their dues in accordance with law and the rights of the Income Tax

Department will remain intact to take appropriate proceedings against the Transferee Company. With reference to the above facts and discussion, it appears that the requirements of the provisions of section 230 and 232 are satisfied by the petitioner companies. It seems that the proposed Scheme of Amalgamation is bona fide and in the interest of the shareholders and creditors. Therefore, the petition is allowed and the Scheme annexed with the petition at annexure-A envisaging amalgamation of M/s. Gujarat Wood-Tech Private Limited, and M/s. Gujarat Mica-Products Private Limited and M/s. Gujarat Plylam Sales Agencies Private Limited with M/s. Gujarat Woodlam Products Private Limited, is hereby sanctioned. 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.

12. Notwithstanding the above, if any deficiency is 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 law, against the concerned persons, directors and officials of the Petitioners.
13. While approving the Scheme as above, we further clarify that this order should not be construed as an order in any manner granting exemption from payment of stamp duty, or taxes including income tax, GST etc., or any other charges or payment in accordance with law, or any kind of



waiver in respect of any permission / compliance with any other requirement which may be specifically required under any law.

**14. The Scheme is sanctioned with following directions:**

- i.** The Scheme of Arrangement as annexed herewith as “Annexure A” is hereby sanctioned and it is declared that the same shall be binding on the Petitioner Companies and their Shareholders and Creditors and all concerned under the Scheme.
- ii.** It is declared that the transferor companies shall be dissolved without winding up.
- iii.** All the properties mentioned in schedule as “Annexure B”, rights and powers of the transferor companies specified in the schedule hereto and all the other properties, rights and powers of the transferor companies be transferred without any further act or deed to the transferee Company and accordingly the same shall, pursuant to Section 232 of the Act, vest in the transferee company for all the estate and interest of the transferor companies therein but subject nevertheless to all charges now affecting the same, if any.
- iv.** Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the Undertakings of the Transferor Companies in the Transferee Company in terms of the Scheme, the 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

Transferee Company to the members of the Transferor Companies whose names appear in the Register of Members of the Transferor Companies on a date (Record Date) to be fixed by the Board of Directors of the 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 Transferee Company and approved by them to be placed on its register of names in the following proportion:

- a) 03 (Three) Equity Shares of Rs. 10/- each credited as fully paid-up in the Transferee Company for every 04 (Four) equity shares of Rs. 10/- each fully paid-up held by such member in the capital of the Transferor Company -1.*
- b) 01 (One) Equity Share of Rs. 10/- each credited as fully paid-up in the Transferee Company for every 02 (Two) equity shares of Rs. 10/- each fully paid-up held by such member in the capital of the Transferor Company -2.*
- c) 03 (Three) Equity Shares of Rs. 10/- each credited as fully paid-up in the Transferee Company for every 04 (Four) equity shares of Rs. 10/- each fully paid-up held by such member in the capital of the Transferor Company -3.*

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

- v. All proceedings, if any, now pending or to be initiated, by or against the transferor companies shall be continued by or against the transferee company.

- vi.** All workers / employees of all the transferor companies shall be deemed to become the workers /employees of the transferee company with effect from the Appointed Date, and shall stand absorbed in the transferee company in accordance with the Scheme without any interruption of service and on terms and conditions no less favourable than those on which they are engaged by the transferor companies, as on the Effective Date.
- vii.** The Petitioner companies within thirty days of the date of receipt of this order, cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the entire Undertaking of the transferor companies shall stand transferred to the transferee company and the Registrar of Companies shall place all documents relating to the transferor companies to the file kept by him in relation to the transferee company and the files relating to the said two companies shall be treated accordingly.
- viii.** All concerned Authorities to act on copy of this order along with the Scheme authenticated by the Registrar of this Tribunal who shall issue the certified copy of this order along with the Scheme immediately.
- ix.** The Petitioner Companies are directed to lodge a copy of this Order and the approved Scheme and Schedule of Assets of the transferor companies attached as Annexure-B with this order, duly authenticated by the Registrar of this Tribunal, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty, if any, within 60 days from the date of the Order.

- x. 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.
- xi. The legal fees and expenses of the office of the Regional Director are quantified at Rs.10,000/-in respect of both the petitioner companies. The said fees to the Regional Director shall be paid by the transferee company.
- xii. The legal fees and expenses of the office of the Official Liquidator are quantified at Rs.10,000/- in respect of all the petitioner transferor companies. The said fees to the Official Liquidator shall be paid by the transferee company.
- xiii. Any person aggrieved shall be at liberty to apply to the Tribunal in the above matter for any direction that may be necessary.
- xiv. The Petition is allowed and disposed of, in terms of above order.

**-Sd-**

**AJAI DAS MEHROTRA  
MEMBER (TECHNICAL)**

**-Sd-**

**DR. DEEPTI MUKESH  
MEMBER (JUDICIAL)**

Abhishek Singh  
LRA

*Annexure J  
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COMPOSITE SCHEME OF ARRANGEMENT  
IN THE NATURE OF AMALGAMATION OF  
GUJARAT WOOD- TECH PRIVATE LIMITED  
AND  
GUJARAT MICA-PRODUCTS PRIVATE LIMITED  
AND  
GUJARAT PLYLAM SALES AGENCIES PVT LTD  
WITH  
GUJARAT WOODLAM PRODUCTS PRIVATE LIMITED  
UNDER SECTION 230-232  
READ WITH SECTION 66 OF THE COMPANIES ACT, 2013

**PREAMBLE**

All the companies, the Transferee Company and the Transferor Companies, are under the same management and are closely held companies.

The amalgamation of the Transferor Companies and the Transferee Company would also improve profitability by improving the efficiency and economic viability of the resultant undertaking 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.

The amalgamation would substantially reduce duplication of several overhead expenses and formalities and will lead to economy in administrative and management costs and improving overall profitability.

The combined managerial and financial resources of the companies would enhance the capability of the resultant unit and to ensure rapid growth and would consolidate the strategic strength of the amalgamated company.

*Sanjay Agarwal*

*Mamraj Agarwal*

*Sanjay Agarwal*

*Anand Kumar Agarwal*



FOR GUJARAT WOOD TECH PVT. LTD.  
*Sanjay Agarwal*  
DIRECTOR

FOR GUJARAT PLYLAM SALES AGENCIES PVT. LTD.  
*Mamraj Agarwal*  
DIRECTOR

FOR GUJARAT MICA PRODUCTS PVT. LTD.  
*Sanjay Agarwal*  
DIRECTOR

FOR GUJARAT WOOD-LAM PRODUCTS PVT. LTD.  
*Anand Kumar Agarwal*  
DIRECTOR

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The amalgamation of the companies would broaden the capital base of the resultant unit which can diversify into various other profitable businesses keeping in mind the changed economic and business conditions and opportunities in India.

A larger company would generate more confidence amongst the persons dealing with the Company and will afford access to resources easily and at lower costs.

The amalgamation will be advantageous to the companies, their respective shareholders and all other concerned.

**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 1<sup>st</sup> day of April, 2020 or such other date as the Hon'ble National Company Law Tribunal may direct.
- 1.3 "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 Transferor Companies in the Transferee Company is filed with the Registrar of Companies of State of Gujarat, after obtaining the consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary therefore.
- 1.4 "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 Companies to whom shares will be allotted pursuant to this Scheme.

*Sumit Agarwal*

*Manoj Agarwal*

*Sumit Agarwal*

*Anand Karmate Agarwal*



FOR GUJARAT WOOD TECH PVT. LTD.  
*Sumit Agarwal*  
DIRECTOR

FOR GUJARAT PLYLAM SALES AGENCIES PVT. LTD.  
*Manoj Agarwal*  
DIRECTOR

FOR GUJARAT MCA PRODUCTS PVT. LTD.  
*Sumit Agarwal*  
DIRECTOR

FOR GUJARAT WOOD-LAM PRODUCTS PVT. LTD.  
*Anand Karmate Agarwal*  
DIRECTOR

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- 1.5 "Scheme" means this Composite Scheme of Arrangement in the nature of Amalgamation in its present form or with any modification(s) approved by the Hon'ble National Company Law Tribunal.
- 1.6 "Transferee Company" means **GUJARAT WOODLAM PRODUCTS PRIVATE LIMITED (CIN:U20291GJ1994PTC024009)**, a company incorporated under the Companies Act, 1956 having its Registered Office at Block No. 232, Nr. Molvan Limdi Chokdi, At Post: Limbodara, Village: Karanj, Taluka:Mandvi Surat - 394160,Gujarat, India. The shares of the Transferee Company are not listed in any stock exchange.
- 1.7 "Transferor Company-1" means **GUJARAT WOOD-TECH PRIVATE LIMITED (CIN: U20299GJ2000PTC038154)**, a company incorporated under the Companies Act, 1956 having its Registered Office at H. No. 8/2453, Aara Street, Nr. Wadi Falia Police Chowky, Kotsafil Road, Surat - 395003, Gujarat, India. The shares of the Transferor Company - 1 are not listed in any stock exchange.
- 1.8 "Transferor Company-2" means **GUJARAT MICA-PRODUCTS PRIVATE LIMITED (CIN: U20299GJ2002PTC040942)**, a company incorporated under the Companies Act, 1956 having its Registered Office at H. No. 8/2453, Aara Street, Nr. Wadi Falia Police Chowky, Kotsafil Road, Surat- 395003, Gujarat, India. The shares of the Transferor Company - 2 are not listed in any stock exchange.
- 1.9 "Transferor Company-3" means **GUJARAT PLYLAM SALES AGENCIES PVT LTD (CIN: U51909GJ1995PTC024665)**, a company incorporated under the Companies Act, 1956 having its Registered Office at H. No. 8/2453, Aara Street, Nr. Wadi Falia Police Chowky, Kotsafil Road, Surat- 395003, Gujarat, India. The shares of the Transferor Company - 3 are not listed in any stock exchange.

*Manoj Agawal*

*Manoj Agawal*

*Manoj Agawal*

*Anand Kumar Agawal*



FOR GUJARAT WOOD TECH PVT. LTD.  
*Manoj Agawal*  
DIRECTOR

FOR GUJARAT PLYLAM SALES AGENCIES PVT. LTD.  
*Manoj Agawal*  
DIRECTOR

FOR GUJARAT MICA PRODUCTS PVT. LTD.  
*Manoj Agawal*  
DIRECTOR

FOR GUJARAT WOOD-LAM PRODUCTS PVT. LTD.  
*Anand Kumar Agawal*  
DIRECTOR

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1.10 "Undertaking" "Undertaking of the Transferor Companies" shall mean and include the entire business of the Transferor Companies as a going concern including:

- i. All the assets and property of the Transferor Companies as on the Appointed Date (hereinafter referred to 'the said Assets').
- ii. All secured and unsecured debts, liabilities, duties and obligations of the Transferor Companies as on the Appointed Date (hereinafter referred to 'the said Liabilities').
- iii. Without prejudice to the generality of Sub-clause (i) and (ii) above, the undertaking of the Transferor Companies shall include entire business as a going concern including all the assets and properties of the Transferor Companies, whether movable, immovable, tangible, intangible, present, contingent, corporeal or incorporeal and investments, loans, advances, deposits & claims; lease hold, tenancy, occupancy or easement rights; industrial & other licenses, permissions, authorizations, approvals, quota rights, permits, trademarks, brands, designs, drawings, patents, other intellectual property rights, import or export entitlements/ benefits and all other entitlements, benefits, advantages or rights of every kind whatsoever; rights and benefits of all the agreements & contracts; rights and entitlements of any amount or benefits claimable from any Government (whether or not recorded in the books of accounts); right to claim the refund or credit of any taxes, duties, cess or other statutory charges including right of refund, right of any tax credit or adjustment of any excess or erroneous payments and interest thereon under any law, statute, Rule or scheme of any Government; right to deductions, exemptions, incentive, rebates, allowances, set off of brought forward unabsorbed losses, tax/duty credits including MAT credit u/s 115JAA of Income Tax Act, 1961, amortization benefits and all other benefits under the Income Tax Act, 1961 or under any other law, statute, Rule or Policy of the Central Government, State Government, any other Government,

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local body or any authority; telex, facsimile and other communication facilities and equipments; Electrical, Power, Gas, Water or other energy/utility connections along with equipments connected therewith and all other interests, rights, benefits, powers, advantages, allotments, registrations or entitlements of any kind, nature or description, whatsoever, owned by, belonging to, vested in, granted in favour of or enjoyed by or in the control of the Transferor Companies including all the reserves, surplus, provisions and funds of the Transferor Companies and all the liabilities, debts, obligations, commitments and duties of the Transferor Companies, whether present or contingent and whether ascertained or yet to be ascertained and whether arising out of any contractual or statutory obligation.

- iv. All records, files, papers, computer programs, manuals, data, catalogues, sales material, list of customer and suppliers, other customer information and all other records and documents relating to business activities and operations of the Transferor Companies.
- v. All employees engaged by the Transferor Companies as on the effective date.

1.11 All capitalized terms not defined but used in this scheme shall unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, and other applicable laws, rule, regulations and bye-laws, as the case may be, or any statutory amendment(s) or re-enactment thereof, for the time being in force.

1.12 The words importing the singular shall include the plural and words importing any gender shall include every gender.

<sup>x</sup>  
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2. SHARE CAPITAL

(a) The Share Capital of the Transferor Company-1 as on Appointed date

AUTHORISED	(IN RUPEES)
Class I: 30000 Equity Shares of Rs. 10/- each	3,00,000
Class II: 22000 Equity Shares of Rs. 100/- each	22,00,000
<b>TOTAL</b>	<b>2,500,000/-</b>

ISSUED, SUBSCRIBED AND PAID UP	(IN RUPEES)
Class I: 29200 Equity Shares of Rs. 10/- each	2,92,000
Class II: 17500 Equity Shares of Rs. 100/- each	17,50,000
<b>TOTAL</b>	<b>2,042,000/-</b>

The Share Capital of the Transferor Company-1 as on the date of approving the scheme by the Board of Directors.

AUTHORISED	(IN RUPEES)
250000 Equity Shares of Rs. 10/- each	2,500,000
<b>TOTAL</b>	<b>2,500,000/-</b>

ISSUED, SUBSCRIBED AND PAID UP	(IN RUPEES)
204200 Equity Shares of Rs. 10/- each	2,042,000
<b>TOTAL</b>	<b>2,042,000/-</b>

(b) The Share Capital of the Transferor Company-2 as on the date of approving the scheme by the Board of Directors

AUTHORISED	(IN RUPEES)
750000 Equity Shares of Rs. 10/- each	7,500,000
<b>TOTAL</b>	<b>7,500,000/-</b>

ISSUED, SUBSCRIBED	(IN RUPEES)
742000 Equity Shares of Rs. 10/- each	74,20,000
<b>TOTAL</b>	<b>74,20,000/-</b>

ISSUED, SUBSCRIBED AND PAID UP	(IN RUPEES)
722000 Equity Shares of Rs. 10/- each	7,220,000
Add: Share Forfeiture	100,000
<b>TOTAL</b>	<b>7,320,000/-</b>

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(c) The Share Capital of the Transferor Company-3 as on Appointed date

AUTHORISED	(IN RUPEES)
Class I: 40000 Equity Shares of Rs. 10/- each	4,00,000
Class II: 26000 Equity Shares of Rs. 100/- each	26,00,000
<b>TOTAL</b>	<b>3,00,000/-</b>

ISSUED, SUBSCRIBED AND PAID UP	(IN RUPEES)
Class I: 30600 Equity Shares of Rs. 10/- each	3,06,000
Class II: 14000 Equity Shares of Rs. 100/- each	14,00,000
<b>TOTAL</b>	<b>1,706,000/-</b>

The Share Capital of the Transferor Company-3 as on the date of approving the scheme by the Board of Directors

AUTHORISED	(IN RUPEES)
300000 Equity Shares of Rs. 10/- each	3,00,000
<b>TOTAL</b>	<b>3,00,000/-</b>

ISSUED, SUBSCRIBED AND PAID UP	(IN RUPEES)
170600 Equity Shares of Rs. 10/- each	1,706,000
<b>TOTAL</b>	<b>1,706,000/-</b>

(d) The Share Capital of the Transferee Company as on Appointed date

AUTHORISED	(IN RUPEES)
Class I: 170000 Equity Shares of Rs. 10/- each	17,00,000
Class II: 158000 Equity Shares of Rs. 100/- each	1,58,00,000
<b>TOTAL</b>	<b>17,500,000/-</b>

ISSUED, SUBSCRIBED AND PAID UP	(IN RUPEES)
Class I: 69260 Equity Shares of Rs. 10/- each	6,92,600
Class II: 95000 Equity Shares of Rs. 100/- each	95,00,000
<b>TOTAL</b>	<b>10,192,600/-</b>

The Share Capital of the Transferee Company as on the date of approving the scheme by the Board of Directors

AUTHORISED	(IN RUPEES)
1750000 Equity Shares of Rs. 10/- each	17,500,000
<b>TOTAL</b>	<b>17,500,000/-</b>

ISSUED, SUBSCRIBED AND PAID UP	(IN RUPEES)
1019260 Equity Shares of Rs. 10/- each	10,192,600
<b>TOTAL</b>	<b>10,192,600/-</b>

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DIRECTOR

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3. **TRANSFER AND VESTING**

- 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 whole of Undertaking and entire business of the Transferor Companies shall, pursuant to Section 232 of the Companies Act, 2013, and without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the undertaking with all estates, assets, properties, rights, title and interest of the Transferee Company.
- b) Any statutory licenses, permissions, approvals or consents to carry on the operations of the Transferor Companies shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the Statutory Authorities concerned in favor of the 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, other licenses and consents shall vest in and become available to the 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 Transferor Companies are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions.
- c) With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of the Transferor Companies shall also, pursuant to Section 232 of The Companies Act, 2013, without any further act or deed, be transferred to or be deemed to

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be transferred to the Transferee Company so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the 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 Sub-Clause.

d) With effect from the Appointed date, all Direct Taxes paid, Direct Taxes Refund Due or Receivable, Tax Credit u/s 115JAA of the Income Tax Act, 1961, 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 Transferor Companies 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 Company, 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), Tax Credit or entitlements 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 Sub-Clause.

e) The transfer and vesting of the assets and investments of the Transferor Companies 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 Transferor Companies.  
Provided, however, that any reference in any security documents or arrangements (to which the Transferor Companies is a party) to the assets of the Transferor Companies offered or agreed to be offered as security for any

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financial assistance or obligations, shall be construed as reference only to the assets pertaining to the undertaking of the Transferor Companies as are vested in the 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 Transferor Companies or any of the assets of the Transferee Company.

Provided further that the securities, charges etc, (if any subsisting) over and in respect of the assets or any part thereof of the 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 extend or be deemed to extend to the assets of the Transferor Companies vested in the 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 Transferor Companies is a party or to the benefit of which the Transferor Companies is or may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall remain in full force and effect against or in favour, as the case may be, of the Transferee Company, and may be enforced as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or oblige thereto.

b) All deposits including public deposits, debentures or bonds and any amount remaining unpaid/unclaimed relating thereto of the Transferor Companies, if any, shall be kept distinctly identified in the records of the Transferee Company for all intents and purposes including taxation

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and accounting and shall not be combined with any existing outstanding deposit scheme or series of debentures or bonds of the Transferee Company.

- c) The 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 tripartite arrangements with any party to any contract or arrangement to which the Transferor companies is a party 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 proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company as effectually as if the same had been pending and/or arising by or against the Transferee Company.

- b. The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Companies referred to in sub-clause (a) above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company.

**6. CONDUCT OF BUSINESS BY TRANSFEROR COMPANIES STILL EFFECTIVE DATE:**

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

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*Manoj Agaswal*

*Sanit Jyalsud*

*Anand Kumar Agaswal*



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*Sanit Jyalsud*

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- (a) The Transferor companies 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 Transferee Company.
- (b) All the profits accruing to the Transferor Companies 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 Transferee Company as the case may be.
- (c) The Transferor Companies hereby undertakes to carry on its business until the Effective Date with reasonable diligence and shall not, without the written consent of the Transferee Company, alienate, charge or encumber or otherwise deal with the assets or any part thereof except in the ordinary course of its business.
- (d) The Transferor Companies 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 Transferee Company, except in the ordinary course of business.
- (e) The Transferor Companies shall not, without the written consent of the Transferee Company, undertake any new business.
- (f) Save as specifically provided in this Scheme, neither the Transferor Companies nor the 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, subdivision or consolidation, reorganization 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 all the companies.

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*Manoj Agarwal*

*Sanjay Agarwal*

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(g) The Transferor Companies shall not vary the terms and conditions of the service of its staff, workmen and employees except in the ordinary course of business.

**7. OPERATIVE DATE OF THE SCHEME:**

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

**8. TRANSFEROR COMPANIES'S STAFF, WORKMEN AND EMPLOYEES:**

- a) All employees of the Transferor Companies in service on the Effective Date shall become employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration not less favorable than those subsisting with reference to the Transferor Companies as on the said date.
- b) It is provided that so far as the Gratuity Fund, created or existing for the benefit of the employees of the Transferor Companies is concerned, upon the coming into effect of this Scheme, the Transferee Company shall stand substituted for the Transferor Companies 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 Transferor Companies in relation to such Fund shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Companies will be treated as having been continuous for the purpose of the aforesaid Fund.
- c) It is provided that so far as 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 Transferor Companies is concerned,

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upon the coming into effect of this Scheme, the same shall merge into such Scheme(s)/ Fund(s) maintained/ administered/ operated by the Transferee Company for the benefit of the employees of the merged company to the end and intent that all the rights, duties, powers and obligations of the Transferor Companies in relation to such Schemes/Funds shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Companies will be treated as having been continuous for the purpose of the aforesaid Schemes/Funds. On such merger the erstwhile Fund for the benefit of the employees of the Transferor Companies shall, subject to fulfillment of procedural requirement, if any, shall stand dissolved.

**9. ISSUE OF SHARES BY THE TRANSFEE COMPANY**

- a) Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the Undertaking of the Transferor Companies in the Transferee Company in terms of the Scheme, the 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 Transferee Company to the members of the Transferor Companies whose names appear in the Register of Members of the Transferor Companies on a date (Record Date) to be fixed by the Board of Directors of the 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 Transferee Company and approved by them to be placed on its register of names in the following proportion :
  - a) 03 (Three) Equity Share of Rs. 10/- each credited as fully paid-up in the Transferee Company for every 04 (Four) equity share of Rs. 10/- each fully paid-up held by such member in the capital of the Transferor Company -1.

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- b) 01 (One) Equity Shares of Rs. 10/- each credited as fully paid-up in the Transferee Company for every 02 (Two) equity share of Rs. 10/- each fully paid-up held by such member in the capital of the Transferor Company -2.
- c) 03 (Three) Equity Share of Rs. 10/- each credited as fully paid-up in the Transferee Company for every 04 (Four) equity share of Rs. 10/- each fully paid-up held by such member in the capital of the Transferor Company -3.

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

- b) The Share Certificates in relation to the shares held by the Equity Shareholders of the Transferor Companies whose names are recorded in the Register of Members of the Transferor Companies on the Record Date, fixed by the Board of Directors of the Transferee Company, shall be deemed to have been automatically cancelled and be of no effect on and from such Record Date, without any further act, instrument or deed.
- c) In so far as the Equity shares of the Transferor Companies if any, held by the Transferee Company on the Effective Date are concerned, such shares would be cancelled and to that extent the Transferee Company is required to issue less number of shares.
- d) In so far as the Equity shares of the Transferee Company held by the Transferor Companies is concerned, such shares would be cancelled on the effective date and hence there will be reduction of share capital upon the scheme is sanctioned. It is hereby clarified that approval of member to the scheme shall be deemed to consent of shareholder under Section 66 of the Companies Act, 2013 and no special resolution shall be required to be passed by Transferee Company separately in General Meeting. It is further

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clarified that under the accepted principle of Single Window Clearance, the sanction of scheme by Hon'ble National Company Law Tribunal shall include and be deemed to be sanction of reduction of capital of Transferee Company u/s 66 of the Companies Act, 2013.

- c) In case the members of the Transferor Companies owns shares in the Transferor Companies such that they become entitled to a fraction of an equity share of the Transferee Company, the Transferee Company shall not issue fractional shares to such member but shall instead, consolidate such fractions and Board of Directors of Transferee Company shall sell such shares at Fair Value as determined by Registered Valuer in recommendation of Swap Ratio and distribute the net sale proceeds (after deduction of applicable taxes and other expenses incurred) to the members respectively entitled to the same in proportion to their fractional entitlements.
- f) Upon the Scheme becoming effective, the issued, subscribed and paid-up share capital of the Transferee Company shall stand suitably increased consequent upon the issuance of New Equity Shares. It is clarified that no special resolution under Section 62(1)(C) of the Act shall be required to be passed by the Transferee Company separately in general meeting for issue of New Equity Shares.
- g) The New Equity Shares to be issued in terms hereof shall be subject to the provisions of Memorandum and Articles of Association of the Transferee Company and shall rank pari-passu inter-se in all respects including dividends declared, voting and other rights. The issue and allotment of New Equity Shares shall be deemed to have been carried out as if the procedure laid down under Section 62(1)(C) of the Act and any other applicable provisions of the Act have been complied with.

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*Mamaj Agrewal*

*Amrith Jyotsna*

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- h) In the event of there being any pending share transfers, whether lodged or outstanding, of any member of the Transferor Companies, the Board of Directors of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record date, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor / transferee of the shares in the Transferor Companies and in relation to the shares issued by the Transferee Company after the effectiveness of this Scheme. The Board of Directors of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Transferee Company.
- i) The share of the Transferor and the Transferee Company is not listed on any stock exchange. The Equity Shares of the Transferee Company issued in terms of the Clause 9(a) above shall be issued in physical form and shall not be admitted to be listed and/or admitted to trading on any Stock exchange/s, whether in India or abroad.

**10. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEE COMPANY**

On the Scheme becoming effective and with effect from the Appointed Date, Transferee Company shall account for the amalgamation in its books as under:

- 10.1 As the amalgamation under this Scheme is the 'amalgamation in the nature of merger' as defined in Para 3 (c) and 29 of the Accounting Standard - 14 (AS-14) on "Accounting for Amalgamations" prescribed by Central Government u/s 133 of the Companies Act, 2013, the accounting treatment of the assets, liabilities, reserves, balance in the P & L A/c of the Transferor Companies and the difference between the face value of the share capital issued to the

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members of the Transferor Companies as per clause '9' of the Scheme and the paid up Share Capital of the Transferor companies shall, subject to the provisions of this Scheme, be recorded in the books of accounts of the Transferee Company as per and in accordance with the 'Pooling of Interest Method' as described in AS-14.

10.2 Transferee 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, if any, appearing in the books of accounts of Transferee Company and Transferor Companies; if any, will stand cancelled.

10.4 The difference (excess or deficit), between the net value of assets over aggregate of face value for the Equity shares issued by Transferee Company to the shareholders of Transferor Companies pursuant to this Scheme and after giving effect to clause 10.3 be adjusted to Capital Reserve or goodwill, as the case may be in books of Transferee Company.

10.5 If considered appropriate for the purpose of application of uniform accounting methods and policies between Transferor Companies and Transferee Company, Transferee Company may make suitable adjustments and reflect the effect thereof in the Capital Reserve of Transferee Company as the case may be.

**11. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE TRANSFEE COMPANY.**

(a) Upon coming into effect of the Scheme, the Authorized Share Capital of the Transferor Companies, as mentioned in Clause 2(a) above, or such amount as may be on the effective date, shall be added to the Authorized

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Share Capital of the Transferee Company, as on the effective date, without any further act or deed and without any further payment of the stamp duty or the registration fees and Clause V of the Memorandum of Association of the Transferee Company shall be replaced accordingly.

- (b) It is further clarified that the Transferee Company shall not be required to file any form, document or intimation concerning the increase in its authorized share capital or for that purpose make payment of any fee to the Office of the Registrar of Companies, Gujarat or payment of any stamp duty to the State of Gujarat and the authorized share capital of the Transferee Company shall, without any further act or deed or payment of fee or duty shall be increased automatically.
- (c) The filing/registration fee and stamp duty already paid by the Transferor Companies on its authorized share capital, which is being combined with the authorized share capital of the Transferee Company in terms of the preceding sub-clause 11 (B), shall be deemed to have been paid by the Transferee Company and accordingly, the Transferee Company shall not be required to pay any filing / registration fee / stamp duty on the authorized share capital so increased.
- (d) Upon the Scheme being effective, the Transferee Company shall be entitled to commence and carry on the business and activities currently being carried on by the Transferor Companies, without any further act or deed with effect from the appointed date. Under the accepted principle of Single Window Clearance, It is hereby clarified that for the purposes of Clause 11 the consent of the shareholders of the Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and no further resolution under Section 13, Section 14, Section 61 or any other applicable provisions of the Act would be required to be separately passed.

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**12. DECLARATION OF DIVIDEND**

- a. The Transferor Companies and the 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 Transferor Companies shall not make any such declaration, except with the prior approval of the Board of Directors of the 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 member of any of the Transferor Companies and/or the 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 Transferor Companies and the Transferee Company and subject, wherever necessary, to the approval of the shareholders of the Transferor Companies and the Transferee Company respectively.

**13. DISSOLUTION OF TRANSFEROR COMPANIES:**

On the Scheme becoming effective, the Transferor companies shall stand dissolved without being wound up.

**14. APPLICATIONS TO HON'BLE NATIONAL COMPANY LAW TRIBUNAL**

The Transferor Companies and the 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 and for dissolution of the Transferor Companies without winding up.

*Surish Jagpal*

*Mamij Agawal*

*Surish Jagpal*

*Anand Kumar Agawal*

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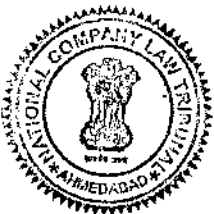
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*Anand Kumar Agawal*  
DIRECTOR





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15. MODIFICATION / AMENDMENT TO THE SCHEME

- i. The Transferor Companies and the 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 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.

16. 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 Transferor Companies and the shareholders of the Transferee Company.
- (b) the sanction of the National Company Law Tribunal, under Section 230 to 232 of the Act, in favour of the Transferor Companies and the Transferee Company and to the necessary Orders under Section 230 to 232 of the Act, being obtained.
- (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.

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*Sanjay Agarwal*

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(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 Transferor Companies and the Transferee Company, being obtained and granted in respect of any of the matters for which such sanction or approval is required.

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

All costs, charges and expenses of the Transferor Companies and the Transferee Company respectively in relation to or in connection with the Scheme and for carrying out and implementing/completing the terms and provisions of the Scheme and/or incidental to the completion of Amalgamation of the Transferor Companies with the Transferee Company in pursuance of this Scheme shall be borne and paid by the Transferee Company.

*Surish Jagdeo*

*Manoj Agarwal*

*Surish Jagdeo*

*Anand Kishore Agarwal*



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*Surish Jagdeo*

DIRECTOR

FOR GUJARAT WOOD-LAM PRODUCTS PVT. LTD.

*Anand Kishore Agarwal*

DIRECTOR

**GUJARAT MICA-PRODUCTS PRIVATE LIMITED**

(CIN: U20299GJ2002PTC040942)

Regd. Office: H. No. 8/2453, Aara Street, Nr. Wadi Falia Police Chowky,

Kotsafil Road, Surat-395003, Gujarat

Email Id: gujarat.mica@gmail.com

Contact No. 0261-3220079

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**GUJARAT MICA-PRODUCTS PRIVATE LIMITED, having its registered office at H. No. 8/2453, Aara Street, Nr. Wadi Falia Police Chowky, Kotsafil Road, Surat-395003, Gujarat, India.**

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Description and List of properties and assets transferred from *Gujarat Mica-Products Private Limited* to *Gujarat Woodlam Products Private Limited*, pursuant to the order and judgment sanctioning the scheme of amalgamation by the Hon'ble National Company Law Tribunal (NCLT), Ahmedabad by common order passed in Company Petition No. CP(CAA)/33(AHM)2022.

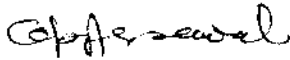
**I. DESCRIPTION OF FREEHOLD PROPERTIES:**

- a) LAND: All the piece and parcel of Industrial Land admeasuring 1750 square meters situated at Plot No. D, 5 to 8, Block No. 232, RS. No. 155 of Village: Karanj, Nr. Molvan Limbdi Chowkdi, PO. Limdora, Sub District: Mandavi, District: Surat, Gujarat.
- b) BUIDING: Building and structures constructed on Industrial Land situated at Plot No. D, 5 to 8, Block No. 232, RS. No. 155 of Village: Karanj, Nr. Molvan Limbdi Chowkdi, PO. Limdo, Sub District: Mandavi, District: Surat, Gujarat

**II. DESCRIPTION OF LEASEHOLD PROPERTIES: NIL**

**III. INVESTMENTS: NIL**

**For GUJARAT MICA-PRODUCTS PRIVATE LIMITED**



**Director**

**Date: 21/12/2022**

**Place: Surat**



**GUJARAT WOOD-TECH PRIVATE LIMITED**

CIN: U20299GJ2000PTC038154

Regd. Office: H. No. 8/2453, Aara Street, Nr. Wadi Falia Police Chowky,  
Kotsafil Road, Surat-395003, Gujarat

Email Id: [gujaratwoodtech@gmail.com](mailto:gujaratwoodtech@gmail.com)

Contact No. +91-9725800000

GUJARAT WOOD- TECH PRIVATE LIMITED, having its registered office at H. No. 8/2453, Aara Street, Nr. Wadi Falia Police Chowky, Kotsafil Road, Surat-395003, Gujarat, India.

Description and List of properties and assets transferred from *Gujarat Wood- Tech Private Limited* to *Gujarat Woodlam Products Private Limited*, pursuant to the order and judgment sanctioning the scheme of amalgamation by the Hon'ble National Company Law Tribunal (NCLT), Ahmedabad by common order passed in Company Petition No. CP(CAA)/33(AHM)2022.

I. DESCRIPTION OF FREEHOLD PROPERTIES: NIL

II. DESCRIPTION OF LEASEHOLD PROPERTIES: NIL

III. INVESTMENTS:

(i) UNQUOTED INVESTMENTS: 150000 equity shares of face value of Rs.10/- each in Gujarat Woodlam Products Private Limited.

For GUJARAT WOOD- TECH PRIVATE LIMITED



Director

Date: 21/12/2022

Place: Surat



**GUJARAT PLYLAM SALES AGENCIES PRIVATE LIMITED**

CIN: U51909GJ1995PTC024665

Regd. Office: H. No. 8/2453, Aara Street, Nr. Wadi Falia Police Chowky,  
Kotsafil Road, Surat-395003, Gujarat

E-mail ID: [gujaratplylam@gmail.com](mailto:gujaratplylam@gmail.com)

Contact No: 0261-3220079

GUJARAT PLYLAM SALES AGENCIES PRIVATE LIMITED, having its registered office at  
H. No. 8/2453, Aara Street, Nr. Wadi Falia Police Chowky, Kotsafil Road, Surat-  
395003, Gujarat, India.

Description and List of properties and assets transferred from *Gujarat Plylam Sales Agencies Private Limited* to *Gujarat Woodlam Products Private Limited*, pursuant to the order and judgment sanctioning the scheme of amalgamation by the Hon'ble National Company Law Tribunal (NCLT), Ahmedabad by common order passed in Company Petition No. CP(CAA)/33(AHM)2022.

I. DESCRIPTION OF FREEHOLD PROPERTIES: NIL

II. DESCRIPTION OF LEASEHOLD PROPERTIES: NIL

III. INVESTMENTS:

(i) UNQUOTED INVESTMENTS: 120000 equity shares of face value of Rs.10/- each in Gujarat Woodlam Products Private Limited.

For GUJARAT PLYLAM SALES AGENCIES PRIVATE LIMITED

Director

Date: 21/12/2022

Place: Surat

