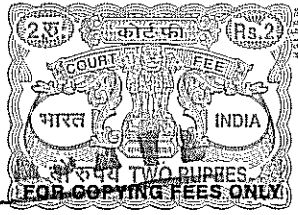
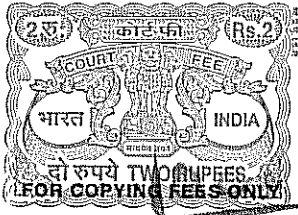
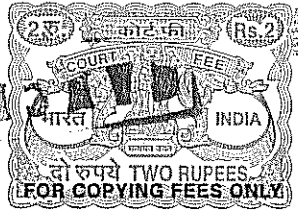
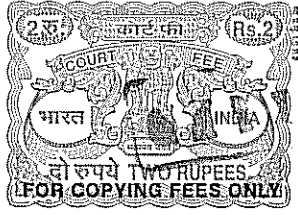
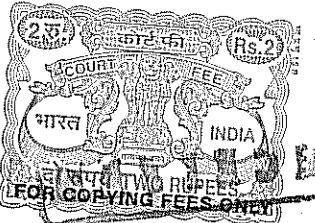
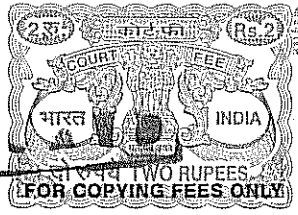
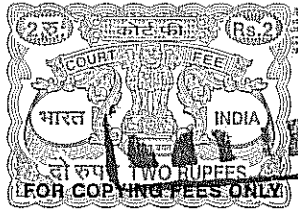
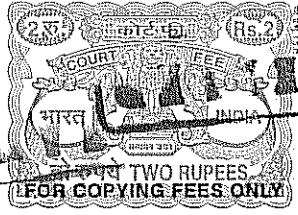
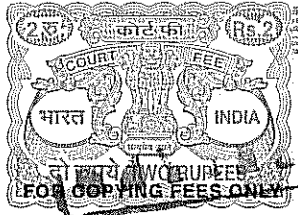


यह पन्ना प्रतिलिपि कोषे...
 संख्या 23126 में जमा था।
 दिनांक 12/8/16
 प्रमाणित अधिकारी का अधिक
 प्रमाणित अधिकारी का अधिक
 प्रमाणित अधिकारी का अधिक



STAMP REPORTER BANSWARA
Rajasthan High Court, Jodhpur
CRIMINAL, CIVIL, WRITS
1 APR 2016
Inward No. 294
Inf. of

In the matter of
BANSWARA SYNTEX LTD.
(Transferee Company)

IN THE HIGH COURT OF ORIGINAL JURISDICTION FOR RAJASTHAN

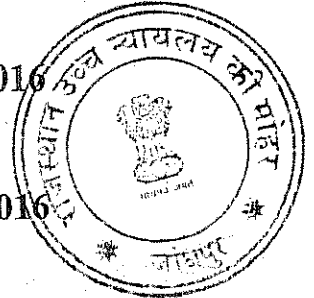
AT JODHPUR
Certified P.S. Copy of order No. 1178/16

ORIGINAL JURISDICTION

S.B. COMPANY PETITION NO. 8 /2016

ARISING FROM

S.B. COMPANY APPLICATION NO.06/2016



In the matter of

The Companies Act, 1956/2013

And

In the matter of

Petition under Section-394 of the said Act, 1956

And

In the matter of Rule 79 of Companies (Court) Rules, 1959

And

In the matter of

Banswara Syntex Ltd., a company incorporated under the provisions of the Companies Act, 1956, having its registered office at Industrial Area, Dahod Road, Post Box No.21, Banswara – 327 001, Rajasthan

(PETITIONER TRANSFEREE COMPANY)

And

In the matter of

The Scheme of Amalgamation & Arrangement of Banswara Syntex Ltd. (Transferee Company), a company incorporated under the

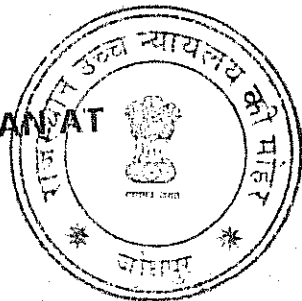
provisions of the Companies Act, 1956, having its registered office at

Industrial Area, Dahod Road, Post Box No.21, Banswara – 327 001,

सही प्रतिलिपि
19 AUG 2016
राजस्थान उच्च न्यायालय, जोधपुर

OATH COMMISSIONER.
REVENUE, CRIMINAL, CIVIL
RAJ. HIGH COURT, JODHPUR

IN THE HIGH COURT OF JUDICATURE FOR RAJASTHAN AT
JODHPUR



ORDER

S.B.COMPANY PETITION NO.8/16

BANSWARA SYNTEX LTD.

Petitioner Transferee Company

Date of Order: 11.8.16

HON'BLE MR.JUSTICE SANGEET LODHA

Mr.Sanjeev Johari, for the Petitioner Company.
Mr.A.K.Rajvanshi, for Regional Director.

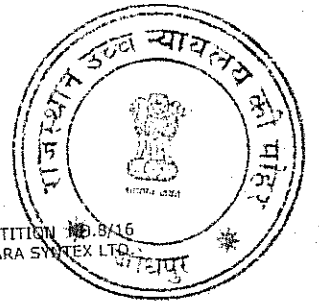
1. This Company Petition under Sections 391 to 394 of Companies Act, 1956 (for short "Act") has been filed by the Petitioner-Banswara Syntex Ltd. seeking sanction of proposed Scheme of Amalgamation between M/s. Banswara Syntex Limited (hereinafter referred to as 'Transferee Company') and Banswara Global Limited and Banswara Fabric Limited (hereinafter referred to as 'Transferor Companies'), whereby the entire undertaking of the Transferor Companies with assets & liabilities upon the Scheme becoming effective, shall without further act, deed, matter or thing shall stand transferred to and vested in the Transferee Company, so as to become properties

सही प्रति लिखिए

11 9 AUG 2016

प्रशासनिक अधिकारी न्यायालय
राजस्थान उच्च न्यायालय, जोधपुर

and liabilities of the Transferee Company.



S.B. COMPANY PETITION NO. 9/16
BANSWARA SYNTEX LTD.
गण्डिनगर

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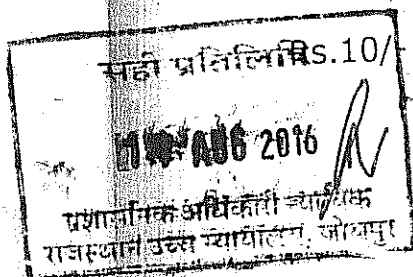
2. The registered offices of the Transferee and Transferor Companies are situated at Industrial Area, Dahod Road, Banswara, within the jurisdiction of this court.

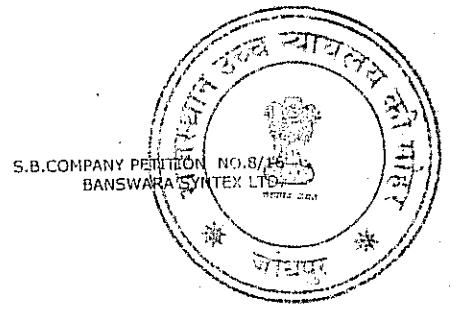
3. The Petitioner Transferee Company was incorporated under the provisions of Companies Act on May 5, 1976 with the main objective to carry on business of spinning, doubling, weaving, scouring, sizing, bleaching, colouring, dyeing, printing and finishing, working or manufacturing in any way and also to carry on business of manufactures and dealers in all types of cotton, linen, wool, silk, rayon, cloth, man-made and other fibrous articles or textile substances.

4. The Scheme of Amalgamation between the Transferee Company and Transferor Companies was approved by the Board of Directors of the Petitioner Transferee Company in its meeting held on 27.5.15, at Mumbai.

5. The authorized Share Capital of the Petitioner Transferee Company is Rs.500,000,000/- consisting of 45,000,000 Equity Shares of Rs.10/- each amounting to Rs.450,000,000/- and 500,000 3% Redeemable Preference shares of value Rs.100/- each, amounting to Rs.50,000,000/-. The issued, subscribed and paid up share capital of the Petitioner Transferee Company is Rs.164,163,610/- consisting of 16,446,361 Equity Shares of

each and 30,000 partly paid equity shares of value



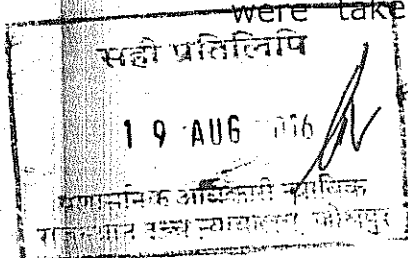


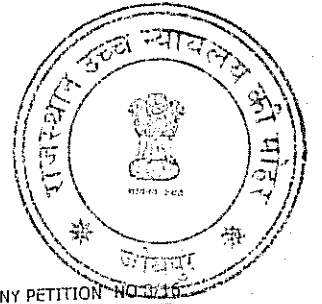
Rs.5/- each, amounting to Rs.150,000/-.

6. As on 27.5.15, the Petitioner Transferee Company has 8000 Equity Shareholders, 7 Secured Creditors of value Rs.627.56 crores and 1294 Unsecured Creditors of value Rs.183.17 crores.

7. The Petitioner Transferee Company had earlier filed Company Application No.6/16 before this court seeking directions for convening separate meetings of its Equity Shareholders, Secured Creditors and Unsecured Creditors, which was allowed vide order dated 11.2.16 and accordingly, while appointing the Chairperson and Alternative Chairperson to preside over the meetings, directions were issued for convening the separate meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Company at its registered office on 28.3.16.

8. Pursuant to the order dated 28.3.16 passed by this court, the separate meetings of Equity Shareholders, Secured Creditors and Unsecured Creditors were convened by the respective Chairpersons for the purpose of considering and if thought fit, approving with or without modification the proposed Scheme of Amalgamation. Dr.Sachin Acharya, the Chairperson of the meetings submitted the reports alongwith his affidavit, which were taken on record vide order dated 7.4.16 passed in





S.B. COMPANY PETITION NO. 3/16
BANSWARA SYNTEX LTD.

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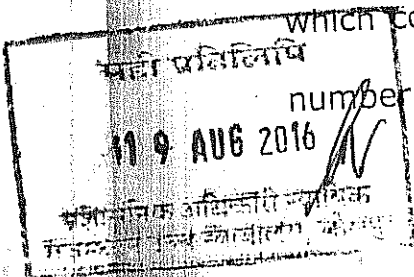
Company Application No.6/16. The Equity Shareholders, Secured Creditors and Unsecured Creditors by separate resolution have approved the proposed Scheme of Amalgamation.

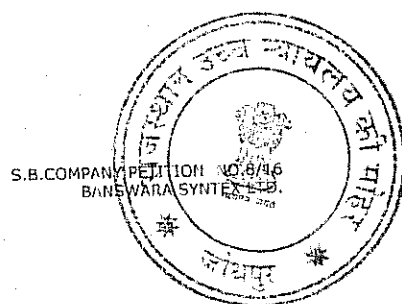
9. Now, the Petitioner Transferee Company has preferred present petition seeking sanction of the Scheme of Amalgamation. Vide order dated 21.4.16, the notice was directed to be issued to the Regional Director, Ministry of Corporate Affairs and the Registrar of the Companies. As per the directions, the petition was also advertised on 3.5.16, in the English Daily Newspaper "Times of India", Jaipur Edition and Hindi Daily Newspaper "Rajasthan Patrika" (All Editions).

10. In response to the notices issued, the Regional Director, North-Western Region, Ministry of Corporate Affairs, has filed an affidavit setting out the observations on the Scheme of Amalgamation. It is submitted that the Petitioner Transferee Company is required to comply with the provisions of Circulars of SEBI, which inter-alia require the listed company to obtain NOC from SEBI, apart from Stock Exchanges where the shares are listed, for approval of Scheme of Amalgamation. It is submitted that as per share holding pattern of the Petitioner Transferee Company as on 1.4.15, 21,08,581 number of Equity Shares,

which comes to 12.82% out of total Equity Shares 1,61,04,433

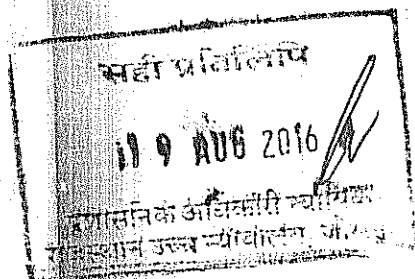
number of Equity Shares are held by Foreign Institutional

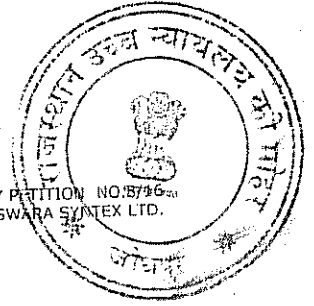




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Investors, however, it is not clear as to whether the Petitioner Transferee Company has complied with the provisions of FEMA and RBI guidelines in this regard or not. It is submitted that the Petitioner Transferee Company has ensured about compliance of AS-14, whereunder the excess of the assets over the liabilities, if any, should be credited to Amalgamation Reserve Account being of Capital Reserve nature and shortfall whereas, the Petitioner Transferee Company has not stated about the treatment of transfer of excess of Net Assets Value. It is stated that the Scheme of Amalgamation is silent about the absorption of the employees other than permanent employees. It is submitted that the Ministry of Corporate Affairs vide its Circular No.2/1/2014 dated 15.1.14 has directed that the Regional Director concerned shall invite specific comments from the Income Tax Department giving 15 days time to the Income Tax Department to inform objections, if any, to the proposed Scheme under Section 391 or 394 as the case may be and file the report on behalf of the Central Government. It is stated that the Directorate sent a letter dated 5.5.16 to the Chief Commissioner of Income Tax, Rajasthan with a request to give specific comments of the Income Tax Department about the proposed Scheme, however, no reply has been received from the Income Tax Department in this regard. It is stated that as per the report of the Office of

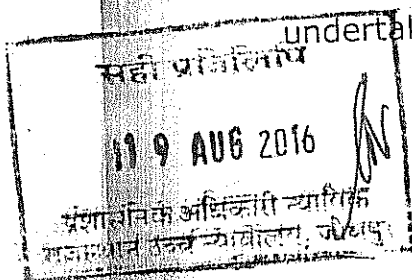


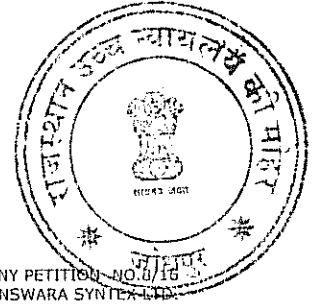


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Registrar of Companies, there are no complaints against the petitioner Company including any complaint/ representation against the Scheme of Amalgamation of the Company.

11. In response to the reply affidavit filed on behalf of the Regional Director, Corporate Affairs, the Petitioner Transferee Company has filed a counter affidavit. Regarding the compliance of the SEBI circulars dated 4.2.13 and 21.5.13, it is submitted that as per the circulars, the Petitioner Transferee Company duly applied before Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) and the 'Draft Scheme' was submitted by the Petitioner Transferee Company before BSE and NSE, which in turn with their own comments submitted the matter before the SEBI and after considering the relevant aspects, the SEBI sent the same back to BSE and NSE and pursuant thereto, the BSE and NSE have given their approval vide communication dated 20.1.16, which is already placed on record. It is submitted that certain directions issued by SEBI for effecting some more compliances on the part of the Transferee Company, which have already been effected by the Transferee Company and the Transferor Companies by deleting para no.7.1(b) of the 'Draft Scheme'. It is submitted that the shareholding pattern was also displayed on the website of the listed companies and the undertaking was also given by the Transferee Company to

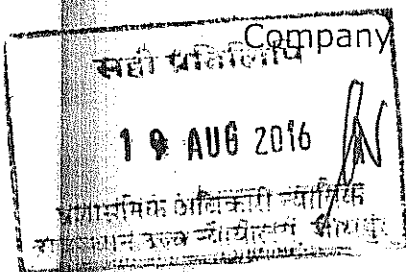


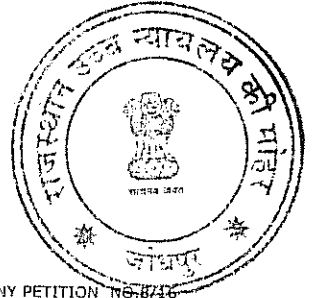


comply with the provisions of SEBI circulars. It is submitted that as per the circular, essentially the Transferee Company does not deal directly with the SEBI rather, the same can be done only through BSE and/or NSE and based on directions of SEBI after examining the matter, BSE and NSE have already accorded approval vide communications dated 20.1.16. It is submitted that the Rules/Regulations/Guidelines of FEMA and RBI in respect of the Equity Shares held by Foreign Institutional Investors have always been complied with by the Transferee Company and at any point of time, throughout, there was no violation thereof on the part of the Company. It is submitted that the Transferee Company undertakes to comply with all the conditions of AS-14 at every point of time. It is further submitted that the Transferee Company undertakes to absorb employees of both Transferor Companies permanent as also other than permanent employees on the same terms and conditions and the terms of the employment of these employees will not be less favourable than the present benefits available to them.

12. No objection whatsoever against the grant of sanction to proposed Scheme of Amalgamation has been received from any other party in response to the notice published.

13. Learned counsel appearing for the Petitioner Transferee Company confirms that neither the Petitioner Transferee





S.B. COMPANY PETITION NO. 8/16
LANSWARA SYNTEX LTD.

8

Company nor its legal counsel has received any objection.

14. Learned counsel appearing for the Regional Director, Corporate Affairs, submits that in view of the stand taken by the Petitioner Transferee Company in the counter affidavit regarding the compliance of SEBI circulars and the undertaking given regarding compliance of the other objections raised, the Regional Director, Corporate Affairs has no objection if the Scheme of Amalgamation, which is not prejudicial to the interest of the Shareholders of the Petitioner Transferee Company and public at large, is approved.

15. In view of the approval accorded by majority of Equity Shareholders, Secured Creditors and Unsecured Creditors of the Petitioner Company; the opinion of the Regional Director, North-Western Region, Ministry of Corporate Affairs in terms that Scheme of Amalgamation is not prejudicial to interest of Shareholders of the Petitioner Transferee Company and public at large, the compliance made/undertaking given by the Petitioner Transferee Company for due compliance of all the statutory requirements and formalities and the assurance given by the Petitioner Transferee Company regarding absorption of all the employees of the Transferor Companies, this court is of the opinion that Scheme of Amalgamation is fair and reasonable and

therefore, deserves to be sanctioned.

सही प्रतीति

19 AUG 2016

प्रशासनिक अधिकारी न्यायिक
जनस्थान उच्च न्यायालय जोधपुर



S.B. COMPANY PETITION NO.8/16
BANSWARA SYNTAX LTD.

9

16. Accordingly, the Company Petition is allowed. The Scheme of Amalgamation between Petitioner Transferee Company Banswara Syntax Ltd. and the Transferor Companies Banswara and Banswara Global Limited & Banswara Fabric Limited and their respective Shareholders and Creditors, is hereby sanctioned.

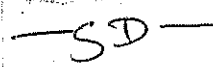
17. The Petitioner Transferee Company shall file certified copy of the order with the Registrar of Companies within a period of 30 days from the date of receipt of the same.

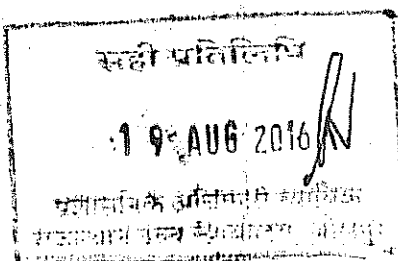
18. It may be clarified that this order will not be construed as an order granting exemption from payment of stamp duty or taxes or any other charges if any, payable in accordance with any law or permission/ compliance with any other requirement which may be specifically required under any law.

19. The Petitioner Transferee Company shall pay costs to the Regional Director, North-Western Region, quantified at Rs.50,000/- within four weeks from the date of receipt of this order.

13
19/8/16

Aditya/


(SANGEET LODHIA), J.



23126	अनुक्रम	1	विनायकता के प्रतीक
	प्रार्थना - यज्ञ		
12/8/16	दिनांक प्रस्तुत	2	
16/8/16	दिनांक निघरा देने प्रतिलिपि	3	
-	दिनांक सूचना कमी पत्रों के लिए	4	
-	दिनांक कमी पत्रों	5	
19/8/16	दिनांक अक्षर	6	
-	दिनांक अक्षरों के सूचना	7	
12/8/16	दिनांक के प्रतिलिपि	8	
25.20	प्रतिलिपि शुल्क	9	
RP	प्रयोजन	10	
20.1	प्रतिलिपि शुल्क	11	

11 फोल्डो मय
 प्रतिलिपि शुल्क Rs. 20.6
 निरस्त सुदा संलग्न है।