



Ref No.: PSL/2019-20/CS/SE/28

Date: 15<sup>th</sup> July, 2019

To, Listing Department <b>National Stock Exchange of India Limited</b> Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra ( E), Mumbai -400 051  Symbol: DIAMONDYD	To, Corporate Relationship Department <b>BSE Limited</b> P.J. Towers, Dalal Street, Mumbai- 400 001  Security Code: 540724 Security ID : DIAMONDYD
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**Sub: Update on Amalgamation of Pure N Sure Food Bites Private Limited (Transferor Company), wholly-owned subsidiary with Prataap Snacks Limited (Transferee Company), holding Company.**

Dear Sir/ Madam,

This is with reference to our (i) letter dated August 22, 2018 as an outcome of the Board Meeting held on August 22, 2018, wherein the Board of Directors, inter-alia, has approved the Scheme of Amalgamation of Pure N Sure Food Bites Private Limited (Transferor Company), a wholly-owned subsidiary with Prataap Snacks Limited (Transferee Company), holding Company and their respective shareholders and creditors under Section 230 and 232 of the Companies Act, 2013 and Rules made thereunder and other applicable provisions, if any; and (ii) letter dated December 14, 2018, vide which we have filed the draft Scheme of Amalgamation of Pure N Sure Food Bites Private Limited (Transferor Company), wholly-owned subsidiary with Prataap Snacks Limited (Transferee Company), holding Company for the purpose disclosure under Regulation 37(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Now, we write to inform you that Hon'ble National Company Law Tribunal, Bench, Ahmedabad, vide its order dated 10<sup>th</sup> July, 2019 has sanctioned the Scheme of Amalgamation of Pure N Sure Food Bites Private Limited (Transferor Company), wholly-owned subsidiary with Prataap Snacks Limited (Transferee Company), holding Company and their respective shareholders and creditors under Sections 230 and 232 of the Companies Act, 2013. Copy of the said order is enclosed herewith.

This is for your information and records.

Thanking you,

Yours faithfully,

**For Prataap Snacks Limited**

**Om Prakash Pandey**

Company Secretary & Compliance Officer

Encl: as above

**Prataap Snacks Limited**  
(Formerly known as Prataap Snacks Pvt. Ltd.)

Office : Khasra No. 378/2, 378/1/4, Nemawar Road, Near Makrand House, Gram : Palda, Dist. : Indore (M.P.) India  
Phone : ++91-731-2437600, 2437602-10 E-mail : info@yellowdiamond.in

CIN No. L15311MP2000PLC001746

**NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD BENCH  
AHMEDABAD**

CP(CAA) 65/2019 in  
CA(CAA) No. 47/NCLT/AHM/2019

Coram: **Hon'ble Mr. HARIHAR PRAKASH CHATURVEDI, MEMBER JUDICIAL**  
**Hon'ble Ms. MANORAMA KUMARI, MEMBER JUDICIAL**

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF AHMEDABAD BENCH  
OF THE NATIONAL COMPANY LAW TRIBUNAL ON 10.07.2019**

Name of the Company: Pure N Sure Food Bites Pvt. Ltd.  
Prataap Snacks Pvt. Ltd.

Section of the Companies Act: Section 230-232 of the Companies Act, 2013

<u>S.NO.</u>	<u>NAME (CAPITAL LETTERS)</u>	<u>DESIGNATION</u>	<u>REPRESENTATION</u>	<u>SIGNATURE</u>
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1.

2.

**ORDER**

None is present for the petitioner.

The Order is pronounced in the open court, vide separate sheet.

  
**MANORAMA KUMARI**  
**MEMBER JUDICIAL**

Dated this the 10th day of July, 2019

  
**HARIHAR PRAKASH CHATURVEDI**  
**MEMBER JUDICIAL**

**NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD BENCH  
AHMEDABAD**

CP(CAA) No. 65/NCLT/AHM/2019  
in  
CA(CAA) No. 47/NCLT/AHM/2019

**In the Matter of:-**

**Pure N Sure Food Bites Private Limited,**  
a Company incorporated under the  
provisions of the Companies Act, 1956  
and having its registered office at  
Khasra No. 378/2,  
Nemawar Road,  
Near Makrand House,  
Indore- MP 452020

.... Petitioner Transferor Company

**Prataap Snacks Limited,**  
a Company incorporated under the  
provisions of the Companies Act, 1956  
and having its registered office at  
Khasra No. 378/2,  
Nemawar Road,  
Near Makrand House,  
Indore- MP 452020

.... Petitioner Transferee Company

**Order delivered on 10<sup>th</sup> July, 2019**

**Coram: Hon'ble Mr. Harihar Prakash Chaturvedi, Member (Judicial)  
Hon'ble Ms. Manorama Kumari, Member (Judicial)**

**Appearance:** PCS Ms. Manju Mundra is present for the Petitioner Companies.

**ORDER**

**[Per se: Ms. Manorama Kumari, Member (Judicial)]**

1. The instant joint petition is filed by the Petitioner Companies under Sections 230 – 232 of the Companies Act, 2013 read with other relevant provisions of the Companies Act, 2013 seeking sanction of the Scheme of Amalgamation of Pure N Sure Food Bites Private Limited, the Petitioner Transferor Company with Prataap Snacks Limited, the Petitioner Transferee Company and their respective shareholders and creditors.

*Manorama*

2. It is stated that the Petitioner Transferor Company is a wholly owned subsidiary of the Petitioner Transferee Company and in order to consolidate and effectively manage the Petitioner Transferor Company and the Petitioner Transferee Company in a single entity, which will provide several benefits including synergy, economies of scale, attain efficiencies and cost competitiveness, it is intended that the petitioner Transferor Company be amalgamated with the Petitioner Company.
3. In view of the aforesaid advantages, the Board of Directors of the Petitioner Companies considered and proposed the Scheme of Amalgamation under the provisions of Sections 230 and 232 and other applicable provisions of the Companies Act, 2013. A copy of the Scheme is annexed with the petition and is marked as **Annexure "G"**.
4. The Petitioner Companies filed the proceedings before this Tribunal in the form of joint application, being CA(CAA)No. 47/NCLT/AHM/2019, seeking directions for dispensation from convening and holding of the meetings of Equity Shareholders and the Unsecured Creditors of both the Petitioner Companies. It was stated that both the Petitioner Companies have no Secured Creditors.
5. It was submitted by the Petitioner Companies that Petitioner Transferor Company is the wholly owned subsidiary of the Petitioner Transferee Company and the Petitioner Transferee Company and its nominee in its capacity as shareholder of the Petitioner Transferor Company gave their consent in the form of an affidavit and accordingly, this Tribunal was of the considered view that there was no requirement to convene and hold the meeting of Equity Shareholders of the Petitioner Transferor Company. Accordingly, vide order dated 28<sup>th</sup> March, 2019, this Tribunal dispensed with the meeting of Equity Shareholders of the Petitioner Transferor Company.

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6. It was submitted by the Petitioner Companies that Petitioner Transferee Company being the Holding Company of the Petitioner Transferor Company, no shares are required to be issued or allotted to the shareholders of the Petitioner Transferor Company, as consideration, for the proposed amalgamation. Further, the rights of the shareholders of the Petitioner Transferee Company were not affected as no new shares are being issued to the shareholders of the Petitioner Transferor Company and the proposed Scheme does not involve any reorganization of the Share Capital. In view of the given facts, this Tribunal was of the considered view that there was no requirement to convene and hold the meeting of the Equity Shareholders of the Petitioner Transferee Company. Accordingly, this Tribunal vide order dated 28<sup>th</sup> March, 2019 dispensed with the meeting of Equity Shareholders of the Petitioner Transferee Company.
7. This Tribunal vide order dated 28<sup>th</sup> March, 2019 also dispensed with the meeting of Unsecured Creditors of both the Petitioner Companies since the Unsecured Creditors were not prejudiced in any way and liabilities of the Unsecured Creditors were neither reduced nor extinguished.
8. Vide the aforesaid order dated 28<sup>th</sup> March, 2019 of this Tribunal, the Petitioner Companies were directed to serve Notice of the Scheme in the Form CAA-3 along with the copy of the Scheme, Explanatory Statement and the disclosures mentioned in rule 6 to (i) to the Central Government through the Regional Director, North Western Region (ii) the Registrar of Companies, Gwalior (iii) the concerned Income Tax Authorities (iv) the Securities and Exchange Board of India (v) the BSE Limited (vi) the National Stock Exchange of India Limited and (vii) the Official Liquidator in the case of Petitioner Transferor Company.
9. It is submitted by the Petitioner Companies that in compliance of the aforesaid order dated 28<sup>th</sup> March, 2019 of this Tribunal, the notices

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were duly served upon all the aforesaid statutory authorities along with copy of Scheme, Explanatory Statement and other required documents between 15.04.2019 and 23.04.2019 and the Petitioner Companies filed affidavit dated 27.04.2019 with this Tribunal on 30.04.2019 in compliance of the order dated 28<sup>th</sup> March, 2019 of this Tribunal.

10. In response to the said notice, the representation dated 25<sup>th</sup> June, 2019 from the Regional Director, North Western Region and representation dated 20<sup>th</sup> June, 2019 from the Official Liquidator for the Petitioner Transferor Company, was received. No other representation was received from any other statutory authorities.
11. The Petitioner Companies filed the present petition seeking sanction of the Scheme on 30<sup>th</sup> April, 2019. This Tribunal by its order dated 10<sup>th</sup> June, 2019, admitted the said Petition and directed the Petitioner Companies to publish notice of hearing of the Petition in English Daily 'Times of India', Indore Edition and 'Chautha Sansar', Hindi Daily Indore Edition not less than 10 days before the date of hearing of the Petition. Further, directions were also issued to serve notice of hearing of the petition upon the statutory authorities viz. (i) Regional Director, North Western Region, (ii) Registrar of Companies, (iii) Official Liquidator and the (iv) Income Tax informing the date of hearing.
12. The Petitioner Companies duly complied with the order of admission by this Tribunal and published the notice of hearing on 14.6.2019 and also served the notices upon the aforesaid statutory authorities between 16.06.2019 and 21.06.2019 informing them, the date of hearing of this Petition and filed affidavit with this Tribunal on 26.06.2019 in compliance of the order dated 10<sup>th</sup> June, 2019 of this Tribunal.

*John*

13. In response to the said notice, the Regional Director, North Western Region, filed representation in the form of Affidavit dated 25<sup>th</sup> June, 2019. The Regional Director in:

a) Para 2(c) of the representation states that authorized share capital of the Petitioner Transferor Company amounting to Rs. 1,00,00,000/- will be added in the authorized share capital of the Petitioner Transferee Company and the consolidated authorized share capital of the Petitioner Transferee Company will be arrived to Rs. 16,00,00,000/-. Accordingly, the Petitioner Transferee Company will be required to pay the difference of amount of fees which is payable on the enhanced authorized capital of Rs. 16,00,00,000/- as on date and the total payable amount of fees which have already been paid by all the Petitioner Companies at the time of registration/increase in authorized capital, as the case may be and desired NCLT to direct the companies to undertake the compliance of Section 232(3)(i) of the Companies Act, 2013 and to pay fees accordingly.

In this regard, the Petitioner Transferee Company filed affidavit in response to the observations made by the Regional Director and replied that as far as clarification pertaining to Para 2(c) is concerned, the Petitioner Companies refer to provisions of Section 232(3)(i) of the Companies Act, 2013 which state that ***"where the transferor company is dissolved, the fee, if any, paid by the transferor company on its authorized capital shall be set off against any fees payable by the transferee company on its authorized capital subsequent to the amalgamation; and"***. The Petitioner Companies have stated that the fees had already been paid by the Transferor Company which is allowed to be set off. The same is also clear from various Schemes with such clause, allowed by the Hon'ble High Courts and the NCLT. Accordingly, there is no need to pay additional fees on the enhanced authorized capital.

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b) Para 2(e) of the representation states that there are Foreign National / NRI / Foreign Bodies Corporates holding shares in the Petitioner Transferee Company and the Regional Director is not aware as to whether the Petitioner Transferee Company has complied with the provisions of FEMA and RBI guidelines or not.

In this regard, the Petitioner Companies have stated in their affidavit that in respect of the equity shares of the Petitioner Transferee Company held by NRIs/Foreign Bodies Corporate, the Petitioner Transferee Company is regularly complying with all the requirements of FEMA and RBI in the matter.

c) Para 2(f) of the representation states that Petitioner Transferee Company viz. Prataap Snacks Limited is listed with NSE and BSE and in this regard, the Petitioner Company has stated that NOC from the respective stock exchanges are not required in the matter since all the shares of the Transferor Company are directly or indirectly held by the petitioner Transferee Company, pursuant to the SEBI Circular No. CFD/DIL 3 / CIR / 2018 / 2 dated 03.01.2018 and desired this Tribunal to direct the Petitioner Company to submit all the relevant facts of the matter.

In this regard, it is clarified by the Petitioner Companies that the Transferee Company is regular in compliance of all stock exchange regulations/requirements.

14. The Official Liquidator vide its representation dated 8th January, 2019 has made several observations. The observations made in Para No. 1 to 15 are description of factual aspects. However, in Para No. 16 to 20, the Official Liquidator has stated as under:

In Para 16, it is prayed that necessary directions may kindly be issued to the Transferee Company to take responsibility in respect of payment of Income tax and other taxes, if any arises, to the concerned Authority after implementation of the Scheme of Amalgamation.

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In Para 17, it is prayed that the Transferor Company may also be directed to disclose the relevant documents of Trademark, if any.

In Para 18, it is prayed that the National Company Law Tribunal may be pleased to direct the Transferee Company to preserve the books of accounts, papers and other records of the Transferor Company and shall not dispose of without prior permission of Central Government as per the provisions of Section 239 of the Companies Act.

In Para 19, it is prayed that National Company Law Tribunal may be pleased to direct the Transferee Company to comply with the requirements of Accounting Standards under Section 133 of the Companies Act, 2013.

In Para 20, it is prayed that National Company Law Tribunal may be pleased to direct the Transferee Company to ensure statutory compliance of all the applicable laws and also on sanctioning of the present Scheme, the transferor company shall not be absolved from any of its statutory liabilities, in any manner.

In this regard, it is stated by the Petitioner Companies that the Company is complying with all the requirements and will take all steps as per law only. Trademarks owned by the Transferor Company will be transferred to the Transferee Company as per Para 4.5 (a) of the Scheme of Amalgamation. All books of account, papers and other records will be preserved as per the provisions of the Companies Act, 2013.

15. The Petitioner Companies state and submit that the accounting treatment as proposed in the Scheme is in conformity with the accounting Standards prescribed under Section 133 of the Companies Act, 2013. The copy of the certificate obtained from the Statutory Auditor dated 14.12.2018 confirming the proposed Accounting Treatment being in conformity with the applicable Accounting Standards is annexed with the petition and marked as **Annexure "J"**.


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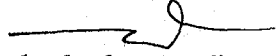
16. It is stated by the Petitioner Companies that no investigation has been instituted or is pending in relation to the Companies under Chapter XIV of the Act or under the corresponding provisions of Sections 235 to 251 of the Companies Act, 1956. There is no winding up petitions against any of the Petitioner Companies.
17. Considering the entire facts and circumstances of the case and on perusal of the Petition and the documents annexed therewith and submitted during the proceedings, it appears that all the requirements of Sections 230 and 232 of the Companies Act, 2013 are satisfied. The observations made by the Regional Director and the Official Liquidator stand satisfied by the submissions made by the Petitioner Companies. The proposed Scheme of Amalgamation deserves to be sanctioned.
18. As a result, the Company Petition being CP(CAA) No. 65 of 2019 is hereby allowed. The Scheme, which is at **Annexure "G"** to the Petition, is hereby sanctioned and it is declared that it shall be binding on the Petitioner Companies, their shareholders, creditors and all persons concerned under the Scheme. The Petitioner Transferor Company be dissolved without winding up.
19. The legal fees/expenses of the office of the Regional Director are quantified at Rs. 25,000/- in respect of Petitioner Companies. The said fees to the Regional Director shall be paid by the Petitioner Transferee Company.
20. The cost to be paid to the Official Liquidator is quantified at Rs. 10,000/- in respect of the Petitioner Transferor Company. The said fees to the Official Liquidator shall be paid by the Petitioner Transferee Company.
21. Filing and issuance of drawn up order is hereby 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

*John*

Registrar of this Tribunal shall issue the authenticated copy of this order along with Scheme immediately.

22. The Petitioner Companies are further directed to lodge a copy of this order, the schedule of immovable assets of the Petitioner Transferor Company as on the date of this order and the Scheme duly authenticated by the Registrar of this Tribunal, with the concerned Superintendent of Stamps, for the purpose of adjudication of Stamp Duty, if any, on the same within 60 days from the date of the order.
23. The Petitioner Companies are directed to file a copy of this order along with a copy of the Scheme with the concerned Registrar of Companies, electronically, along with INC-28 in addition to physical copy as per relevant provisions of the Act.
24. CP (CAA) No. 65 of 2019 is disposed of accordingly.

  
**Ms. Manorama Kumari,**  
**Member (Judicial)**

  
**Harihar Prakash Chaturvedi,**  
**Member (Judicial)**

**LCT**