

To,
The Shareholders,
Sahyadri Industries Limited

Date : 05th May 2021

Subject: Update on NCLT Order regarding scheme of Arrangement between Sahyadri Industries Limited and Poonam Roofing Products Private Limited.

Dear Shareholders,

This is with regard to the Scheme of Arrangement between Sahyadri Industries Limited and Poonam Roofing Products Private Limited.

We Would like to inform you that NCLT Mumbai Bench had issued order dated 17th February,2021. In said order, date of Court Convened Meeting was mentioned as **02nd April 2021**. However the said Order was uploaded on 29th April,2021 on NCLT website.

Considering the same our Company had requested to NCLT Mumbai Bench to issue corrigendum order mentioning the date of Court Convened Meeting to be held on **28th June 2021** instead of 2nd April 2021.

Copy of the order issued by NCLT Mumbai Bench is attached herewith for your reference.

Thanking you.

FOR SAHYADRI INDUSTRIES LIMITED

SD/-
CS SHRIKANT JOSHI
COMPANY SECRETARY

IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH-IV

CA (CAA)/1169/MB-IV/2020

In the matter

Of

The Companies Act, 2013 (18 of 2013);

AND

In the matter

Of

Sections 230 to 232 of the Companies Act, 2013;

AND

In the matter of the Scheme of Arrangement

Between

Poonam Roofing Products Private Limited

(Applicant Company 1 / Demerged Company)

AND

Sahyadri Industries Limited

(Applicant Company 2 / Resulting Company)

AND

Their respective shareholders.

Poonam Roofing Products Private Limited Applicant Company 1/
[CIN:U26953MH1983PTC031370] ... Demerged Company

Sahyadri Industries Limited Applicant Company 2/
[CIN:L26956PN1994PLC078941] ... Resulting Company

(Hereinafter collectively referred to as 'the Applicant Companies')

Order delivered on: 17.02.2021

Coram:

Hon'ble Smt. Suchitra Kanuparthi, Member (Judicial)

Hon'ble Shri. Chandra Bhan Singh, Member (Technical)

Appearances (via videoconferencing):

For the Applicant(s) : Mr.Nitin Gutka i/b M/s ZADN &
Associates,Practicing Chartered
Accountant.

ORDER

Per: Chandra Bhan Singh, Member (Technical)

1. The Court convened through video conference today.
2. The Representative for the Applicant Companies states that the present Scheme is a Scheme of Arrangement between Poonam Roofing Products Private Limited (*'Applicant Company 1/ Demerged Company'*) and Sahyadri Industries Limited (*'Applicant Company 2/ Resulting Company'*) and their respective shareholders for Demerger of 'Industrial Business Undertaking' of Poonam Roofing Products Private Limited into Sahyadri Industries Limited (*hereinafter referred as to "Scheme"*).
3. The Applicant Company 1 is engaged in business of finishing and other job work of Fibre Cement Sheets, accessories and other support services, Real Estate activities and other permissible businesses. The Applicant Company 2 is engaged in production of cement sheets and accessories, generation of wind power electricity, trading of steel doors.
4. That the Board of Directors of the Applicant Companies in their respective Board Meeting held on 5th February, 2020 have approved

the Scheme. The Appointed Date fixed under the Scheme is 1st April, 2020.

5. The rational for the Scheme of Arrangement is as follows :-

- (a) Demerged Company is engaged in finishing and other job-work of Fibre Cement Sheets, accessories and other support services for the Resulting Company. Hence, consolidation of Industrial Business Undertaking with Resulting Company is a strategic fit and will help streamline the business of Resulting Company in the growing markets.
- (b) Consolidation of the Industrial Business Undertaking with the Resulting Company shall thereby result in making available increased resources including skilled and experienced workforce and assets including surplus land available for expansion of the activities of Resulting Company and as a result, sustain growth in long term.
- (c) “Swastik” brand which is licensed to the Resulting Company is owned by the Demerged Company. Vesting of the brand in the Resulting Company will result in adding value, boosting the reputation, saving of significant cash flow in future and enhancing flexibility in developing the Brand as well as product portfolio.
- (d) Enhance competitive strength, achieve cost reduction, efficiencies and productivity gains by pooling resources of Resulting Company and Industrial Business Undertaking.

6. The Applicant Company 2 shall issue and allot to the shareholders of the Applicant Company 1, 577 Equity Share of the face value of Rs. 10/- each, fully paid up of the Applicant Company 2 for every 10

Equity Shares of the face value Rs. 100/- each held by the shareholders in the Applicant Company 1.

7. A meeting of the Equity Shareholders of the Applicant Company 1, be convened and held at Registered Office of the Applicant Company 1 situated at 39/D, Gultekdi, J.N. Road, Pune 411037 on Friday, 2nd day of April, 2021 at 11.00 A.M for the purpose of considering and, if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement between Poonam Roofing Products Private Limited and Sahyadri Industries Limited and their respective shareholders.
8. A meeting of the Equity Shareholders of the Applicant Company 2, be convened and held on Friday, 2nd day of April, 2021, 2021 at 3.30 P.M for the purpose of considering and, if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement between Poonam Roofing Products Private Limited and Sahyadri Industries Limited and their respective shareholders, through Video Conferencing (VC) or Other Audio Visual Means (OAVM) mode, as per applicable operating procedures mentioned in General Circular Nos.14/2020, 17/2020, 22/2020,33/2020 and 39/2020 dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020 and December 31 2020 respectively, issued by Ministry of Corporate Affairs (the "MCA Circulars") including any statutory modification or re-enactment thereof for the time being in force and not in physical presence of shareholders in view of the current extraordinary circumstances due to COVID-19 pandemic requiring social distancing norms issued by Ministry of Corporate Affairs (the "MCA") in terms of the MCA Circular.

9. At least one month before the said the meeting of Equity Shareholders of the Applicant Company 1 to be held as aforesaid, a notice convening the said meeting at the place, day, date and time aforesaid, together with a copy of the Scheme, a copy of the explanatory statement disclosing all material facts as required under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 notified and the prescribed Form of Proxy, shall be sent by Registered Post or by courier or by speed post or by hand delivery or through email, (to those Equity Shareholders whose email addresses are duly registered with the Applicant Company1 for the purpose of receiving such notices be email), addressed to each of the Equity Shareholders of the Applicant Company 1, at their registered or last known addresses or e-mail addresses as per the records of the Applicant Company 1 or can be obtained free of charge by emailing to the Applicant Company No. 1 at cs@silworld.in

10. At least one month before the said the meeting of Equity Shareholders of the Applicant Company 2 to be held as aforesaid, a notice convening the said meeting through VC/OAVM , on day, date and time aforesaid, together with a copy of the Scheme, a copy of the explanatory statement disclosing all material facts as required under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 notified shall be sent by email to each of the Equity Shareholders of the Applicant Company 2, at their respective registered email address of the Equity Shareholders as per the records of the Applicant Company 2or can be obtained free of charge by emailing to the Applicant Company No. 2 at cs@silworld.in

11. At least not less than 30 days before the said meeting of the Equity Shareholders of the Applicant Company 1 to be held as aforesaid, a notice convening the said meeting, indicating the place, day, date and time of the meeting as aforesaid be published and stating that copies of the Scheme and the statement required to be furnished pursuant to Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the form of Proxy can be obtained free of charge at the Registered Office of the Applicant Company 1 as aforesaid and/or at the office of its Authorised Representative ZADN & Associates at 1st Floor, Sadhana Rayon House, Dr. D.N. Road, Fort, Mumbai-400 021.
12. At least not less than 30 days before the said meeting of the Equity Shareholders of the Applicant Company 2 to be held as aforesaid, a notice convening the said meeting through VC/OVAM, indicating the day, date and time of the meeting as aforesaid be published and stating that copies of the Scheme and the statement required to be furnished pursuant to Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 can be obtained free of charge at the Registered Office of the Applicant Company 2 as aforesaid and/or at the office of its Authorised Representative ZADN & Associates at 1st Floor, Sadhana Rayon House, Dr. D.N. Road, Fort, Mumbai-400 021 or by emailing to the Applicant Company No. 2 at cs@silworld.in.
13. That the joint notice of the Meeting of the Equity Shareholders of the respective Applicant Companies shall be advertised in two local newspapers, viz, "Financial Express" in English and translation thereof in "Loksatta" in Marathi language both having wide circulation in the state in which Registered Office of the Applicant Companies are

situated, and shall also be placed not less than thirty (30) days before the date fixed for the meeting on the website of the Applicant Company 2, of the SEBI and recognised stock exchange where the securities of the Applicant Company 2 is listed.

14. Mr. Purushottambhai Laljibhai Patel, Managing Director of the Applicant Company 1, failing him Mr. Satyen Vallabhbhai Patel, Director of the Applicant Company 1, failing him Mr. Jayesh Purushottam Patel, Director of the Applicant Company 1 shall be the Chairperson of the aforesaid meeting of the Equity Shareholders of the Applicant Company 1 to be held at 39/D, Gultekdi, J.N. Road, Pune 411037 on Friday, 2nd day of April, 2021 at 11.00 A.M or any adjournment or adjournments thereof.
15. Mr. Jayesh Purushottam Patel, Whole time Director of the Applicant Company 2, failing him Mr. Satyen Vallabhbhai Patel, Managing Director of the Applicant Company 2, failing him Mr. Shrikant Balkrishna Malegaonkar, Director of the Applicant Company 2 shall be the Chairperson of the aforesaid meeting of the Equity Shareholders of the Applicant Company 2 to be held on Friday, 2nd day of April, 2021 at 3.30 P.M or any adjournment or adjournments thereof.
16. Mr. Suvir Govind Saraf., Practicing Company Secretary (ACS No. 29981 & COP No.11409) is hereby appointed as Scrutinizer of the meeting of the Equity Shareholders of the Applicant Companies to be held as aforesaid.
17. That the respective Chairperson appointed for the aforesaid meeting of the Equity Shareholders to issue the advertisement and send out the notices of the respective meeting referred to above. The said respective Chairperson shall have all powers as per respective company's Articles

of Association and also under the Companies Act, 2013 in relation to the conduct of the meeting, including for deciding procedural questions that may arise or at any adjournment thereof or any other matter including an amendment to the Scheme or resolution/ if any, proposed at the meetings by any person(s).

18. The quorum for the aforesaid respective meeting of the Equity Shareholders shall be as prescribed under Section 103 of the Companies Act, 2013.
19. In case if the quorum as noted above is not present at the meeting, then the meeting shall be adjourned by half an hour, and thereafter the persons present and voting shall be deemed to constitute the quorum. For the purpose of quorum for the meeting of Applicant Company 1, proxies will be considered, as per applicable provisions of the secretarial standards, if the proxy in the prescribed form, duly signed by the person entitled to attend and vote at the meeting is filed with the registered office of the Applicant Company 1 at least 48 hours before the meeting.
20. The voting by proxy or authorised representative shall be permitted, provided that a proxy in the prescribed form/authorisation duly signed by the person entitled to attend and vote at the meeting, are filed with the Applicant Company 1 at its Registered office(s) not later than 48 hours before the aforesaid meeting as required under Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
21. The voting by authorised representative shall be permitted, provided that an authorisation/Board Resolution duly signed by the person entitled to attend meeting through VC/OAVM and participate there at

and cast their votes through e-voting are send to the Applicant Company 2 on their email id cs@silworld.in or filed with the Applicant Company 1 at its Registered office(s) not later than 48 hours before the aforesaid meeting as required under Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. Since the meeting for Applicant Company 2 is being held through VC/OAVM pursuant to circular no. 14/2020 dated 8th April 2020, appointment of proxies shall not be allowed.

22. The value and number of the shares of each Equity shareholders shall be in accordance with the books/ register of the respective Applicant Companies or depository records and where the entries in the books/register/ depository records are disputed, the respective Chairperson of the meeting shall determine the value and the number for the purpose of the aforesaid meeting and his decision in that behalf would be final.
23. The Chairperson of respective meeting to file an affidavit not less than seven (7) days before the date fixed for the holding of the respective meeting of Equity Shareholder and do report to this Tribunal that the direction regarding the issue of notices and the advertisement have been duly complied with as per Rule 12 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016.
24. The Chairperson of the respective meeting to report to this Tribunal, the result of the aforesaid meeting of Equity Shareholders within thirty days of the conclusion of the meeting.
25. The Representative for the Applicant Company 1 submits that there are no secured creditors in the Applicant Company 1, as stated in para 28 of the Company Scheme Application therefore the question of

convening meeting of secured creditors and sending notices to the secured creditors does not arise.

26. The Representative for the Applicant Company 2 submits that as stated in paragraph 29 of the Company Scheme Application there are 2 (two) Secured Creditors of the value of Rs 1,35,78,240 as on 30th September, 2020. These Secured Creditors are for the vehicle loans. The Scheme is between the Applicant Companies and their respective shareholders as contemplated under Section 230(1)(b) and not in accordance with the provisions of Section 230(1)(a) of the Companies Act, 2013 as there is no compromise and/or arrangement with creditors and they are not called upon to make any sacrifices, hence their interests are not getting affected in any way. Hence, only meeting of the Equity Shareholders of the Applicant Company 2 are proposed to be held in accordance with the provision of Section 230(1)(b) of the Companies Act, 2013. This bench hereby directs the Applicant Company 2 to issue notice to all Secured Creditors. The notice shall be send by registered post or by air mail or by courier or by speed post or by hand delivery to its registered or last known address by email to the registered e-mail address, as per records of the Applicant Company 2 as required under section 230(3) of the Companies Act, 2013 with a direction that they may submit their representations, if any, to the Tribunal and copy of such representations shall simultaneously be served upon the Applicant Company 2.

27. That the Representative for the Applicant Company 1 submits that as stated in paragraph 30 of the Company Scheme Application there are 4 Unsecured Creditors of the value of Rs. 32,22,548/- which are in the nature of trade payables and other current liabilities. The Scheme is between the Applicant Companies and their respective shareholders as

contemplated under Section 230(1)(b) and not in accordance with the provisions of Section 230(1)(a) of the Companies Act, 2013 as there is no compromise and/or arrangement with creditors and they are not called upon to make any sacrifices, hence their interests are not getting affected in any way. Hence, only meeting of the Equity Shareholders of the Applicant Company 1 are proposed to be held in accordance with the provision of Section 230(1)(b) of the Companies Act, 2013. This bench hereby directs the Applicant Company 1 to issue notice to all Unsecured Creditors. The notice shall be send by registered post or by air mail or by courier or by speed post or by hand delivery to its registered or last known address by email to the registered e-mail address, as per records of the Applicant Company 1 as required under section 230(3) of the Companies Act, 2013 with a direction that they may submit their representations, if any, to the Tribunal and copy of such representations shall simultaneously be served upon the Applicant Company 1.

28. That the Representative for the Applicant Company 2 submits that as stated in paragraph 31 of the Company Scheme Application there are 2658 Unsecured Creditors of the value of Rs 79,11,20,702 as on 30th September, 2020 which are in the nature of trade payables, unsecured loans from promoters and other current liabilities including security deposits from customers. The Scheme is between the Applicant Companies and their respective shareholders as contemplated under Section 230(1)(b) and not in accordance with the provisions of Section 230(1)(a) of the Companies Act, 2013 as there is no compromise and/or arrangement with creditors and they are not called upon to make any sacrifices, hence their interests are not getting affected in any way. Hence, only meeting of the Equity Shareholders of the Applicant Company 2 are proposed to be held in accordance with the provision

of Section 230(1)(b) of the Companies Act, 2013. This bench hereby directs the Applicant Company 2 to issue notice to all its Unsecured Creditors having outstanding balance of Rs.50,000/- and above representing 94.41% of total value of unsecured creditors as required under Section 230(3) of the Companies Act, 2013 by Courier/Registered Post/Speed Post/Hand Delivery or through e-mail (to those creditors whose email addresses are duly registered with Applicant Company 2 for the purpose of receiving such notices by email), at their last known address as per the records of the Applicant Company 2, with a direction that they may submit their representations, if any, to the National Company Law Tribunal, Mumbai Bench within 30 days and copy of such representations shall simultaneously be served upon the Applicant Company 2.

29. The Applicant Company 1, pursuant to Section 230(5) of the Companies Act, 2013 read with Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, is directed to serve the notice of the meeting of its Equity Shareholders upon: (i) Regional Director, Western Region, Ministry of Corporate Affairs, Mumbai, Maharashtra, (ii) the Registrar of Companies, Pune, (iii) Income Tax Authority within whose jurisdiction the assessments of the Applicant Company 1 is made (mentioning the PAN of Applicant Company 1 – PAN: AAACP6091R) at the following address: The Deputy Commissioner of Income Tax, Circle 4, PMT Building, Swargate, Pune 411037, (iv) Goods and Service Tax Authority (mentioning GST RC No. 27AAACP6091R1ZP) at the following address The Commissioner, Central Revenue Building, Near CAD Circle, Kota – 324009, with a direction that they may submit their representation, if any, within a period of 30 (thirty) days from the date of receipt of such notice, to the Tribunal and copy of such

representations shall simultaneously be served upon the Applicant Company 1, failing which, it will be presumed that the aforesaid authorities have no representations to make on the Scheme.

30. The Applicant Company 2, pursuant to Section 230(5) of the Companies Act, 2013 read with Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, is directed to serve the notice of the meeting of its Equity Shareholders upon: (i) Regional Director, Western Region, Ministry of Corporate Affairs, Mumbai, Maharashtra, (ii) the Registrar of Companies, Pune, (iii) Income Tax Authority within whose jurisdiction the assessments of the Applicant Company 2 is made (mentioning the PAN of Applicant Company 1 – PAN: AAACN5870A) at the following address: The Deputy Commissioner of Income Tax, Central Circle 2(4) Room No:630, 6th Floor, AayakarSadan, Bodhi Towers, Salisbury Park, Gultekadi, Pune -411037 and (iv) BSE Limited, (v) Securities Exchange Board of India (SEBI) and (vi) Goods and Service Tax Authority at the following address (a) GST RC No. 27AAACN5870A1ZP:- Dy. Commissioner of Sales Tax, Cabin No.452, 4th Floor, GST Bhawan, Yerwada, Pune 411 006, Maharashtra,(b) GST RC No. 27AAACN5870A2ZO:- Dy. Commissioner of Sales Tax, Cabin No.452, 4th Floor, GST Bhawan, Yerwada, Pune 411 006, Maharashtra,(c) GST RC No. 24AAACN5870A1ZV:-The Commissioner, New Central Excise Buliding, OppGandhi Baugh, Rang Upvan Rd, Chowk, Bazar, Surat-395 003, Gujarat, (d) GST RC No.33AAACN5870A1ZW:-Assistant Commissioner, Erode-III Range, 81, Bharati Nagar,Sathy Road, Soolai,Veerappanchathiram,Erode-638004, TamilNadu (e) GST RC No.37AAACN5870A1ZO:-Chief Commissioner of State Tax,DNo.5-59, R. K. Spring Valley Apartments,Bandar Road,

Eedupugallu Village, Kankipadu Mandal, Vijayawada, Krishna District, Pin-521151, Andhra Pradesh, (f) GST RC No.08AAACN5870A1ZP:-
The Commissioner, Central Revenue Building, Near CAD Circle, Kota- 324009, Rajasthan with a direction that they may submit their representation, if any, within a period of 30 (thirty) days from the date of receipt of such notice, to the Tribunal and copy of such representations shall simultaneously be served upon the Applicant Company 2, failing which, it will be presumed that the aforesaid authorities have no representations to make on the Scheme.

31. The Applicant Companies to file affidavit of service for the service of notices to the regulatory authorities by the Applicant Company 1 and the Applicant Company 2 as stated in above paragraphs and do report to this Tribunal that the directions regarding the issue of notices have been duly complied with.

Sd/-

Chandra Bhan Singh
Member (Technical)

Sd/-

Suchitra Kanuparthi
Member (Judicial)