



S Chand And Company Limited

Registered Office: A-27, 2nd Floor, Mohan Co-Operative Industrial Estate, New Delhi - 110044, India.

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Date: April 22, 2022

To Listing Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai, Maharashtra 400001	To Listing Department, National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai, Maharashtra 400051
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Dear Sir,

Re: Intimation under Regulation 30 of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

This is in reference to the disclosure under Regulation 30 of Listing Regulations submitted by the Company on November 13, 2019 & August 14, 2021 relating to proposed merger between its wholly owned subsidiaries namely Eurasia Publishing House Private Limited and Chhaya Prakashani Limited (“formerly Chhaya Prakashani Private Limited”). The Scheme for said merger was filed with the Hon’ble National Company Law Tribunal, Kolkata Bench, Kolkata (“**Tribunal**”) for its approval. The Tribunal vide its order dated April 21, 2022 (i.e. Date of pronouncement of order) has approved the Scheme. Copy of the said order is attached herewith.



Copy of the above mentioned order of Tribunal and scheme of said merger are also being uploaded on the website of the Company at www.schandgroup.com.

Request you to kindly take note of the above.

Thanking You.

Yours Sincerely,

For S Chand And Company Limited

Jagdeep Singh

Company Secretary

Membership No: A15028

Address: A-27, 2nd Floor,

Mohan Co-operative Industrial Estate,

New Delhi-110044

Encl. as above

CIN No. L22219DL1970PLC005400

IN THE NATIONAL COMPANY LAW TRIBUNAL

KOLKATA BENCH -I

C.P (CAA) No. 199/KB/2021

Connected with

C.A(CAA) NO 87/ KB/2021

In the matter of:

Sections 230 to 232 of the Companies Act, 2013;

*read with Companies (Compromises, Arrangements, and Amalgamation) Rules,
2016*

In the Matter of:

Chhaya Prakashani Limited, a company incorporated under the provisions of the Companies Act, 1956 and having Company Identification Number (CIN: U22122WB2006 PLC 111821) and having its Registered Office at 1, Bidhan Sarani College Street, Kolkata – 700073, West Bengal.

...Transferee Company / Petitioner No 1

And

Eurasia Publishing House Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and having Company Identification Number (CIN: U74899WB1961PTC234138) and having its Registered Office at 5f, Everest 46/C, Chowringhee Road, Kolkata – 700071, West Bengal.

...Transferor Company / Petitioner No 2

And

In the matter of:

1. Chhaya Prakashani Limited;
2. Eurasia Publishing House Private Limited;

.... Petitioner Companies

Date of Hearing: 06/04/2022

Order pronounced on: 21/04/2022

Coram:

Shri Rajasekhar V.K: Member (Judicial)

Shri Balraj Joshi: Member (Technical)

Appearances (via video conferencing):

1. Ms. Manju Bhuteria, Advocate
2. Mr. N. Gurumurthy, FCA
3. Mr. Madan Kumar Maroti, FCA } For the Petitioners
4. Ms. Aisha Amin, Advocate
Mr. Harihara Sahoo, Joint Director } For the Regional Director

ORDER

Rajasekhar V.K., Member (Judicial)

- 1) The instant petition has been filed under Section 230(6) read with Section 232(3) of the Companies Act, 2013 (“Act”) for sanction of the Scheme of Amalgamation Of Eurasia Publishing House Private Limited being the Petitioner No. 2 above named (“Transferor Company ” or “ Petitioner No.2”) with Chhaya Prakashani Limited, being the Petitioner No.1 above named (“Transferee Company” or “Petitioner No.1”) with Appointed Date being 01st April 2020 in the manner and on the terms and conditions stated in the said Scheme of Amalgamation(“Scheme”).
- 2) The Petition has now come up for final hearing. Counsel for the petitioner submits as follows: -
 - (a) The Scheme was approved by the Board of Directors of the Petitioner No 1 at their meeting held on 25th June,2020 and by the Board of Directors of the Petitioner No 2 at their meeting held on 01st July 2020.
 - (b) The circumstances which justify and/or have necessitated the Scheme and the benefits of the same are, inter alia, as follows:
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- a. The Transferor Company and the Transferee Company are primarily engaged in publishing Educational Books. Therefore, the business of the Transferor Company and the Transferee Company can be combined/adjusted and carried forward conveniently with combined strength;
- b. The amalgamation will enable the Transferee Company to consolidate its line of business by restructuring and re-organizing its business activities and Capital Structure;
- c. The amalgamation will enable the amalgamated company to broad base their business activities under the roof of the Transferee Company;
- d. The amalgamation will result in economy of scale including a reduction in overhead expenses relating to management and administration in better and more productive utilization of various resources;
- e. The business of the Transferor Company can be conveniently and advantageously combined together and in general with the business of the Transferee Company concerned and will be carried on more economically and profitably under the said Scheme;
- f. The said Scheme of Amalgamation will enable the establishment of a larger company with larger resources and a larger capital base enabling further development of the business of the company concerned. The said scheme will also enable the undertakings and business of the said applicant company to obtain greater facilities possessed and enjoyed by one large company compared with a number of small Companies for raising capital,

- securing and conducting trade on favorable terms, and other benefits;
- g. The said scheme will contribute in furthering and fulfilling the objects of the Company concerned and, in the growth, and development of these businesses;
 - h. The said scheme will strengthen and consolidate the position of the amalgamated company and will enable the amalgamated company to increase its profitability;
 - i. The said scheme will enable the undertakings concerned to pool their resources and expand their activities;
 - j. The said scheme will enable the Companies concerned to rationalize and streamline their management, business, and finances and to eliminate duplication of work to their common advantages;
 - k. The said scheme will have beneficial results for the Companies concerned, their shareholders, employees, and all concerned;
- (c) The Statutory Auditors of Petitioner No 1 have by their certificate dated 24th March 2021 confirmed that the accounting treatment in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013.
- (d) No proceedings are pending under Sections 210 to 227 of the Companies Act, 2013 against the Petitioners.
- (e) The exchange ratio of shares in consideration of the Amalgamation has been fixed on a fair and reasonable basis and on the basis of the Report dated 25-06-2020 thereon of **Vishal Gupta**, IBBI, Registered Valuer.
- (f) By an order dated 11th August 2021 in Company Application No. C.A (CAA) No.87/(KB)/2021 this Tribunal made the

following directions with regard to meetings of shareholders and creditors under Section 230(1) [read with Section 232(1) of the Act]:-

(i) **Meeting(s) dispensed:**

Equity Shareholders

Meeting of Equity Shareholders of the Petitioner Companies for considering the Scheme is dispensed with in view of all shareholders have given their consent to the Scheme by way of affidavits.

Unsecured Creditors

Meeting of Unsecured Creditors of Petitioner No 1 for considering the Scheme is dispensed with in view of consent given by way of affidavits by the Unsecured Creditors representing more than 91.66% in value of unsecured creditors of Petitioner No 1.

Meeting of Unsecured Creditors of Petitioner No 2 for considering the Scheme is dispensed with in view of consent given by way of affidavits by the Unsecured Creditors representing 100 % in value of unsecured creditors of Petitioner No 2.

(ii) **No requirement for Meetings**

Secured Creditors

Secured Creditors of Petitioner No 1 NIL Creditors verified by auditor's certificate.

Secured Creditors of Petitioner No 2 having been fully paid of subsequent to the filing of Company Application.

(iii) **Meetings to be held**

No meeting is required to be held.

- (g) Consequently, the Petitioners presented the instant petition for sanction of the Scheme. By an order dated 14th December 2021, the instant petition was admitted by this Tribunal and fixed for hearing on 01st February 2022 upon issuance of notices to the Statutory/Sectoral Authorities and advertisement of date of hearing. In compliance with the said order dated 14th December 2021, the Petitioners have duly served such notices on the Regulatory Authorities viz Income Tax Authorities on 07th January 2022, Registrar of Companies, Kolkata, West Bengal, Regional Director, Eastern Region on 06th January 2022, Official Liquidator, High Court, Calcutta on 07th January 2022. The Petitioners have also published such advertisements once each in the **Financial Express** and **Dainik Statesman** in their respective issued date 07th January 2022. An affidavit of Compliance duly affirmed on 01st February 2022 has also been filed.
- (h) All statutory formalities requisite for obtaining the sanction of the Scheme have been duly complied with by the Petitioners. The Scheme has been made bona fide and is in the interest of all concerned.
- 3) Pursuant to the said advertisements and notices the Regional Director, Ministry of Corporate Affairs, Kolkata (“RD”), Official Liquidator, High Court have filed their representations before this Tribunal.
- 4) The Official Liquidator has filed his report dated 01st February 2022 and concluded as under: -

At Para 9

That the Official Liquidator has not received any complaint against the proposed Scheme of Amalgamation from any person/party interested in the Scheme in any manner till the date of filing of this Report.

At Para 11

That the Official Liquidator on the basis of information submitted by the Petitioner Companies is of the view that the affairs of the aforesaid Transferor Companies do not appear to have been conducted in a manner prejudicial to the interest of its members or to the public interest as per the provisions of the Companies Act, 1956/the Companies Act, 2013 whichever is applicable.

- 5) The Regional Director has filed his reply affidavit dated 14th March 2022 (“RD affidavit”) which has been dealt with by the Petitioners by their Rejoinder affidavit dated 26th March 2022 (“Rejoinder”). The observations of the RD and responses of the Petitioners are summarized as under: -

Paragraph 2 (a) of RD Affidavit

It is submitted that on examination or the report of the Registrar of Companies, West Bengal, it appears that no complaint and /or representation regarding the proposed Scheme of Amalgamation has been received against the Petitioner Companies, Further, as per available records, all the petitioner companies are updated in filing their Statutory Returns. However, in the said report, the Registrar of Companies, West Bengal stated that the Transferee Company namely M/s Chhaya Prakashani Limited has not filed MGT-14 under section 179(3)(g) read with section 117 of the Companies Act, 2013 for the financial year ended 31.03.2015 and 31.03.2016 in MCA- 21 Portal. Copy of the said letter or the Registrar of Companies, West Bengal marked as Annexure-I is enclosed herewith for perusal and ready reference.

Paragraph 2 (a) of the Rejoinder

No adverse comments were made by the Registrar of Companies, West Bengal in his report to the Regional Director apart from the non-filing of MGT -14 by M/s Chhaya Prakashani Limited – Transferee Company for the year ended 31-03-2015 and 31-03-

2016. Further the Registrar of Companies, West Bengal has not received any Complaint and/or representation from any person on the proposed Scheme. Hence no comments are offered.

Before 05th December 2016, the Transferee Company was a Private Limited Company. The Ministry of Corporate Affairs *vide* notification no. G.S.R. 464(E) dated 05th June 2015 provided exemption from applicability of provisions of clause (g) of sub-section (3) of Section 117 of The Companies Act, 2013 on the private companies. The said provisions read as under:

“Resolutions passed in pursuance of sub-section (3) of section 179”

In view of the said exemption notification, the Transferee Company was not required to file form MGT-14 for the resolution passed in pursuance to sub-section (3) of section 179 of the Companies Act, 2013. (The copy of the Ministry of Corporate Affairs notification no. G.S.R. 464(E) dated 05th June 2015 is annexed marked – Annexure – C.

Accordingly, the Transferee Company was compliant with the provisions of section 179(3)(g) read with section 117 of the Companies Act, 2013 for the financial year ended 31.03.2015 and 31.03.2016.

Paragraph 2 (b) of RD Affidavit

It is submitted that the Petitioner Company while serving notice to the Central Government, has submitted a revised Scheme of Amalgamation as approved by the Board of Directors of Transferee Company by passing a resolution by circulation on 14/04/2021 and by passing a resolution by the Board of Directors of the Transferor Company at its meeting held on 14/04/2021 consequent upon conversion of the Transferee Company, Chhaya Prakashani Private Limited into Chhaya Prakashani Limited. As

per records available in the MCA portal, the certificate of Incorporation consequent upon Conversion of the Transferee Company into a Public Limited company has been issued on 18/02/2021. Hon'ble Tribunal may peruse the same and issue orders as deemed fit and proper.

Paragraph 2 (b) of the Rejoinder

The Scheme of Amalgamation was approved by the Board of Directors of the Transferee Company at their meeting held on 25th June 2020 and by the Board of Directors of the Transferee Company at their meeting held on 01st July 2020. Thereafter the name of the Transferee Company was changed upon conversion of the public company into a Private Company since the Scheme was approved by the name Chhaya Prakashani Limited which later on changed to Chhaya Prakashani Private Limited.

Further, the attention of the Hon'ble Tribunal is also drawn to the Company Application 108/KB/2021 and also to the dispensation order dated 11-08-2021 wherein the change of name of the Transferee Company has been clearly mentioned.

Paragraph 2 (c) of RD Affidavit

Petitioner company should undertake to comply with the provisions of section 232(3)(i) of the Companies Act 2013 through appropriate affirmation.

Paragraph 2 (c) of the Rejoinder

The Transferee Company undertakes that it shall comply with the provisions of Sec 232(3)(i) of the Companies Act, 2013 in regard to adjustment of fees upon clubbing of Authorized Share Capital(s) of the Transferor Companies with the Authorized Share Capital of the Transferee Company in post-amalgamation and shall file a detailed statement thereof with the Registrar of Companies at the time of filing of INC – 28.

Paragraph 2 (d) of RD Affidavit

That the Transferee Company should be directed to pay applicable stamp duty on the transfer of the immovable properties from the Transferor Companies to it.

Paragraph 2 (d) of the Rejoinder

The Transferee Company undertakes that it shall pay applicable stamp duty on the transfer of the immovable properties from the Transferor Companies to it.

Paragraph 2 (e) of RD Affidavit

The Hon'ble Tribunal may kindly direct the Petitioners to file an affidavit to the extent that the Scheme enclosed to the Company Application and Company Petition are one and same and there is no discrepancy or no change is made.

Paragraph 2 (e) of the Rejoinder

The Deponent duly authorized by the Petitioner Companies hereby affirms that the Scheme enclosed in the Company Application and Company Petition are one and the same and there is no discrepancy or no change is made.

Paragraph 2 (f) of RD Affidavit

The Transferor Company, Eurasia Publishing House Private Limited, showed non-current investments of Rs.70,03,59,454 and current investment of Rs.1,16,06,536 as on 31-03-2021. But no particulars or nature and extent of those investments were disclosed. In absence of which statutorily mandated disclosures, the financial statements are incomplete. In view of the incompleteness of the financial statement filed by the company contrary to the provisions of section 137 of the Companies Act 2013, a complete reading thereof is not possible to ascertain the state of affairs of the company. The Financial statement also remains defective. The Company may file a correct and unflawed

financial statement with the Registrar of Companies after complying with the relevant provisions of the Companies Act 2013. Once merged with the transferee company the Transferor Company would refrain from filing the complete set of the financial statement as mandated by the statute since its filing status would cease to be "Active" in the portal resulting in the MCA portal continuing to host the incomplete financial statement in the public domain. Therefore, the complete financial statements for the said year should first be filed by the said companies with the Registrar of Companies.

Paragraph 2 (f) of the Rejoinder

This is a disclosure-related issue and should not, therefore, come in the way of sanctioning the Scheme. The Registrar of Companies is open to deal in accordance with the law even after the sanction of the Scheme and the Transferee Company depose of the same appropriately.

Paragraph 2 (g) of RD Affidavit

It is submitted that the Income Tax Department by letter dated 16/02/2022 submitted that a demand of Rs. 1,18,51,164 is found to be outstanding against Chhaya Prakashani Limited, Transferee Company in regard to section 154 for A.Y. 2015-16, section 220(2) for A.Y. 2014-15, and section 154 for A.Y. 2010-11 of the Income Tax Act, 1961. Copy of the said letter of the Income Tax Department marked as Annexure-II is enclosed herewith for perusal and ready reference.

Paragraph 2 (g) of the Rejoinder

The Income Tax authorities under whose jurisdiction the Transferor Company is assessed have not made any observations on notice served by the office of the Regional Director.

Further, the Petitioner Companies have also complied with the directions contained in the order passed by the Hon'ble Tribunal and have effected service upon the Income Tax Department. However, the said department has not made/ filed an observation pursuant to the said notices filed by the Petitioner Companies.

As regards demand raised by the Income Tax Authorities in regard to the Transferee Company, they shall continue even after the sanction of the Scheme. The Transferee Company exists and the Income Tax department will proceed accordingly.

6) Heard submissions made by the Learned Counsel appearing for the Petitioner, Regional Director. Upon perusing the records and documents in the instant proceedings and considering the submissions, we allow the petition and make the following orders: -

- a. The Scheme of Amalgamation is sanctioned by this Tribunal with the appointed date fixed as 1st April 2020 which shall be binding on the petitioner companies and their shareholders and all concerned;
- b. All the properties, rights, and interests of Eurasia Publishing House Private Limited be transferred to and vested in without further act or deed In Chhaya Prakashani Limited and accordingly the same shall pursuant to Section 232 of the Companies Act, 2013 and read with Companies (Compromises, Arrangements, and Amalgamation) Rules, 2016 be transferred to and vested in Chhaya Prakashani Limited for all the estate and interest of Eurasia Publishing House Private Limited but subject nevertheless to all charges, now affecting the same;
- c. All the debts, liabilities and duties of Eurasia Publishing House Private Limited be transferred without further act or deed to Chhaya Prakashani Limited and accordingly the same shall pursuant to Section 232 of the Companies Act, 2013 and read with Companies (Compromises, Arrangements, and Amalgamation) Rules, 2016 be

transferred to and become the liabilities and duties of Chhaya Prakashani Limited;

- d. That all the proceedings and/or suit appeals now pending by or against Eurasia Publishing House Private Limited/ the transferor companies shall be continued by or against Chhaya Prakashani Limited / Transferee Company, and no objection shall be taken in this regard. The transferee company shall prosecute or defend the same in accordance with law.
 - e. That the undertakings given by the petitioners in their rejoinder shall be treated as undertakings given to this Tribunal and they shall be bound by the same.
 - f. The Transferee Company to issue and allot shares to the shareholders of Eurasia Publishing House Private Limited as envisaged in the said Scheme of Amalgamation and for that, if necessary, to increase the authorized share capital;
 - g. The schedule of assets and liabilities in respect of Eurasia Publishing House Private Limited be filed within a period of three weeks from the date of the order;
 - h. The Transferor Company namely Eurasia Publishing House Private Limited shall stand dissolved without winding up from the effective date
 - i. Chhaya Prakashani Limited and Eurasia Publishing House Private Limited shall within 30 days after the date of obtaining the Certified Copy of the order made cause certified copies of this order to be delivered to the Registrar of Companies, West Bengal for registration respectively;
 - j. Any person interested be at liberty to apply to this Tribunal in the above matter for any direction that may be necessary;
- 7) The Petitioners shall supply a legible printout of the scheme, schedule of assets, and liabilities in an acceptable form to the registry and the

registry will append such printout, upon verification to the certified copy of the order.

- 8) The Company Petition C.P (CAA) No.199/KB/2021 connected with Company Application C.A(CAA) No.87/KB/2021 is disposed of accordingly.
- 9) Urgent certified copy of this order, if applied or, be supplied to the parties, subject to compliance with all requisite formalities.

BALRA
J JOSHI
Digitally signed
by BALRAJ
JOSHI
Date:
2022.04.21
19:56:24 +05'30'

Balraj Joshi
Member (Technical)

Rajasek
har V K
Digitally signed
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18:09:05 +05'30'

Rajasekhar V.K.
Member (Judicial)

Sneh. I.RA