



July 4, 2023

To,

**National Stock Exchange of India Limited
“Exchange Plaza”
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051**

**BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Fort
Mumbai 400 001**

Symbol: GRINDWELL

Scrip Code No. 506076

Dear Sir/Madam,

**Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Scheme of amalgamation of PRS Permacel Private Limited, Wholly Owned Subsidiary with Grindwell Norton Limited, its Listed Parent and their respective shareholders.**

Further to our letter dated June 22, 2023, we would like to inform you that the Order of National Company Law Tribunal (NCLT) dated June 22, 2023, has been disseminated on the NCLT website today, July 4, 2023. The copy of the said Order is enclosed, and we are awaiting the certified copy of the said Order.

The Appointed Date of the Scheme is May 27, 2022, and the Scheme will be made effective upon filing of certified copy of the Order of NCLT under Section 230 to 232 of Companies Act, 2013 (“Act”) and other applicable provisions of the Act sanctioning the Scheme with the Registrar of Companies, Maharashtra at Mumbai by the Transferor Company and Transferee Company.

Kindly take the same on record.

Yours faithfully,

For **Grindwell Norton Limited**

KRISHNASWAMY
VISWESWARAN

Digitally signed by
KRISHNASWAMY
VISWESWARAN
Date: 2023.07.04 16:47:43
+05'30'

**K. Visweswaran
Company Secretary and Compliance Officer
Membership No. ACS 16123**

Encl.: as above

NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH
COURT III

23. C.P.(CAA)/88/MB/2023

IN

C.A.(CAA)/212/MB/2022

CORAM: SHRI H. V. SUBBA RAO, MEMBER (J)
MS. MADHU SINHA, MEMBER (T)

ORDER SHEET OF THE HEARING OF MUMBAI BENCH OF THE NATIONAL
COMPANY LAW TRIBUNAL ON **22.06.2023**

NAME OF THE PARTIES: Grindwell Norton Limited

SECTION 230(I) OF COMPANIES ACT, 2013

ORDER

C.P.(CAA)/88/MB/2023

Mr. Hemant Sethi appearing for the petitioner and Ms. Rupa Sutar appearing for the Regional Director are present.

Ms. Rupa Sutar, representative of RD submits that most of the objections raised by the RD are routine in nature and RD has no objection for approving the scheme.

Heard the counsel appearing for the petitioner. The above company petition is **allowed**. Detailed order would follow:

Sd/-
MADHU SINHA
Member (Technical)
//RKS//

Sd/-
H. V. SUBBA RAO
Member (Judicial)

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT-III**

**C.P. (C.A.A.) /88/(MB)/2023
IN**

C.A.(C.A.A./212/(M.B)/2022

In the matter of the Companies Act,
2013;

AND

In the matter of Sections 230 to 232
and other applicable provisions of the
Companies Act, 2013

AND

In the matter of Scheme of
Amalgamation (by way of Merger by
Absorption) of PRS ERMACEL
PRIVATE LIMITED (**“Transferor
Company”**) with GRINDWELL
NORTON LIMITED
(**“Transferee Company”**)

PRS PERMACEL PRIVATE LIMITED

CIN: U74999MH1999PTC120475

PAN: AABCP4401A

Having its registered office at: 5th Level, Leela Business Park, Andheri
Kurla Road, Andheri East, Mumbai 400059

**..... First Petitioner Company/
Transferor Company**

AND

GRINDWELL NORTON LIMITED

CIN: L26593MH1950PLC008163

PAN: AAACG8725B

Having its registered office at: 5th Level,
Leela Business Park, Andheri Kurla Road,
Andheri East, Mumbai 400059

**..... Second Petitioner
Company/ Transferee Company**

Order delivered on 22nd June 2023

CORAM: **SHRI H.V. SUBBA RAO, HON'BLE MEMBER (Judicial)**
MS. MADHU SINHA, HON'BLE MEMBER (Technical)

Appearances:

For the Petitioners : Mr. Hemant Sethi, Ms. Devanshi
Sethi, i/b Hemant Sethi & Co.,
Advocates

FOR Regional Director : Ms. Rupa Sutar,
Deputy Director, in office of
Regional Director, MCA(WR),
Mumbai

ORDER

1. Heard the Learned Counsel for the Petitioner Companies. No objector has come before this Tribunal to oppose the Scheme and nor has any party controverted any averments made in the Petitions to the said Scheme.

2. The sanction of the Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and the rules framed there under for the Scheme of Amalgamation (by way of Merger by Absorption) of PRS PERMACEL PRIVATE LIMITED (“Transferor Company”) with GRINDWELL NORTON LIMITED, (“Transferee Company”). The entire share capital of the Transferor Company is held by the Transferee Company along-with its nominees. Accordingly, the scheme is of merger of a wholly owned subsidiary with its parent company. Upon the Scheme being effective the Transferee Company would not be required to issue and allot any shares to the shareholders of the Transferor Company.
3. The Petitioner Companies have approved the said Scheme of Amalgamation by passing their respective Board Resolutions dated 29th July 2022 which are annexed to the Company Scheme Petition.
4. The Learned Advocate appearing on behalf of the Petitioner Companies further states that the Petitioner Companies have complied with all requirements as per directions of this Tribunal and they have filed necessary affidavit of compliance.
5. Petitioners submit that the Transferor Company is primarily engaged in the business of manufacturing and trading of self-adhesive tapes and labels. Whereas, the Transferee Company is engaged in the business of manufacturing of grinding wheels in India as well as business of abrasives, ceramic materials businesses (silicon carbide and performance ceramics and refractories) and performance plastics and that the Transferee Company is a listed company having its

shares listed on BSE Limited and National Stock Exchange of India Limited.

6. The rationale for the Scheme is as follows:

“With the ultimate objective of acquiring the ongoing business carried on by the Transferor Company and thereby broadening the product portfolio and alignment with global business interests, the Transferee Company entered into a Share Purchase Agreement dated 12th May 2022 with the erstwhile shareholders of Transferor Company to acquire 100% of the equity shares of the Transferor Company. This acquisition was completed on 27th May 2022 as a stepping-stone towards acquisition of the business undertaken by the Transferor Company.

Pursuant to the above referred acquisition, the main objective of Transferor Company is similar to one of the main objectives of Transferee Company and they form part of the same management. Thus, with a view to achieve the main objective of consolidation of business carried on by the Transferor Company and in order to maintain a simple corporate structure and eliminate duplicate corporate procedures, it is desirable to amalgamate Transferor Company into the Transferee Company. The amalgamation of Transferor Company into the Transferee Company shall enable effective management and unified control of operations. Further, the amalgamation would create economies in administrative and managerial costs by consolidating operations and would substantially reduce duplication of administrative responsibilities and multiplicity of records and legal and regulatory compliances.

The amalgamation of the Transferor Company into the Transferee Company with effect from the Appointed Date (as hereinafter defined) is in the interest of the shareholders,

creditors, employees and other stakeholders of the Transferor Company and the Transferee Company. Further, there is no likelihood that any creditor of the Transferor Company or the Transferee Company will be prejudiced as a result of the Scheme. “

7. The Regional Director has filed his Report dated 20th June 2023 *inter-alia* making the following observations in Paragraphs 2(a) to (h) which are reproduced hereunder. The Petitioners have filed Affidavit in rejoinder dated 21st June 2023 to the observations made by the Regional Director and gave necessary clarifications/undertakings as follows:

Para	Observation by the Regional Director	Undertaking/clarification of the Petitioner Company/ Rejoinder/ Affidavit in Response
2(a)	In compliance of AS-14 (IND AS-103), the Petitioner Companies shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5(IND AS-8) etc.	As regards the observation made in Paragraph 2(a) of the said Report is concerned, it is submitted that the Second Petitioner Company being the Transferee Company shall pass such accounting entries which are necessary to comply with all other applicable Accounting Standards such as IND AS-8 etc. to the extent applicable.

<p>2(b)</p>	<p>As per Definition of the Scheme, 'Appointed Date' means 27th May 2022 for merger of PRS into Grindwell;</p> <p>and</p> <p>'Effective Date' means the date or last of the dates on which the certified / authenticated copy of the order of the National Company Law Tribunal, Mumbai ("NCLT") sanctioning this Scheme is filed with the Registrar of Companies, in Mumbai by the Transferor Company and the Transferee Company;</p> <p>In this regard, it is submitted that Section 232 (6) of the Companies Act, 2013 states that the scheme under this section shall clearly indicate an appointed date from which it shall be effective and the scheme shall be deemed to be effective from such date and not at a date subsequent to the appointed date. However, this aspect may be decided by the Hon'ble Tribunal taking into account its inherent powers.</p> <p>The Petitioners may be asked to comply with the requirements as clarified vide circular no. F. No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs.</p>	<p>As regards the observation made in Paragraph 2(b) of the said Report is concerned it is submitted that the Appointed Date is 27th May 2022 as mentioned in the Scheme which is in compliance with Section 232(6) of the Companies Act, 2013 and in compliance of the circular No. F. No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs and further submits that the Scheme shall be effective from the Appointed Date as mentioned in Clause 2 of the Scheme.</p>
<p>2(c)</p>	<p>Petitioner Company have to undertake to comply with section 232(3)(i) of Companies Act, 2013, where the transferor company is</p>	<p>As regards the observation made in Paragraph 2(c) of the said Report is</p>

	<p>dissolved, the fee and stamp duty paid by the transferor company on its authorised capital shall be set-off against fees and stamp duty payable by the transferee company on its authorised capital subsequent to the amalgamation and therefore, petitioners to undertake that the transferee company shall pay the difference of fees and stamp duty.</p>	<p>concerned, the Petitioner Companies submit that it undertakes to comply with section 232(3)(i) of Companies Act, 2013, where the Transferor company is dissolved, the fee and stamp duty paid by the Transferor company on its authorised capital shall be set-off against fees and stamp duty payable by the Transferee company on its authorised capital subsequent to the amalgamation and therefore, petitioners to undertake that the Transferee company shall pay the difference of fees and stamp duty.</p>
<p>2(d)</p>	<p>The Hon'ble Tribunal may kindly seek the undertaking that this Scheme is approved by the requisite majority of members and creditors as per Section 230(6) of the Act in meetings duly held in terms of Section 230(1) read with 7 subsection (3) to (5) of Section 230 of the Act and the Minutes thereof are duly placed before the Tribunal.</p>	<p>As regards the observation made in Paragraph 2(d) of the said Report is concerned, the Petitioner Companies hereby state that the meeting of members and creditors were dispensed by the Hon'ble Tribunal on the basis of consent affidavits received from all shareholders and creditors as applicable to the respective petitioner company and hence the question of being approved by the requisite majority of</p>

		members and creditors as per Section 230(6) in the meetings duly held in terms of Section 230(1) read with subsection (3) to (5) of Section 230 of the Act and the requirement of placing the minutes before the Hon'ble Tribunal does not arise.								
2(e)	The Petitioner Company states that the Transferee Company shall be in compliance with provisions of Section 2(1B) of the Income Tax Act, 1961. In this regards, the petitioner company shall ensure compliance of all the provisions of Income Tax Act and Rules thereunder	As regards the observation made in Paragraph 2(e) of the said Report is concerned, is submitted that Petitioner Companies the undertakes to comply with all the provisions of Income Tax Act 1961 and rules thereunder including the provision of section 2(1B) of the Income Tax Act 1961.								
2(f)	It is observed from latest MGT-7 for the year ending 31.03.2022 filed by the petitioner companies that transferor company and transferee Company have following corporate body shareholders having more than 10% shareholding, but form Ben-2 has not been filed:- <table border="1" data-bbox="416 1648 979 1827"> <thead> <tr> <th>Name of the Company</th> <th>Name of the shareholder</th> <th>Percent age of shareholding</th> <th>Status of Ben-2</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Name of the Company	Name of the shareholder	Percent age of shareholding	Status of Ben-2					As regards the observation made in Paragraph 2(f) of the said Report , it is submitted that the Petitioner Company state that, as per Section 90 of the Companies Act, 2013, the Form BEN-2 has to be filed for giving declaration with respect to the significant beneficial owners of the company, disclosing their interest in the company by way of
Name of the Company	Name of the shareholder	Percent age of shareholding	Status of Ben-2							

	PRS PERM ACEL PRIVA TE LIMITE D (Transf erer Compa ny)	Stock Traders Private Limited	51.00%	Not filed	shareholding or voting rights. Significant beneficial owners are such individual shareholders holding indirectly, or together with any direct holdings, not less than ten percent, of the shares or voting rights. The Petitioner Companies hereby submit that there is/are no individual(s), holding indirectly, or together with any direct holdings, not less than ten percent, of the shares/voting rights in the shares of the Petitioner Companies (or in shares/voting rights in the shares of the respective Petitioner Companies), and hence, filing of form BEN-2, as per the provisions of Section 90 of the Companies Act, 2013, is not applicable to the Petitioner Company. Further, the Petitioner Companies undertake to comply with the provisions of Section 90 of the Companies Act, 2013 read with Companies Rules, 2018 as amended from time to time and make necessary filings with the Registrar of Companies as and when the provisions of Section
		Preroy Holdings AG	49.00%	Not filed	
	GRIND WELL NORT ON LIMITE D (Transf eree Compa ny)	Saint- Gobain Abrasive s Inc	26.77%	Not filed	
		Spafi Societe De Particip ations inancie res et Industr ielles	24.56%	Not filed	
Therefore, petitioner company may be directed to clarify and comply with the same as required u/s. 90 of the Companies Act, 2013 r.w. companies (Significant Beneficial Owners) Rules, 2018.					

		90 of the Companies Act, 2013 are triggered and to the extent as applicable.								
2(g)	It is observed that the Transferor Company have foreign shareholder, therefore, petitioner company may be directed to comply with the provisions of FEMA/RBI.	As regards the observation made in Paragraph 2(g) of the said Report is concerned, the Petitioner Companies will comply with the provisions of FEMA/RBI, as to the extent applicable.								
2(h)	<p>That on examination of the report of the Registrar of Companies, Mumbai dated 14.02.2023 (Annexed as Annexure A-1) that all the Petitioner Companies fall within the jurisdiction of ROC, Mumbai. It is submitted that no complaint and /or representation regarding the proposed scheme of Amalgamation has been received against the Petitioner Companies. Further, the petitioner companies have filed Financial Statements up to 31.03.2022 further observations in ROC report are as under:-</p> <p>i. That the ROC Mumbai in his report dated 14.02.2023 has stated that no Inquiry, inspection, investigation & prosecution is pending against the subject applicant companies.</p> <p>ii. As per MCA portal there are many open charges as under:-</p> <table border="1" data-bbox="411 1724 981 1942"> <tr> <td>10011 4113</td> <td>30.06. 2017</td> <td>01.03. 2019</td> <td>9,00,00 ,000</td> </tr> <tr> <td>10038 821</td> <td>06.02. 2007</td> <td>29.03. 2022</td> <td>12,48,6 0</td> </tr> </table>	10011 4113	30.06. 2017	01.03. 2019	9,00,00 ,000	10038 821	06.02. 2007	29.03. 2022	12,48,6 0	<p>As regards the observation made in Paragraph 2(h)(i) and (ii) of the said Report is concerned, the Petitioner Companies submit that the observations in the said paragraphs are merely factual in nature and no further response isrequired to that extent.</p> <p>As regards the observation made in Paragraph 2 (h)(iii) and (iv) of this Report is concerned, the Petitioner Companies undertakes that as per the provisions of Section 232(3)(1) of the Companies Act, 2013, 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</p>
10011 4113	30.06. 2017	01.03. 2019	9,00,00 ,000							
10038 821	06.02. 2007	29.03. 2022	12,48,6 0							

				0	Transferee company on its authorized capital subsequent to the amalgamation.
				0	
				0	Therefore, remaining fee, if any after setting-off the fees already paid by the Transferor company on its authorized capital, will be paid by the Transferee Company on the increased authorized capital subsequent to the amalgamation.
10031 478	26.12. 2006	29.03. 2022	12,48,6 0,000		
<p>iii. It is submitted that as per the provisions of Section 232(3)(1) of the Companies Act, 2013, 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. Therefore, remaining fee, if any after setting-off the fees already paid by the transferor company on its authorized capital, has to be paid by the transferee Company on the increased authorized capital subsequent to the amalgamation.</p> <p>iv. Interest of the Creditors should be protected.</p>					<p>Further, the Petitioner Companies submit that the Interest of the Creditors will be protected.</p>

8. The observations made by the Regional Director have been explained by the Petitioner Companies in Para 8 above. The Representative of the RD has submitted that the explanations and clarifications given by the Petitioner companies are found satisfactory and that they have no objection to the Scheme.
9. The Official Liquidator has filed his report on 16th June 2023 in the Company Scheme Petition No. 88 OF 2023, inter alia, stating therein

that the affairs of the Transferor Company has been conducted in a proper manner.

10. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
11. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 88 OF 2023 is made absolute in terms of clauses (a) to (c) of the said Company Scheme Petition.
12. The First Petitioner Company / Transferor Company be dissolved without winding up.
13. Petitioners are directed to file a copy of this Order along with a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically along with E-Form INC-28 within 30 days from the date of receipt of the Order from the Registry.
14. The Petitioner Companies to lodge a copy of this Order and the Scheme duly authenticated by the Deputy Registrar or Assistant Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable within 60 days from the date of receipt of the Order, if any.
15. All authorities concerned to act on a copy of this Order along with Scheme duly authenticated by the Deputy Director or Assistant Registrar, National Company Law Tribunal, Mumbai.
16. The Appointed Date is 27th May 2022.

IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

C.P. (C.A.A.) /88/(MB)/2023 IN C.A.(C.A.A./212/(M.B)/2022

17. Ordered Accordingly C.P. (C.A.A.) /88/(MB)/2023 is allowed and disposed of.

Sd/-

MADHU SINHA
Member (Technical)

Sd/-

H.V. SUBBA RAO
Member (Judicial)