

Appellant Vs. Respondent

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Court : Kolkata

Decided On : Aug-01-2014

Judge : Nadira Patherya

Appellant : Appellant

Respondent : Respondent

Judgement :

ORDER

SHEET CP No.493 of 2014 IN THE HIGH COURT AT CALCUTTA Original Jurisdiction ORIGINAL SIDE KARAM CHAND THAPAR AND BROS.(COAL SALES) LTD.-ANDINDICo.ENTERPRISES LTD.BEFORE: The Hon'ble JUSTICE PATHERYA Date : 1st August, 2014.

Mr.Ratnanko Banerjee, Sr.Adv., Mr.D.N.

Sharma, Ms.Rusha Saha for the applicant.

Mr.Santanu Kr.

Mitra for the Central Government.

The Court : Two objections have been raised by the Central Government.

The fiRs.is with regard to treatment of accounts in cases of demerger.

According to the objector no specific accounting standard or guideline has been laid down by the Institute of Chartered Accountant of India but in cases of demerger certain accounting standards have been followed.

Let the said accounting standard be followed by the applicant as is applicable in cases of demerger.

In view of the aforesaid the fiRs objection raised by the Central Government stands satisfied.

The second objection raised relates to transfer of purchase consideration to the demerged company and not to shareholdeRs. The Central Government contends that the said is nothing but a purchase and sale of the business units.

From a reading of the scheme of demerger it appears that one of the units of the applicant no.1 is to merge with the applicant no.2.

Therefore, the applicant no.1 would be entitled to the benefits of its unit.

In any event the said is beneficial for the shareholders of the applicant no.1.

Meetings were convened of the shareholders of the applicant no.1, but none of the shareholders have objected to the said scheme of demerger.

As the shareholders rights are not being prejudiced in any manner whatsoever, the objection raised by the Central Government cannot be sustained and is accordingly rejected.

Accordingly, there will be an order in terms of prayers (a) to (g) of the petition.

In the event the petitioners supply a legible computerized print out of the scheme and the schedule of assets in acceptable form to the department, the department will append such computerized print out, upon verification, to the certified copy of the order without insisting on a handwritten copy thereof.

Let cost of 200 GMs be paid by the applicant to the Central Government.

In view of the aforesaid C.P.493 of 2014 is disposed of.

Objection filed by the Central Government be kept on record.

Certified copy of this order be supplied to the parties, if applied for, upon compliance of all requisite formalities.

(PATHERYA, J.) pa

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