

सं. 321/2002

औद्योगिक और वित्तीय पुनर्निर्माण बोर्ड
(मॉनिटरिंग अनुभाग - III)

9 वां तल एनेक्सी, जवाहर व्यापार भवन,
1, तालस्ताय मार्ग, नई दिल्ली - 110001

दिनांक: 25.09.2012

फोन: 011- 23701200 /Extn-166

टैलेक्स :- 031 66492

तार : BINFIREC

फैक्स : 011-23701211

MA NO. 328/2012

सेवा में,

(संलग्न सूची के अनुसार)

विषय: मैलर प्रिंसिपल फार्मास्यूटिकल्स एंड केमिकल्स लिमिटेड
M/s PRINCIPAL PHARMACEUTICALS & CHEMICALS LTD
के मामले/मामला संख्या 321/2002

महोदय,

मुझे दिनांक 14.09.2012 की कार्यवाही/अपदेशों की प्रमाणित प्रति आपको सूचना तथा आवश्यक कार्यवाही के लिए भेजने का निर्देश हुआ है।

बोर्ड के आदेशानुसार

अनुभाग अधिकारी (मोनि. - III)

संलग्न : उपरोक्त



BOARD FOR INDUSTRIAL & FINANCIAL RECONSTRUCTION
BENCH-III / MON-III

MISC. APPLICATION NO.328/2012
in CASE NO.321/2002
M/s PRINCIPAL PHARMACEUTICALS & CHEMICALS LTD.

SUMMARY RECORDED OF PROCEEDINGS OF THE MISC. APPLICATION
HEARING HELD ON 14.09.2012 BEFORE BENCH-III CONSISTING OF SHRI
NIRMAL SINGH, CHAIRMAN AND SHRI YK GAIHA, MEMBER

<u>Present</u>	<u>Name and Designation</u> <u>of the representative(s)</u> <u>S/Shri/Smt/Kum</u>
M/s Principal Pharmaceuticals & Chemicals Ltd	1. Bhagwan Chhapparwal, FCA 2. Pradeep Malu, Director
Union Bank of India (MA)	U. K. Khanna, Sr. Manager

1. (i) A scheme for revival of the sick company M/s Principal Pharmaceuticals & Chemicals Ltd. (PPCL) was sanctioned by the Board, in its hearing held on 14.07.2011, having considered the **cut-off date (COD) as 31.03.2010**, which, hereinafter, would be referred to as **SS-11**. The Board appointed **Union Bank of India (UBI) as the monitoring agency (MA)** to monitor the progress of implementation of SS-11.

(ii). **Cost of Scheme & Means of Finance:**

Cost of Rehabilitation

(Rs. in Lakhs)

	Implemented Upto 31.03.10	To be implemented	Total
Repayment of Term Dues - ARCIL under OTS	140.00	0.00	140.00
Repayment of Term Dues - GIDC	0.00	7.00	7.00
Start up / Operational Cost	20.00	0.00	20.00
Working Capital	35.00	353.00	388.00
TOTAL	195.00	360.00	555.00

	Implemented Upto 31.03.10	To be implemented	Total
MEANS OF FINANCE			
Promoters' Contribution:			
Equity Share Capital	195.00	360.00	555.00
TOTAL	195.00	360.00	555.00
Promoters Contribution	100.00%	100.00%	100.00%

(iii) As per profitability/ viability projected in SS-11, the networth of the company becomes positive immediately after restructuring as on 31.03.2010. The Project Profitability Statement reveals that the entire accumulated losses will be wiped out in the seventh year of rehabilitation 2015-16.

2.1 Shri Pradeep Malu, Director on behalf of the sick company vide application dated 29.09.2001 filed Misc. Application registered in BC Section vide No.606/BC/2011 dated 29.09.2011. In the Misc. Application the applicant prayed the following :-

(a) Pass order for modified of Clause 1 (iv) of Sanctioned Scheme to change the Memorandum of Association and Articles of Association to effect authorised capital to PPCL from existing 100 lakhs shares of Rs.10/- each aggregating value to Rs.10.00 crores to 250 lakhs shares of Rs.4/- each aggregating value to Rs.10.00 crores.

(b) Pass any other or such further order which this Hon'ble Authority may deem fit and proper under the facts and circumstances of the case.

2.2 In Misc. Application (No.606/2011) hearing held on 10.10.2011, *The Bench observed that there was no one present in today's hearing from SEBI or from other concerned agencies.* Accordingly, the Bench directed that the Company should serve copies of today's summary record of proceeding (SOP) on all concerned parties within a period of one week. The company is also directed to submit proof of service before the next hearing. Thereafter, all concerned Department are directed to file their written submissions, if any, within a further period of 10 days. The Bench also directed that all concerned Department should depute their representative to attend the next

hearing before the Board. The next date of hearing in Misc. Application (No.606/2011) is fixed on 03.11.2011.

3. In the Misc. Application (No.606/2011) hearing held on 03.11.2011, the Bench issued the following directions :-

(a) MA (Union Bank of India) is directed to attend the next hearing before the Board, without fail.

(b) MA (Union Bank of India) and DIT(R) is directed to file their comments on the Misc. Application (No.606/2011) within a period of 15 days.

(c) The next date of hearing on Misc. Application (No.606/2011) is fixed on **20.12.2011.**

4. In the Misc. Application (No.606/2011) hearing held on 20.12.2011, the Bench "**Reserved the Order**", which will be announced at a later date.

5. In Pronouncement of Order hearing held on 26.03.2012, the Bench directed that the prayer made in Misc. Application no.606/2011 be allowed and the clause I(iv) on page 15 of sanctioned be rectified to the extent as detailed below:

"To change the Memorandum of Association and Article of Association to effect the Authorised Capital of PPCL from existing 100.00 lakhs shares of Rs.10/- each aggregating value to Rs.10.00 crore share to 250 lakhs shares of Rs.4/- each aggregating value to Rs.10.00 crore, subject to the compliance of statutory law".

Misc. Application No.606/2011 stands disposed of.

6. Shri Pradeep Malu, Director on behalf of the sick company vide application dated 23.08.2012 filed Misc. Application registered in BC Section vide No.328/BC/2012 dated 05.09.2012. In the Misc. Application the applicant prayed the following :-

i) discharge the case from purview of SICA.



- ii) Pass any other or such further order which this Hon'ble Authority may deem fit and proper under the facts and circumstances of the case.

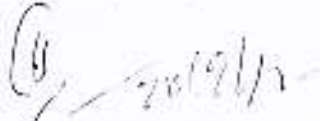
7.1 In today's hearing (14-09-2012), the representative of the company stated that they have filed the MA to request the Bench to discharge the company from the purview of SICA/BIFR as the networth of the company has become positive. He further stated that as per ABS as on 31-03-2012, which has been approved by the AGM held on 30-07-2012, the company's networth has become positive by Rs.98.01 lacs. Copies of ABS, Auditor's Certificate etc are attached with the MA. The company has implemented the rehabilitation scheme fully, as sanctioned by the Board. The company have no secured creditors and all statutory liabilities have been paid. Union Bank of India (MA) has also recommended discharge of the company from SICA. He requested the Bench to discharge the company from the purview of SICA/BIFR.

7.2 The representative of Union Bank of India (MA) stated that the networth of the company has become positive and the Bank recommends discharge of the company from SICA/BIFR.


7.3 The Bench observed that the networth of the company has turned positive by Rs.98.01 as per Audited Balance Sheet for year ending 31-03-2012. Having considered the submission made in the hearing and materials on record, the Bench issued the following directions:-

- i) The company M/s Principal Pharmaceuticals & Chemicals Ltd (Case No.321/2002) ceases to be a sick industrial company, within the meaning of Section 3(1)(a) of the SICA as its networth is positive. It is, therefore, **discharged** from the purview of SICA/BIFR.
- ii) The Board discharges Union Bank of India from the responsibility of Monitoring Agency (MA) to the Board.
- iii) All Secured Creditors, Statutory Authorities are at a liberty to recovery their dues, if any, in accordance with law.

iv) The Special Director, if any, appointed by the Board on company's 'Board of Directors' (BOD), would stand discharged with immediate effect. The company would complete necessary formalities with the concerned 'Registrar of Companies' (ROC), as may be required."


(YK GAIHA)
MEMBER


(NIRMAL SINGH)
CHAIRMAN

Principal Pharmaceuticals
MONITORING
and
Certified to be True Copy

Section Officer

28 SEP 2012
DATE OF ISSUE

