

Pennar gets NCLT nod for merger

DC CORRESPONDENT
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Pennar Industries Ltd, a leading value-added engineering products and solutions company, said that it has received an approval from National Company Law Tribunal (NCLT) to merge its subsidiaries Pennar Engineered Building Systems (PEBS Pennar) and Pennar Enviro (PEL) with itself.

As per the approved scheme, the shareholders of PEBS Pennar will get 23 shares of Pennar Industries for their exist-

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ing 13 shares and the shareholders of Pennar Enviro will get one share of Pennar Industries for every one existing share. The NCLT approval has

approved the appointed date of the scheme with effective from April 1, 2018.

Commenting on the approval, Mr K.M. Sunil,

vice-president, corporate strategy, Pennar Industries, said, "The merger is expected to create a leaner group structure, result in better synergies and optimisation of costs and improved fund utilisation."

After the approval from NCLT, the whole process takes around two to three months to get the new shares (as per the swap ratio) traded on the exchanges. Further trading in PEBS will be suspended after the Record Date to be fixed by the Board of Directors.