



December 24, 2020

**BSE Limited**  
Floor 25, P. J. Towers  
Dalal Street,  
Mumbai - 400 001

**The National Stock Exchange of India Limited**  
Exchange Plaza  
Bandra Kurla Complex  
Bandra (E),  
Mumbai - 400 051

**Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sirs,

We wish to inform you that the Hon'ble National Company Law Tribunal, Allahabad Bench ('NCLT') has, by its Order dated December 23, 2020, sanctioned the Composite Scheme of Arrangement under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 amongst HSB Corporate Consultants Private Limited, Jubilant Stock Holding Private Limited, SSB Consultants & Management Services Private Limited, JCPL Life Science Ventures and Holdings Private Limited, JSPL Life Science Services and Holdings Private Limited, Jubilant Life Sciences Limited and Jubilant Ingrevia Limited and their respective shareholders and creditors.

We enclose herewith copy of the order as available on the website of NCLT.

We request you to take the same on record.

Thanking you,

Yours faithfully,  
For Jubilant Life Sciences Limited

Rajiv Shah  
Company Secretary

Encl.: As above

**A Jubilant Bhartia Company**

OUR VALUES



**Jubilant Life Sciences Limited**

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Noida-201 301, UP, India  
Tel: +91 120 4361000  
Fax: +91 120 4234895-96  
www.jubl.com

Regd Office:  
Bhartiagram, Gajraula  
Distt. Amroha - 244 223,  
UP, India  
CIN : L24116UP1978PLC004624

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
BENCH AT ALLAHABAD  
ORIGINAL COMPANY JURISDICTION

In

COMPANY PETITION NO. 195/ALD/2020

connected with

COMPANY APPLICATION NO. 101/ALD/2020

(Under Section 230-232 of the Companies Act, 2013)

In the matter of Companies Act, 2013

And

In the matter of Sections 230-232, Section 66 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016

And

IN THE MATTER OF

**HSB Corporate Consultants Private Limited**, having Corporate Identification Number as U74120UP2013PTC054821 and having its registered office situated at Plot No. 1A, Sector-16A, Noida, Gautam Buddha Nagar, Uttar Pradesh - 201301

.....Petitioner Company No. 1/ "Transferor Company 1"

And

**Jubilant Stock Holding Private Limited**, having Corporate Identification Number as U52100UP2008PTC043688 and having its registered office situated at Plot No. 1A, Sector-16A, Noida, Gautam Buddha Nagar, Uttar Pradesh - 201301

..... Petitioner Company No. 2/ "Transferor Company 2"

And

**SSB Consultants & Management Services Private Limited**, having Corporate Identification Number as U74120UP2013PTC054823 and having its registered office situated at Plot No. 1A, Sector-16A, Noida, Gautam Buddha Nagar, Uttar Pradesh - 201301.

..... Petitioner Company No. 3/ "Transferor Company 3"

And

**JCPL Life Science Ventures and Holdings Private Limited**, having Corporate Identification Number as U74999UP2016PTC087833 and having its registered office situated at Plot No. 1A, Sector-16A, Noida, Gautam Buddha Nagar, Uttar Pradesh - 201301

..... Petitioner Company No. 4/ "Transferor Company 4"

AND

**JSPL Life Science Services and Holdings Private Limited**, having Corporate Identification Number as U74999UP2016PTC087691 and having its registered office situated at Plot No. 1A, Sector-16A, Noida, Gautam Buddha Nagar, Uttar Pradesh - 201301

..... Petitioner Company No. 5/ "Transferor Company 5"

AND

**Jubilant Life Sciences Limited**, having Corporate Identification Number as L24116UP1978PLC004624 and having its registered office situated at Bhartiagram Gajraula, District Amroha; Uttar Pradesh - 244223.

..... Petitioner Company No. 6/ "Transferee Company/  
Demerged Company"

AND

**Jubilant Ingrevia Limited** (previously known as Jubilant LSI Limited), having Corporate Identification Number as U24299UP2019PLC122657 and having its registered office situated at Bhartiagram, Gajraula, District Amroha - 244223, Uttar Pradesh, India

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..... Petitioner Company No.7/ "Resulting Company"  
AND  
their respective Shareholders and Creditors

**ORDER DELIVERED ON : 23.12.2020**

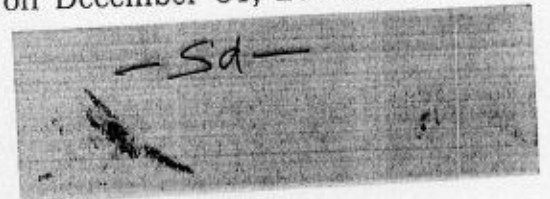
**CORAM:**  
**Hon'ble Mr. Justice (Retd.) Rajesh Dayal Khare, Member, Judicial**

**For the Applicant Companies: Mr. Rahul Agarwal, Advocate**  
**For the Official Liquidator : Mr. Kuldeep Singh, AOL**  
**For the Income Tax Department: Mr. Gaurav Mahajan, Adv**

**Per se: Mr. Justice (Retd.) Rajesh Dayal Khare, Member (Judicial)**

**ORDER**

1. This is an second motion application for sanctioning of the Composite Scheme of Arrangement amongst HSB Corporate Consultants Private Limited (Petitioner Company No. 1/ "Transferor Company 1"); Jubilant Stock Holding Private Limited (Petitioner Company No. 2/ "Transferor Company 2"); SSB Consultants & Management Services Private Limited (Petitioner Company No. 3/ "Transferor Company 3"); JCPL Life Science Ventures and Holdings Private Limited (Petitioner Company No. 4/ "Transferor Company 4"); JSPL Life Science Services and Holdings Private Limited (Petitioner Company No. 5/ "Transferor Company 5"); Jubilant Life Sciences Limited (Petitioner Company No. 6/ "Transferee Company/Demerged Company"); Jubilant Ingrevia Limited (previously known as Jubilant LSI Limited) (Petitioner Company No.7/ "Resulting Company") and their respective Shareholders and Creditors ('Composite Scheme') under Section 230-232 read with Section 66 and other applicable provisions of the Companies Act, 2013.
2. By the present petition, the petitioner companies have prayed for amalgamation of the Transferor Companies into the Transferee Company/ Demerged Company; and following the amalgamations demerger of the LSI Undertaking of the Transferee Company/ Demerged Company and vesting of the same with the Resulting Company, on a going concern basis. The Composite Scheme is annexed as Annexure-A to the petition.
3. It is stated that HSB Corporate Consultants Private Limited (Petitioner Company No. 1/ "Transferor Company 1"), a company incorporated on January 29, 2013 under the provisions of the Companies Act, 1956. The authorized, issued, subscribed and paid-up share capital of the Petitioner Company No. 1/ "Transferor Company 1" as on December 31, 2019 is as under:



Authorized Share Capital	Amount (in Rs.)
10,000 Equity shares of Rs. 10/- each	1,00,000
<b>Total</b>	<b>1,00,000</b>
Issued, Subscribed and Paid-up Share Capital	Amount (in Rs.)
10,000 Equity shares of Rs. 10/- each fully paid-up	1,00,000
<b>Total</b>	<b>1,00,000</b>

4. Jubilant Stock Holding Private Limited (Petitioner Co. No. 2/ "Transferor Company 2"), a company incorporated on December 15, 2008 under the provisions of the Companies Act, 1956, the authorized, issued, subscribed and fully paid-up share capital of the Petitioner Co. No. 2/ "Transferor Company 2" as on December 31, 2019 is as under:

Authorized Share Capital	Amount (in Rs.)
2,00,000 Equity shares of Rs. 10/- each	20,00,000
57,30,000 Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs. 100/- each	57,30,00,000
<b>Total</b>	<b>57,50,00,000</b>
Issued, Subscribed and paid up Share Capital	Amount (in Rs.)
10,000 Equity shares of Rs. 10/- each fully paid up	1,00,000
<b>Total</b>	<b>1,00,000</b>

5. SSB Consultants & Management Services Private Limited (Petitioner Co. No. 3/ "Transferor Company 3") a company incorporated on January 29, 2013 under the provisions of the Companies Act, 1956. The authorized, issued, subscribed and fully paid-up share capital of the Transferor Company 3 as on December 31, 2019 is as under:

Authorized Share Capital	Amount (in Rs.)
10,000 Equity shares of Rs. 10/- each	1,00,000
<b>Total</b>	<b>1,00,000</b>
Issued, Subscribed and paid up Share Capital	Amount (in Rs.)

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10,000 Equity shares of Rs. 10/- each fully paid up	1,00,000
<b>Total</b>	<b>1,00,000</b>

6. JCPL Life Science Ventures and Holdings Private Limited, a company incorporated on November 21, 2016 under the provisions of the Companies Act, 2013, The authorized, issued, subscribed and paid-up share capital of the Petitioner Co. No. 4/ "Transferor Company 4" as on December 31, 2019 is as under:

Authorized Share Capital	Amount (in Rs.)
97,40,000 Equity shares of Rs. 10/- each	9,74,00,000
260,000 Preference shares of Rs. 10/- each	26,00,000
<b>Total</b>	<b>10,00,00,000</b>
Issued, Subscribed and paid up Share Capital	Amount (in Rs.)
58,57,489 Equity shares of Rs. 10/- each	5,85,74,890
<b>Total</b>	<b>5,85,74,890</b>

7. JSPL Life Science Services and Holdings Private Limited, a company incorporated on November 15, 2016 under the provisions of the Companies Act, 2013. The authorized, issued, subscribed and paid-up share capital of the Petitioner Co. No. 5/ "Transferor Company 5" as on December 31, 2019 is as under:

Authorized Share Capital	Amount (in Rs.)
97,40,000 Equity shares of Rs. 10/- each	9,74,00,000
260,000 Preference shares of Rs. 10/- each	26,00,000
<b>Total</b>	<b>10,00,00,000</b>
Issued, Subscribed and paid up Share Capital	Amount (in Rs.)
89,45,428 Equity shares of Rs. 10/- each fully paid up	8,94,54,280
<b>Total</b>	<b>8,94,54,280</b>

8. Jubilant Life Sciences Limited, a company incorporated on June 21, 1978 under the provisions of the Companies Act, 1956. The Transferee Company/ Demerged Company is a listed company and its securities are listed on the Indian Stock Exchanges, namely BSE Limited ("BSE") and the National Stock

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Exchange of India Limited ("NSE"). The authorized, issued, subscribed and paid-up share capital of the Petitioner Co. No. 6/ Transferee Company o/ "Demerged Company" as on December 31, 2019 is as under:

<b>Authorized Share Capital</b>		<b>Amount (in Rs.)</b>
65,50,00,000 Equity shares of Re. 1/- each		65,50,00,000
<b>Total</b>		<b>65,50,00,000</b>
<b>Issued, Subscribed and paid up Share Capital</b>		<b>Amount (in Rs.)</b>
15,92,81,139 Equity shares of Re. 1/- each fully paid up		15,92,81,139
<b>Total</b>		<b>15,92,81,139</b>

9. Jubilant Ingrevia Limited (previously known as Jubilant LSI Limited), a company incorporated on October 23, 2019 under the provisions of the Companies Act, 2013. The authorized, issued, subscribed and paid-up share capital of the Petitioner Co. No. 7/ "Resulting Company" as on December 31, 2019 is as under:

<b>Authorized Share Capital</b>		<b>Amount (in Rs.)</b>
20,00,00,000 Equity shares of Re. 1/- each		20,00,00,000
<b>Total</b>		<b>20,00,00,000</b>
<b>Issued, Subscribed and paid up Share Capital</b>		<b>Amount (in Rs.)</b>
5,00,000 Equity shares of Re. 1/- each fully paid-up		5,00,000
<b>Total</b>		<b>5,00,000</b>

10. The counsel for the Petitioner Companies submitted that the amalgamation of the Transferor Companies into the Transferee Company shall provide the following benefits:

- (i) Currently, a significant portion of the Promoters' shareholding in the Transferee Company is held indirectly, through a multi-tier structure. The proposed amalgamations will result in simplification and streamlining of the shareholding structure of the Transferee Company by elimination of shareholding tiers and simplification of a large part of indirect Promoters' shareholding into a clearer structure directly identifiable with the Promoters;
- (ii) Further, such a simplified direct holding structure is expected to bring greater transparency in the Promoters' shareholding and demonstrate Promoters' direct commitment and engagement with the Transferee Company, from the perspective of its shareholders; and

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(iii) *The proposed simplification of holding structure will also make it simpler for the Transferee Company to identify its ultimate beneficial owner for various applicable know your customer (KYC) requirements.*

11. The counsel for the Petitioner Companies further submitted that the demerger of the LSI Undertaking of the Demerged Company into the Resulting Company shall provide the following benefits:

(i) *Creation of a separate, distinct and focussed entity housing the LSI Undertaking leading to greater operational efficiencies for the LSI Undertaking;*

(ii) *Independent setup of each of the undertaking of the Demerged Company and the Resulting Company will ensure required depth and focus on each of the companies and adoption of strategies necessary for the growth of the respective companies. The structure shall provide independence to the management in decisions regarding the use of their respective cash flows for dividends, capital expenditure or other reinvestment in their respective businesses;*

(iii) *Unlocking of value for shareholders of the Demerged Company by transfer of the LSI Undertaking, which would enable optimal exploitation, monetization and development of both, Residual Undertaking and the LSI Undertaking by attracting focused investors having the necessary ability, experience and interests in this sector and by allowing pursuit of inorganic and organic growth opportunities in such businesses; and*

(iv) *Enabling the business and activities to be pursued and carried on with greater focus and attention through two separate companies each having its own separate administrative set up and dedicated management.*

12. Therefore, in view of the above, the present Composite Scheme proposes amalgamation of the Transferor Companies into the Transferee Company/ Demerged Company; and post amalgamations, demerger of the LSI Undertaking of the Transferee Company/ Demerged Company and vesting of the same with the Resulting Company, on a going concern basis.

13. The counsel for the Petitioner Companies submitted that the Petitioner Company No. 6/ "Transferee Company/Demerged Company" being a listed company submitted an application each to BSE and NSE ("Stock Exchanges") under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR') for obtaining their observation letter / no objection letter to the Composite Scheme of Arrangement between the Petitioner Companies.

14. The BSE has vide its observation letter, conveyed its 'No-adverse observations' to the Company, for filing the Composite Scheme/Petition with the Hon'ble National Company Law Tribunal. The NSE has vide its observation letter, conveyed its 'No-objection' to the Company, for filing the Composite Scheme/Petition with the Hon'ble National Company Law Tribunal. Copy of the 'No-adverse observation' letter dated 30 January, 2020

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issued by the BSE as well as 'No-objection' letter dated 31 January, 2020 issued by NSE is annexed and marked as Annexure-B and Annexure-C to the Company Petition.

15. That the Composite Scheme of Arrangement as well as amended Composite Scheme of Arrangement have been approved by the Board of Directors of the Petitioner Companies by passing resolutions which are annexed from Annexures D to J to the petition.
16. It is submitted that none of the Directors, Managing Director or Managers of the Petitioner Companies have any material interest in the Composite Scheme, except to the extent of their shareholding in such companies.
17. The counsel further submitted that the Petitioner Companies have obtained valuation report by M/s B.B & Associates, Chartered Accountants and Registered Valuers, dated 23.10.2019 as well as 22.11.2019, which is enclosed as Annexure-31 to the Company Application No. 101/ALD/2020.
18. A perusal of the present petition discloses that initially the Petitioner Companies have filed Company Application No. 101/ALD/2020 seeking *inter-alia* for the following directions:
  - a. dispense with the requirement of convening the meeting of the Equity Shareholders of the Applicant Cos. No. 1 to 5 and 7;
  - b. dispense with the requirement of convening the meeting of the secured creditors of the Applicant Cos. No. 1 to 5 and 7;
  - c. dispense with the requirement of convening the meeting of the unsecured creditors of the Applicant Cos. No. 1 to 5 and 7;
  - d. to pass orders/ directions, directing the Applicant Company No. 6/ "Transferee Company/Demerged Company" to issue individual Notices and to convene, hold and conduct the meeting of equity share holders of the Applicant Company No. 6/ "Transferee Company/Demerged Company";
  - e. to pass orders/ directions, directing the Applicant Company No. 6/ "Transferee Company/Demerged Company" to issue individual Notices and to convene, hold and conduct the meeting of Secured creditors of the Applicant Company No. 6/ "Transferee Company/Demerged Company";
  - f. to pass orders/ directions, directing the Applicant Company No. 6/ "Transferee Company/Demerged Company" to issue individual Notices and to convene, hold and conduct the meeting of unsecured creditors of the Applicant Company No. 6/ "Transferee Company/Demerged Company";
  - g. issue notices to the Central Government (through the Regional Director) and the Registrar of Companies and the Official Liquidator of this application;
  - h. to consider and sanction the Composite Scheme of Arrangement amongst HSB CORPORATE CONSULTANTS PRIVATE LIMITED (Applicant Company No. 1/ "Transferor Company 1"); JUBILANT STOCK HOLDING PRIVATE LIMITED (Applicant Company No. 2/ "Transferor Company 2"); SSB CONSULTANTS & MANAGEMENT SERVICES PRIVATE LIMITED (Applicant Company No. 3/ "Transferor Company 3"); JCPL LIFE SCIENCE VENTURES AND HOLDINGS PRIVATE LIMITED (Applicant Company No. 4/ "Transferor Company 4"); JSPL LIFE SCIENCE SERVICES AND HOLDINGS PRIVATE LIMITED (Applicant Company No. 5/ "Transferor Company 5"); JUBILANT LIFE SCIENCES LIMITED (Applicant Company No. 6/ "Transferee Company/Demerged Company"); JUBILANT INGREVIA LIMITED (previously known as JUBILANT LSI LIMITED) (Applicant Company No.7/ "Resulting Company") and their respective Shareholders and Creditors.

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19. Accordingly, this Bench by orders dated 09<sup>th</sup> June, 2020 (as corrected by order dated 15<sup>th</sup> June, 2020) allowed the above mentioned prayers and directed to convene meetings of the equity shareholders, secured creditors and unsecured creditors of the Petitioner Company No. 6/ "Transferee Company/Demerged Company" on 08<sup>th</sup> August, 2020 for the purpose of considering and if thought fit, approving, with or without modification(s), the Composite Scheme of Arrangement.
20. Mr. Pradip Kumar, Advocate was appointed as the Chairperson; Mr. Anuj Srivastava, Advocate was appointed as the Alternate Chairperson and Mr. Sashi Kant Gupta, Practicing Company Secretary was directed to act as the Scrutinizer for the meetings of equity shareholders, secured creditors and unsecured creditors of the Petitioner Company No. 6/ "Transferee Company/Demerged Company".
21. This Tribunal further directed the Petitioner Companies to serve notices upon (a) the Central Government through the Regional Director (Northern Region), Ministry of Corporate Affairs, New Delhi; (b) the Registrar of Companies, Uttar Pradesh (c) the Official Liquidator, Allahabad (d) the Income-Tax Authorities and other sectoral regulators, as may be applicable, with a direction that they may submit their representations, if any, within a period of thirty (30) days from the date of receipt of such notice to the Tribunal with a copy of such representations simultaneously being served upon the Petitioner Company, failing which, it shall be presumed that the authorities have no representations to make on the proposals.
22. Pursuant to the order dated 09<sup>th</sup> June, 2020 (as corrected by order dated 15<sup>th</sup> June, 2020), the Petitioner Companies served notices on 03.07.2020 to the statutory authorities. Proof of the same is annexed at Annexure No.9 to the affidavit of service filed by the Chairman on 28.07.2019.
23. The counsel for the Petitioner Companies submits that as per the directions of this Hon'ble Tribunal dated 09<sup>th</sup> June, 2020 (as corrected by order dated 15<sup>th</sup> June, 2020), the meeting of the equity shareholders, secured creditors as well as unsecured creditors of the Petitioner Company No. 6/ "Transferee Company/Demerged Company" were duly convened on 08<sup>th</sup> August, 2020 at the registered office of Jubilant Life Sciences Limited (Petitioner Company No. 6/ "Transferee Company/ Demerged Company") i.e., Bhartiagram, Gajraula, District Amroha - 244223, (Uttar Pradesh) and Mr. Pradip Kumar, Advocate, Mr. Anuj Srivastava, Advocate and Mr. Sashi Kant Gupta, Practicing Company Secretary acted as the Chairperson, Alternate Chairperson and Scrutinizer respectively for the said meetings.
24. The counsel for the Petitioner Companies further referred to the Chairperson's Report submitted by Mr. Pradip Kumar, Advocate as well as report of Mr. Sashi Kant Gupta, Practicing Company Secretary, Scrutinizer,

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which is annexed to the Chairperson's Affidavit filed on 03.09.2020, before this Tribunal.

25. The perusal of the said reports shows that the Chairperson has reported that the equity shareholder of Jubilant Life Sciences Limited (Petitioner Company No. 6/ "Transferee Company/ Demerged Company") has approved the Composite Scheme by 99.997% (including promoters) of vote. Moreover, 99.993% of equity shareholders (other than promoters) of Jubilant Life Sciences Limited (Petitioner Company No. 6/ "Transferee Company/ Demerged Company") have approved the Composite Scheme, which is more than three-fourth majority of shareholders other than promoters as required under SEBI Listing Regulations, for any listed company.
26. The report further states that secured creditors and unsecured creditors of the Petitioner Company No. 6/ "Transferee Company/ Demerged Company" unanimously approved the Composite Scheme of Arrangement.
27. On 08.09.2020, the Petitioner Companies filed the Second Motion petition being Company Petition No. 195/ALD/2020.
28. The Bench by order dated 01.10.2020, directed the Petitioner Companies to serve notices upon Income Tax Authority; Regional Director (Northern Region), Ministry of Corporate Affairs, New Delhi; Registrar of Companies; and other sectoral authorities for filing their representation and also directed to effect paper publication in "Financial Express" in English and "JanSatta" in Hindi having wide circulation in District Gautam Budh Nagar as well as "Hindustan Times" in English and "Hindustan" in Hindi having wide circulation in District Amroha. The Petitioner Companies complied with the directions and filed an affidavit of service on 27.10.2020.
29. During the pendency of the Company Petition No. 195/ALD/2020, Petitioner Co. No. 7/ "Resulting Company" changed its name from Jubilant LSI Limited to Jubilant Ingrevia Limited, which was duly approved by its Board of Directors. Accordingly, the Registrar of Companies, Kanpur issued fresh certificate of incorporation changing the name of Petitioner Co. No. 7/ "Resulting Company" from Jubilant LSI Limited to Jubilant Ingrevia Limited. Consequently, Petitioner Companies filed Amendment Application, which was numbered as CA No. 257/2020, seeking to change the name of Petitioner Co. No. 7/ "Resulting Company" from Jubilant LSI Limited to Jubilant Ingrevia Limited in the array of parties. CA No. 257/2020 was allowed by order dated 03.11.2020 and change in the name of Petitioner Co. No. 7/ "Resulting Company" was permitted.
30. This Tribunal has also perused the response received from Regional Director (Northern Region), Ministry of Corporate Affairs, New Delhi along

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with the report of Registrar of Companies annexed with the response of Regional Director.

31. The Regional Director, Northern Region has observed in his affidavit that in the Composite Scheme of Arrangement, "the appointed date" is not specified for both merger and de-merger of the companies involved in the scheme. The Regional Director (Northern Region), Ministry of Corporate Affairs, New Delhi in its affidavit has prayed that this Hon'ble Tribunal direct the Petitioner to fix a date (either a calendar date or an event date) to give effect to the Composite Scheme of Merger and Demerger.
32. The Counsel for the Petitioner Companies, while responding to the above observations made by the Regional Director (Northern Region), invited the attention of the Tribunal to clause 1.7 of Part A of the Composite Scheme of Arrangement which defines the 'de-merger appointed date', clause 1.10 which defines the 'effective date' and clause 1.15 which defines the "merger appointed date.'
33. Referring to these definitions, the Counsel submitted that the 'appointed date' has been stipulated with reference to the 'effective date' or such other date as may be agreed in writing and fixed by the Transferor Companies. The Counsel stated that this satisfies the requirement of Section 232(6) of the Companies Act, 2013. The Counsel also referred to the General Circular No. 09 of 2019 dated 21.08.2019 issued by the Ministry of Corporate Affairs which provides that the 'appointed date' may be specified a calendar date or may be a date triggered to the occurrence of the events. The Counsel relied upon the Circular to state that in case, the 'appointed date' is more than 1 year prior to the filing date of the Composite Scheme, its justification would have to be brought out in the Scheme or where the 'appointed date' is based on a trigger event, that trigger event would have to be in the Composite Scheme itself and in case such event date is subsequent to the date of filing the order with the Registrar of Companies under Section 232(5), the intimation of the same should be filed with the Registrar within 30 days of the Composite Scheme coming into force. It is submitted that the 'effective date' or such other date to be mutually agreed in writing between the companies and fixed by the Board of the Companies would be the specified trigger event permitted by the Ministry of Corporate Affairs in Circular No. 09 of 2019 to be the 'appointed date'.
34. The report of the Registrar of Companies, Kanpur appended to the report of the Regional Director, Northern Region does not raise any substantial objection to the Composite Scheme of Arrangement.
35. The Tribunal also examined the report of the Official Liquidator, in which it is stated that the Official Liquidator has no objection to the dissolution of all the transferor companies without winding up pursuant to provisions of

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Section 230-232 of the Companies Act, 2013 and other applicable Sections and Rules thereunder.

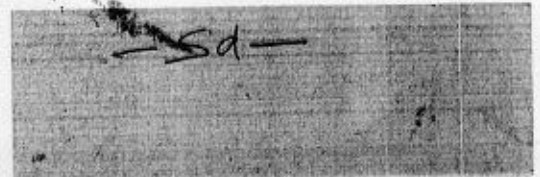
36. The Income Tax Department filed its counter affidavit/representation in respect of the Petitioner Company Nos. 1, 3, 4, and 5. For the remaining companies, no objections from their assessing authorities have been communicated directly to the Registry of the Tribunal. In the representation/counter affidavit, the Department has broadly made the following observations:-

- a. Possibility of leakage of interest of revenue in terms of Dividend Distribution Tax;
- b. The Company has not submitted the details of Scheme of Statement of Changes in equity for period 23.10.2019 to 31.12.2019 in respect of Jubilant LSI Limited i.e. Resulting Company;
- c. The impact of capital gain tax has not been submitted with the proposed Scheme;
- d. As the valuation report is not attached with the Scheme, the question of evasion of tax cannot be determined;
- e. No clear-cut demarcation / specifics of Demerged undertaking i.e. Jubilant Life Sciences Ltd. (Petitioner Company No.6) and remaining undertaking have been enumerated in the Scheme.

37. In response to the above observations, it is submitted by the counsel for the Petitioner Companies that merely because some companies (that are subsidiaries) which relied wholly on dividend income (and paid tax thereon) would stand merged with the parent company and there would be no dividend payable to these companies, objections to the Composite Scheme on loss of dividend distribution tax cannot be raised. It was stated that clauses 6 and 7 of Part B as well as clauses 7 and 8 of Part C of the Composite Scheme specifically provide for continuation of legal proceedings and treatment of taxes upon the Composite Scheme becoming effective.

38. In response to the observation on valuation, it is submitted that the petitioner companies have obtained the valuation report from M/s B.B. & Associates, Chartered Accountants, which is annexed as Annexure 31 to the Company Application No. 101/ALD/2020. The said report was served upon the assessing authorities along-with the entire set of Company Application No.101/ALD/2020 and order dated 09.06.2020 (as corrected by order dated 15.06.2020) passed by the Tribunal. The counsel for the Petitioner Companies also referred to the Annexure No.9 of the Affidavit of Service filed by the Chairperson on 28.07.2020, establishing the proof of service upon the Income Tax Department. It is submitted that the Income Tax Department has nowhere disputed that the entire Company Application No. 101/ALD/2020 containing the valuation report was not served upon them and the Department cannot take a stand that the valuation report

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ought to have been separately and specifically supplied with the Composite Scheme.

39. With regard to clear-cut demarcation of the Demerged undertaking, it is submitted that clause 1.14 of Part A (page 95 of C.P. No. 195/ALD/2020) of the Composite Scheme defines LSI Undertaking. Further, Schedule I attached to the Composite Scheme (page 118 of C.P. No. 195/ALD/2020) lays down the list of demerged items. Thus, the Composite Scheme provides the complete demarcation of the Demerged Undertaking.
40. In the end it is submitted that the valuation report as well as the entire Composite Scheme has been examined by the Regional Director (Northern Region), the Registrar of Companies and the Official Liquidator. There is no objection from any of these departments on the valuation report forming the basis of the Composite Scheme and they have recorded their satisfaction for the approval of the Scheme without any modification, save a request from the Regional Director (Northern Region) pertaining to the fixation of specific calendar or event date as the appointed date.
41. From the submissions made above and a reading of the Composite Scheme of Arrangement and the Petition, this Tribunal finds that the appointed date has been fixed/stipulated with reasonable certainty and clarity in the Composite Scheme of Arrangement.
42. Clauses 1.7, 1.10 and 1.15 of Part A of the Composite Scheme read as under:

1.7.1 **"Demerger Appointed Date"** means the Effective Date as applicable to the demerger of the LSI Undertaking of the Demerged Company into the Resulting Company, or such other date as may be mutually agreed in writing between the Demerged Company and the Resulting Company and fixed by the Boards of the Demerged Company and the Resulting Company, respectively;

1.10 **"Effective Date"** means:

(i) in relation to the amalgamation of the Transferor Companies into the Transferee Company, as set out in Part B of this Scheme, such date or dates as of which the Transferor Companies and the Transferee Company shall have filed the certified copy of the NCLT's order sanctioning this Scheme with the RoC; and

(ii) in relation to the demerger of the LSI Undertaking, as set out in Part C of this Scheme, such date as of which each of the Demerged Company and the Resulting Company shall have filed the certified copy of the NCLT's order sanctioning this Scheme with the RoC.

Any references in this Scheme to **"upon this Scheme becoming effective"** or **"effectiveness of this Scheme"** shall refer to the Effective Date;

1.15 **"Merger Appointed Date"** means in relation to the amalgamation of the Transferor Companies into the Transferee Company, the Effective Date as applicable to such amalgamations, or such other date as may be mutually agreed in writing between the Transferor Companies and the Transferee Company and fixed by the Boards of the Transferor Companies and the

—Sd—

*Transferee Company, respectively."*

43. *Clauses 6(a) 6(c) and 6(d) of the Circular No. 09 of 2019 dated 21.08.2019 issued by the Ministry of Corporate Affairs reads as under.*

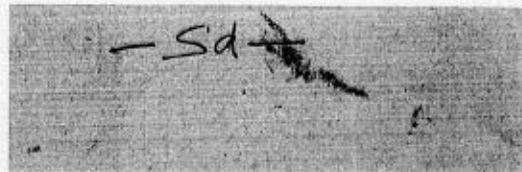
*"6(a) The provision of Section 232(6) of the Act enables the companies in question to choose and state in the scheme an 'appointed date'. This date may be a specific calendar date or may be tied to the occurrence of an event such as grant of license by a competent authority or fulfillment of any preconditions agreed upon by the parties, or meeting any other requirement as agreed upon between the parties, etc., which are relevant to the scheme.*

*6(c) Where the 'appointed date' is chosen as a specific calendar date, it may precede the date of filing of the application for scheme of merger/amalgamation in NCLT. However, if the 'appointed date' is significantly ante-dated beyond a year from the date of filing, the justification for the same would have to be specifically brought out in the Scheme and it should not be against the public interest.*

*6(d) The scheme may identify the 'appointed date' on the occurrence of a trigger event which is key to the proposed scheme and agreed upon by the parties to the scheme. This event would have to be indicated in the scheme itself upon occurrence of which the scheme would become effective. However, in case of such event based date being a date subsequent to the date of filing the order with the Registrar under Section 232(5), the company shall file an intimation of the same with the Registrar within 30 days of such scheme coming into force."*

44. *Clauses 1.7, 1.10 and 1.15 referred above, when read along with Ministry of Corporate Affairs Circular No. 09 of 2019 dated 21.08.2019, specifically para 6(a), 6(c) and 6(d), clearly enable the petitioners to keep the appointed date with reference to the trigger event, which may be either prior to the date of filing of the Composite Scheme in these petitions with this Tribunal or post its filing with the Registrar under Section 232(5). The Tribunal agrees with the submission of the counsel for the Petitioner Companies that the only restriction is that the Board cannot fix an appointed date, which is more than one year prior to the date of the filing of the Composite Scheme with this Tribunal without its justification being specifically brought in the Composite Scheme. In the present case, no such justification has been offered. Accordingly, the Petitioner Companies cannot fix the appointed date prior to one year from the date of filing of Company Application No. 101/ALD/2020. In so far as fixing an appointed date subsequent to the date of filing of the Composite Scheme with the Registrar under Section 232(5) is concerned, the decision of the Board being the trigger event specified in the Scheme and agreed by the parties, only an intimation to the Registrar within 30 days of the Composite Scheme coming into force is required to be given.*

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45. Accordingly, the Tribunal holds the Composite Scheme of Arrangement fulfills the requirement of Section 232(6) of the Companies Act by providing for the appointed date with sufficient precision, as contemplated by Circular No. 09/2019 dated 21.08.2019 issued by the Ministry of Corporate Affairs. Subject to the restrictions enumerated in the Circular, the Petitioner Companies can specify the appointed date and the request of the Regional Director (Northern Region) that a specific calendar date or event date may be fixed is not necessary.
46. Dealing with the objections of the Income Tax Department, from the clauses pertaining to the treatment of taxes and continuation of the legal proceedings given in Part A, C and D of the Composite Scheme of Arrangement. Clauses 6 and 7 of Part B of the Composite Scheme, it is clear that the Transferee Company and the Resulting Company shall both continue to remain responsible respectively for the outstanding dues of the Transferor Companies and in respect of the Demerged Undertaking of the Demerged Company. There would be no loss of revenue on this count to the Department.
47. The Tribunal finds that merely because some of the Transferor Companies (which are shareholders of the Transferee Company and may be solely dependent upon dividend for income) would stand merged with the Transferee Company leading to a loss of dividend distribution tax by the Department, that cannot be a ground not to sanction the Composite Scheme for reasons more than one. Firstly, dividend distribution tax has been abolished and dividend is now taxable in the hands of the individual assessee. Secondly, the total quantum of dividend available for distribution in the hands of the Transferee Company in a given year would remain the same – only its distribution would undergo a change with the change in shareholders of the Company. Thirdly, it is open to an assessee to adopt legally permissible ways to completely foreclose a possible source of revenue to itself or for another assessee to reduce its flows, even if it leads to shrinkage of revenue to the Department. Fourthly, the Transferor Companies could otherwise also be wound up under law. Accordingly, the objection on possible loss of dividend distribution tax has no substance.
48. Further, the Assessing Authorities of the respective Petitioner Companies had been supplied the valuation report along with the Company Application No. 101/ALD/2020, which fact is supported by the affidavit of service dated 28.07.2020 filed by the Chairman appointed by the Tribunal. The Department has not disputed the contents of the affidavit filed by the Chairman dated 28.07.2020. In any case, the Department cannot question the valuation of shares, which forms the basis of the Composite Scheme, in as much as this objection, if at all, is solely the remit of Regional Director

— Sd —

(Northern Region), Ministry of Corporate Affairs. It is the Central Government, acting through the Regional Director that has the expertise to examine valuation of the shares and point out accounting or other errors, if any, to this Tribunal. The correctness or otherwise of the valuation report can only be commented upon by the officials of the Ministry of Corporate Affairs. The Department cannot claim inability to determine impact on revenue on account of valuation of shares. There is also no requirement under law that the Petitioner Companies submit impact of capital gains tax along with the proposed Composite Scheme to the Department. In any case, the Petitioner Companies shall remain liable to discharge their tax liability, if any, that arises under the Composite Scheme of Arrangement.

49. With respect to the objection on the Demerged Undertaking, it is seen that Schedule 1 to the Composite Scheme clearly outlines the list of the immovable properties pertaining to the LSI Undertaking (which is the Demerged Undertaking) along with the list of its legal matters, intellectual property details, subsidiaries, contingent liabilities etc. that would stand transferred. Contrary to the objections raised by the Income Tax Department, the Composite Scheme demarcates/specifies the Demerged Undertaking with sufficient clarity.

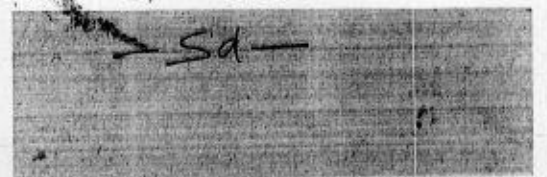
50. This Tribunal is satisfied that all statutory compliances have been undertaken and there is no shortcoming in the Composite Scheme. Therefore, the present Petition deserves to be allowed in terms of its Prayer clause.

51. In the result, the Composite Scheme of Arrangement annexed as Annexure-A to the Company Petition is duly approved and hereby sanctioned. Petitioner Companies to act upon as per terms and conditions of the sanctioned Composite Scheme of Arrangement and the same to be binding upon the share holders, secured creditors and unsecured creditors of the above-named Companies with effect from the appointed date.

52. In view of the facts stated above, the following orders are passed:-

- i. The Composite Scheme of Arrangement amongst HSB CORPORATE CONSULTANTS PRIVATE LIMITED (Petitioner Company No. 1/ "Transferor Company 1"); JUBILANT STOCK HOLDING PRIVATE LIMITED (Petitioner Company No. 2/ "Transferor Company 2"); SSB CONSULTANTS & MANAGEMENT SERVICES PRIVATE LIMITED (Petitioner Company No. 3/ "Transferor Company 3"); JCPL LIFE SCIENCE VENTURES AND HOLDINGS PRIVATE LIMITED (Petitioner Company No. 4/ "Transferor Company 4"); JSPL LIFE SCIENCE SERVICES AND HOLDINGS PRIVATE LIMITED (Petitioner Company No. 5/ "Transferor Company 5"); JUBILANT LIFE SCIENCES LIMITED (Petitioner Company No. 6/ "Transferee

-Sd-





Company/Demerged Company"); JUBILANT INGREVIA LIMITED (Petitioner Company No.7/ "Resulting Company") and their respective Shareholders and Creditors is sanctioned and shall be binding as follows:

- a. amalgamation of the Transferor Companies (Petitioner Company Nos. 1 to 5), in the steps/stages stated in Part B of the Composite Scheme, into the Transferee Company/ Demerged Company (Petitioner Company No. 6); and
- b. following the amalgamations demerger of the LSI Undertaking of the Transferee Company/ Demerged Company (Petitioner Company No. 6) and vesting of the same with the Resulting Company (Petitioner Company No. 7), on a going concern basis.
- ii. Upon this Composite Scheme becoming effective, the Transferor Companies (Petitioner Company Nos. 1 to 5) shall, without any requirement of a further act or deed, stand dissolved without being wound up without any requirement for any further act by the Companies, in accordance with the Companies Act, 2013;
- iii. Upon this Composite Scheme becoming effective, the respective names of the Transferor Companies (Petitioner Company Nos. 1 to 5) shall be struck off from the records of the Registrar of Companies and the Transferor Companies and Transferee Company shall make necessary filings in this regard;
- iv. Upon this Composite Scheme becoming effective, the authorized share capital of the Transferor Companies (Petitioner Company Nos. 1 to 5) shall stand combined with and be deemed to be added to the authorized share capital of the Transferee Company (Petitioner Company No. 6) without any requirement of a further act or deed on the part of the Transferee Company (Petitioner Company No. 6);
- v. Upon this Composite Scheme becoming effective, Clause V of the Memorandum of Association of the Transferee Company (Petitioner Company No. 6) shall stand modified and be substituted by the following:  
"The Authorised Share Capital of the Company is Rs. 143,02,00,000 (Rupees One Forty Three Crore and Two Lac only) divided into 143,02,00,000 Equity Shares of Re.1 each with power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may, for the time being, be provided by the regulations of the Company subject to the Companies Act, 2013".

And the fee paid by the Transferor Companies (Petitioner Company Nos. 1 to 5) on their authorised share capital shall be set off against any fee payable

- Sd -

by the Transferee Company (Petitioner Company No. 6) on its authorised share capital subsequent to the amalgamation.

- vi. Upon this Composite Scheme becoming effective, the cancellation of the equity share capital as per the Composite Scheme and the consequential capital reduction of the Transferee Company (Petitioner Company No. 6) shall be effected as a part of this Composite Scheme itself and not under a separate procedure in terms of Section 52 read with 66 of the Companies Act, 2013, and that the Transferee Company (Petitioner Company No. 6) shall not be required to add "and reduced" as a suffix to its name.
- vii. Upon this Composite Scheme becoming effective, the shares to be allotted by the Transferee Company (Petitioner Company No. 6) shall remain frozen in the depository system till listing/ trading permission is given by the designated stock exchange;
- viii. Upon this Composite Scheme becoming effective, the cancellation of the equity share capital and/or the utilization of Securities Premium Account as per the Scheme, and the consequential capital reduction of the Resulting Company shall be effected as a part of this Scheme itself and not under a separate procedure in terms of Section 52 read with 66 of the Companies Act, 2013, and that the Resulting Company shall not be required to add "and reduced" as a suffix to its name;
- ix. Upon this Composite Scheme becoming effective, the shares to be allotted by the Resulting Company shall remain frozen in the depository system till listing/ trading permission is given by the designated stock exchange;
- x. Upon this Composite Scheme becoming effective, without any further act, instrument or deed, the name of the Transferee Company/Demerged Company shall be changed to "Jubilant Pharmaceuticals Limited" or such other name as may be decided by the Board of Directors of the Transferee Company/Demerged Company, and the name "Jubilant Life Sciences Limited" wherever it occurs in the Memorandum of Association and Articles of Association of the Transferee Company/Demerged Company shall be substituted by such name, and the Transferee Company/Demerged Company shall not be required to add its former name as a suffix to its changed name;
- xi. Upon this Composite Scheme become effective, the Resulting Company, Jubilant Ingrevia Limited shall not be required to add its former name (Jubilant LSI Limited) as a suffix to its changed name, and the name "Jubilant LSI Limited" wherever it occurs in the Memorandum of Association

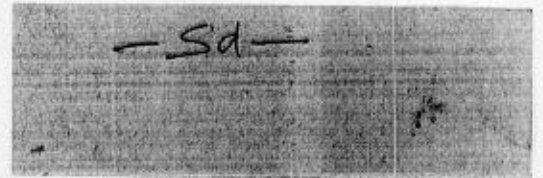
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and Articles of Association of the Resulting Company shall be substituted by Jubilant Ingrevia Limited;

xii. Petitioner companies are granted leave to file the Schedule of Assets within a period of one month from the date on which final orders are pronounced by the Tribunal on this petition;

xiii. The Petitioner Companies shall within thirty days of the date of the receipt of this order cause a certified copy thereof to be delivered to the Registrar of Companies for registration in terms of Section 230-232 of the Companies Act, 2013 read with National Company Law Tribunal Rules, 2016 along with The Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

In view of the above mentioned directions the Company Petition bearing No. 195/ALD/ 2020 is accordingly, disposed off.



**JUSTICE RAJESH DAYAL KHARE**

**MEMBER (J)**

**Date: 23.12.2020**

Swati Gupta  
(LRA)