

IN THE NATIONAL COMPANY LAW TRIBUNAL,  
MUMBAI BENCH, COURT-IV

C.P. (CAA)/18/MB/2024 IN

C.A. (CAA)/247/MB/2023

In the matter of

The Companies Act, 2013;

And

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

And

In the matter of the

Composite Scheme of Arrangement for

(i) Reduction of Capital and Re-

Organisation of reserves of

**JD Orgochem Limited**

("JDOL" or "Transferee Company" for  
Part C of the Scheme);

and (ii) Amalgamation of (by way of  
merger)

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**Jaysynth Dyestuff (India) Limited**  
("JDIL" or "Transferor Company 1" for  
Part D of the Scheme),

**Jaysynth Impex Private Limited**  
(Formerly Known as Jaysynth Impex  
Limited) ("JIPL" or "Transferor Company  
2" for Part D of the Scheme) with and into  
JD Orgochem Limited ("Transferee  
Company" for Part D of the Scheme) and  
their respective shareholders and creditors  
(‘the Scheme’ or ‘this Scheme’)

**Jaysynth Dyestuff (India) Limited,**

[CIN: L24114MH1985PLC035564]

...First Petitioner Company

**Jaysynth Impex Private Limited,**

(Formerly Known as Jaysynth Impex Limited)

[CIN: U29200MH1969PTC014266]

...Second Petitioner Company

**JD Orgochem Limited,**

[CIN: L24100MH1973PLC016908]

...Third Petitioner Company

*First, Second and Third Petitioner Company are collectively referred as  
"Petitioner Companies".*

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**Order delivered on: 17.04.2024**

***Coram:***

Ms. Anu Jagmohan Singh

Mr. Kishore Vemulapalli

Hon'ble Member (Technical)

Hon'ble Member (Judicial)

***Appearances (via videoconferencing):***

For the Petitioner:

CA Harsh Ruparelia i/b A R C  
H and Associates, Chartered  
Accountants.

For the Regional Director:

Mr. Tushar Wagh,  
Authorised Representative of  
the Regional Director,  
Ministry of Corporate Affairs

**ORDER**

1. Heard the Ld. Professional for the Petitioner Companies. No objector has come before the Tribunal to oppose the Petition nor any party has raised any averments in the captioned Petition.

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2. The sanction of this Tribunal is sought under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“Act”) read with Companies (Compromises, Arrangements, and Amalgamation) Rules, 2016 and in the matter of Composite Scheme of Arrangement for **(i)** Reduction of Capital and Re-organization of reserves of JD Orgochem Limited (“JDOL” or “Transferee Company” for Part C of the Scheme); and **(ii)** Amalgamation of (by way of merger) **Jaysynth Dyestuff (India) Limited** (“JDIL” or “Transferor Company 1” for Part D of the Scheme), **Jaysynth Impex Private Limited** (Formerly Known as Jaysynth Impex Limited) (“JIPL” or “Transferor Company 2” for Part D of the Scheme) with and into **JD Orgochem Limited** (“Transferee Company” for Part D of the Scheme) and their respective shareholders and creditors (‘the Scheme’ or ‘this Scheme’).
3. The Professional for the Petitioner Companies submits that First Petitioner Company is incorporated with following objects:

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- a. To carry on the business of Manufacturers of and dealers in dyes, dyes intermediates, organic chemicals, textiles auxiliaries, resins, pigment, plasticizers, emulsions.
    - b. To manufacture, refine, manipulate, Import and export and deal in leather dyes tannins, essences, Marine Minerals, mineral waters, white cement, oil, paints, pigments and varnishes, compounds, dyestuff, dyestuff intermediates, paints and colour grinders and heavy chemicals for manufacturing dyestuffs.
  
  4. The Professional for the Petitioner Companies submits that Second Petitioner Company is incorporated with following objects:
    - a. To carry on the business of manufacturers and dealers in Asafoetida (Hing), and for that purpose to acquire by purchase, lease or otherwise any land, houses, fixed assets plants, machinery, or other property in Mumbai or elsewhere as the Company from time to time determine and the selling and disposing of the same.
    - b. To carry on the business of dealers in Kariana, Dry Fruits, Spices, herbs, agricultural and Chemical products of any nature and kind whatsoever, and to manufacture, refine, manipulate, import, export, and deal in the same as wholesalers and retailers



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time to time determine and the selling and disposing of the same.

- b.** To manufacture, refine, manipulate, Import and export and deal in heavy Chemicals, alkalis, acids, drugs, tannins, essences, salts, and marine minerals, pharmaceuticals, sizing medicinal and photographic, chemicals, Industrial, mineral and other waters, cement, oil, paints, pigments, and varnishes, compounds, drug, dye organic or mineral intermediates, paints and colour grinders, chemical and photographic.
  - c.** To carry on the business as manufacturers of Chemicals distillers, dye and dyes intermediates, and to buy, sell, prepare for the market Import, export the same.
  - d.** To carry on the business of manufacturers and products of fats, fertilisers, manures, clips, sprays, vermifuges, fungicides, medicines, and remedies for agricultural, fruit growing or other purposes or as remedies for men or animals and whether produced from vegetable or animals' matter or by any chemical process.
- 6.** The Learned Professional for the Petitioner Companies submits that the rationale mentioned in the Scheme is as under:

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- Rationale for Part C of the Scheme which deals with reduction of capital and re-organization of reserves of the Third Petitioner Company in the manner set out in this Scheme can provide benefits to the shareholders/stakeholders as under:
    - a. The Third Petitioner Company had suffered substantial losses from 1999 till date, due to which the its retained earnings had turned into negative;
    - b. In the circumstances, the scheme proposes to set off the debit balance of Retained Earnings of the Third Petitioner Company as on the Appointed date against the credit balance lying under the various reserves as specified herein.
    - c. The proposed reorganization of the reserves is in the interest of the Third Petitioner Company, shareholders, creditors, and all concerned stakeholders. If the Scheme is approved, the books of the Third Petitioner Company would present a fair representation of the financial position of the Third Petitioner Company.
  
  - Rationale for Part D of the Scheme which deals with the Composite Scheme of Arrangement of (by way of merger) between Jaysynth Dyestuff (India) Limited and Jaysynth Impex



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Private Limited (Formerly Known as Jaysynth Impex Limited) with and into JD Orgochem Limited and their respective shareholders and creditors under sections 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013 which can provide benefits to the shareholders / stakeholders as under:

- a. Providing liquidity to the public shareholders of Third Petitioner Company through the merger of First Petitioner Company and Second Petitioner Company, having active manufacturing operations into Third Petitioner Company which does not carry out manufacturing operations at present;
- b. The First Petitioner Company, Second Petitioner Company and the Third Petitioner Company are already engaged in the same line of business activities i.e., of manufacturing of dye and dyes intermediary products, Trader of CPC-based Pigment, and Inks for digital printing and furthermore, the manufacturing facilities of the First Petitioner Company, Second Petitioner Company and the Third Petitioner Company are situated adjacent to each other. The proposed merger will enable the integration of the business activities

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of the First Petitioner Company, Second Petitioner Company and the Third Petitioner Company.

- c. Economies of scale will play a bigger role as the consolidated entity's operational efficiency will increase, which will in turn allow the merged entity to compete on a larger scale in the industry, thus benefiting the merged entity and the shareholders.
- d. The combined net worth of all entities will enable the merged entity to tap into new business opportunities thereby unlocking growth opportunities for the merged entity considering the financial strength of the Third Petitioner Company post the amalgamation
- e. It will provide an opportunity to leverage assets and build a stronger sustainable business. It will provide an opportunity to fully leverage the combined net worth, capabilities, experience, expertise, consolidation of adjoining land parcels in MIDC, Patalganga, and infrastructure of First Petitioner Company and Second Petitioner Company and thus increase the ability for promotion of business activities as well as fundraising for business development

- f. It would result in the consolidation of business activities and will facilitate effective management of investment and synergies in operations
  - g. Being a part of the same management, this amalgamation would facilitate reduction in the management overlaps due to operation of the multiple entities and more focused leadership
  - h. Reduction in multiplicity of legal and regulatory compliances, reduction in overheads, including administrative, managerial and other costs amongst all; and
  - i. Consolidation and simplification of the group structure and reduction of administrative costs at the group level
7. The Petitioner Companies have approved the Scheme by passing their respective Board Resolutions dated 24<sup>th</sup> January 2023 and have approached the Tribunal for sanction of the Scheme.

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8. The Petitioner Companies submits that the Company Scheme Petition has been filed in consonance with the order dated 09<sup>th</sup> November, 2023, passed by this Hon'ble Tribunal in C.A.(CAA)/247/MB/2023.
9. The meetings of the equity shareholders for the First Petitioner Company and the Third Petitioner Company were held in accordance with directions of the Hon'ble Tribunal on 21<sup>st</sup> December 2023, wherein the equity shareholders of the First Petitioner Company and the Third Petitioner Company have approved the Scheme with requisite majority. Further, the meetings of the shareholders of the Second Petitioner Company and creditors of the all Petitioner Companies were dispensed with by the Hon'ble Tribunal vide order dated 09<sup>th</sup> November, 2023 in C.A.(CAA)/247/MB/2023.

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- 10.** The Petitioner Companies states that the Petitioner Companies have complied with all requirements as per directions of the Hon'ble Tribunal and they have filed necessary affidavits of compliance with Hon'ble Tribunal. Moreover, Petitioner Companies undertake to comply with all statutory requirements, if any, as required under the Companies Act, 2013 and the relevant Rules & Regulations made there under. The said undertaking is accepted.
- 11.** The Professional for the Petitioner Companies submits that the present Company Scheme Petition has been filed in consonance with the order delivered on 09<sup>th</sup> November 2023 passed by this Tribunal in C.A. (CAA)/247/MB/2023.

12. The Regional Director, Western Region has filed its report dated 01<sup>st</sup> March, 2024 (“Report”) praying that this Tribunal may pass such orders as it thinks fit, save and except as stated in paragraphs 2(a) to (k) and in response to the observations of the Regional Director, the Petitioner Companies have filed their responses vide its Affidavit in reply to the Observations of the Regional Director dated 14<sup>th</sup> March, 2024 as under:

Para No.	Regional Observations 01 <sup>st</sup> March, 2024	Director dated	Response from the Petitioner Companies
2 (a)	<p><i>i. That the No Inquiry, Inspection, Investigations, Prosecutions, Technical Scrutiny under CA, 2013 have been pending against the Petitioner Companies</i></p> <p><i>ii. Further ROC has mentioned as follows: -</i></p> <p style="margin-left: 20px;"><i>i. One open charge in respect of the First Petitioner Company.</i></p> <p style="margin-left: 20px;"><i>ii. Notices should be served to Unsecured Creditors of the Transferor Company 1 and Transferee Company.</i></p>		<p>Apropos the observation of the Regional Director, Western Region, Mumbai, as stated in paragraph 2 (a) of the Report is concerned, it is submitted that:</p> <p><u>Response to 2(a)(i):</u> It is submitted that the observation given by RoC in point no 2(a)(i) are merely factual in nature and no further response is required.</p> <p><u>Our response to 2(a)(ii)(i):</u> It is submitted that the observation given by RoC in</p>

<p>iii. <i>Notices issued to Equity Shareholders of the Transferor Company 1 and Transferee Company on 20.12.2023 and date of meeting is 21.12.2023. Companies have not given 21 days clear notice. Hence, The Applicant Companies may clarify the same.</i></p> <p>iv. <i>Transferor Company 1 and Transferee Company being a listed entity. Observations letter from BSE Limited is received on 30.08.2023. Notice should be issued to SEBI for their observations.</i></p> <p>v. <i>21 (Twenty) "Open Charges" are there on the Transferee Company. List is attached</i></p> <p>vi. <i>As per provisions of section 232(3)(i) of CA, 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 shall be set off against any fees payable by the transferee</i></p>	<p>point no 2(a)(ii)(i) are merely factual in nature and no further response is required.</p> <p><u>Our response to 2(a)(ii)(ii):</u></p> <ul style="list-style-type: none"><li>• It is submitted that notices to the Unsecured Creditors of the Petitioner Companies have been duly served by way of filing an Additional Affidavit on direction by way of Hon'ble NCLT, Mumbai Bench dated 08<sup>th</sup> January, 2024 evidencing dispatch of notice and its delivery receipt.</li></ul> <p><u>Our response to 2(a)(ii)(iii):</u></p> <ul style="list-style-type: none"><li>• It is submitted that the notice to equity shareholders of the First Petitioner Company and the Third Petitioner Company were served with 30 days of clear notice; however, there was a typographical error in the date of the notice. Further, the Petitioner Companies would like to bring your attention to the affidavit</li></ul>
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	<p><i>company on its authorized capital subsequent to the amalgamation. Therefore, the remaining fee, if any after setting off the fees already paid by the transferor company on its authorized capital, must be paid by the transferee company on the increased authorized capital subsequent to amalgamation.</i></p> <p><i>vii. Interest of the Creditors should be protected.</i></p> <p><i>viii. May be decided on its merits.</i></p> <p><i>Hence, the Petitioner Companies shall undertake to submit detailed replies against the observations mentioned above .</i></p>	<p>of service dated 28<sup>th</sup> November, 2023, evidencing date of dispatch of notice to the shareholders.</p> <p>Additionally, an email received from M/s. Link Intime India Private Limited further substantiates that the notice was dispatched within the stipulated timelines, as per Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. Hence, the First Petitioner Company and the Third Petitioner Company has duly complied with timelines for service of notices upon the shareholders.</p> <p><u>Our response to 2(a)(ii)(iv):</u></p> <ul style="list-style-type: none"><li>• In so far as the observation made in paragraph 2(a)(ii)(iv) of the Report of the Regional Director is concerned, it is submitted that the First Petitioner Company and Third Petitioner</li></ul>
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		<p>Company had received observation letter from BSE (including observations of the SEBI) vide their letter dated 30<sup>th</sup> August, 2023 which has been annexed as <u>Exhibit 14</u> to the Company Scheme Petition. It is further stated that the notices have been served to the SEBI for their observations.</p> <p><u>Our response to 2(a)(ii)(v):</u></p> <ul style="list-style-type: none"><li>• It is submitted that the observation given by RoC in point no 2(a)(ii)(v) are merely factual in nature and no further response is required.</li></ul> <p><u>Our response to 2(a)(ii)(vi):</u></p> <ul style="list-style-type: none"><li>• In so far as observations made in paragraph 2(a)(ii)(vi) of the Report is concerned, the Petitioner Companies hereby undertake to comply with the provisions of section 232(3)(i) of the Companies Act, 2013 regarding set-off of fees paid by the Transferor</li></ul>
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		<p>Companies i.e., First Petitioner and Second Petitioner Company against any fees and stamp duty payable by the Third Petitioner Company i.e., Transferee Company on its authorized capital subsequent to the Scheme. The aggregate authorised share capital of the Third Petitioner Company shall automatically stand increased to that effect by simply filing the requisite e-form INC-28 with the relevant Registrar of Companies without any further act, instrument or deed on the part of Third Petitioner Company. Further, in the event of any increase in the authorised share capital of First Petitioner and Second Petitioner Company before the Effective Date, such increase shall be given effect to while aggregating the</p>
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		<p>authorised share capital of the Third Petitioner Company.</p> <p><u>Our response to 2(a)(ii)(vii):</u></p> <ul style="list-style-type: none"> <li>The Petitioner Companies hereby undertakes that the interest of the creditors shall be duly protected under scheme.</li> </ul> <p><u>Our response to 2(a)(ii)(viii):</u></p> <ul style="list-style-type: none"> <li>It is submitted that the observation given by RoC in point no 2(a)(ii)(viii) are merely factual in nature and no further response is required.</li> </ul>
2 (b)	<p><i>“In compliance of Accounting Standard—14 or IND AS-103, as may be applicable, the Transferee Company shall pass such accounting entries which are necessary for connection with the scheme to comply with other applicable Accounting Standards such as AS-5 or IND AS-8 etc.</i></p>	<p>Apropos the observation of the Regional Director, Western Region, Mumbai, as stated in paragraph 2 (b) of the Report is concerned, it is submitted that that in addition to compliance with IND AS-103 (AS-14 is not applicable), in connection with the scheme, the Petitioner Companies shall pass such accounting entries which are necessary to comply with all other applicable Accounting Standards such as</p>

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		IND AS-8, etc. to the extent applicable.
2 (c)	<i>The Hon'ble Tribunal may kindly direct the Petitioner Companies to file an affidavit to the extent that the Scheme enclosed to the Company Application and Company Petition are one and same and there is no discrepancy, or no change is made.</i>	Apropos the observation of the Regional Director, Western Region, Mumbai, as stated in paragraph 2 (c) of the Report is concerned, it is submitted that by way of this affidavit that Scheme enclosed to Company Scheme Petition and Company Scheme Application are one and same and there is no discrepancy or change made to the scheme.
2 (d)	<i>The Petitioner Companies under provisions of section 230(5) of the Companies Act 2013 have to serve notices to concerned authorities which are likely to be affected by the Amalgamation or arrangement. Further, the approval of the scheme by the Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the scheme. The decision of such authorities shall be binding on the Petitioner Companies.</i>	Apropos the observation of the Regional Director, Western Region, Mumbai, as stated in paragraph 2 (d) of the Report is concerned, it is submitted that the Petitioner Companies had served notices to concerned authorities which are likely to be affected by the Amalgamation. Further, Petitioner Companies hereby undertakes the approval of the Scheme by the Hon'ble Tribunal would not deter such authorities to deal with any of the issues arising after giving effect to the Scheme. The decision of such authorities shall be binding on

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		the concerned Petitioner Companies.
2 (e)	<p><i>As per Definition of the Scheme, "Appointed Date" means the 1<sup>st</sup> day of April, 2023 or such date as approved by Honourable NCLT for the purpose of this scheme.</i></p> <p><i>"Effective Date" means the date on which last of the conditionalities specified in clause 21 of the scheme is fulfilled. Any reference in this scheme to date "upon the scheme becoming effective" or "effectiveness of the scheme" or "upon coming into effect of this scheme" or "upon the scheme coming into effect" shall mean the Effective Date, as defined in the clause</i></p> <p><i>"Record Date" means the date to be fixed by the Board of Directors of the Transferee Company or a committee thereof, in consultation with the Board of Directors of the Transferor Companies for the purpose of determining the members of the Transferor Companies to whom new shares in the Transferee</i></p>	<p>Apropos the observation of the Regional Director, Western Region, Mumbai, as stated in paragraph 2 (e) of the Report is concerned, it is submitted that the Appointed Date i.e., <b>01<sup>st</sup> April 2023</b> has been indicated in the Scheme in accordance with provisions of section 232(6) of the Companies Act 2013 and the scheme shall become effective from the Appointed Date.</p> <p>Further, the Petitioner Companies hereby submit that they are in compliance with the applicable requirements of the General Circular No. 9/2019 dated 21/08/2019 issued vide F. No. 7/12/2019/CL-I by the Ministry of Corporate Affairs by clearly specifying the Appointed Date and Effective Date in the Scheme. Without prejudice to the above, the Petitioner Companies undertakes to comply with the requirements clarified vide circular no. F. No. 7/12/2019/CL-I dated</p>

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	<p><i>Company shall be allotted under Part D of the Scheme.</i></p> <p><i>In this regard, it is submitted that Section 232(6) of the Companies Act, 2013 stated 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 not a date subsequent to the appointed date. However, this aspect may be decided by the Honorable Tribunal taking into account its inherent powers.</i></p> <p><i>The Petitioner Company 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 .</i></p>	<p>21.08.2019 issued by the Ministry of Corporate Affairs.</p>
2 (f)	<p><i>“The Honorable Tribunal may kindly seek undertaking that this Scheme is approved by the requisite majority of members and creditors as per Section 230(6) of the Act in meeting duly held in terms of Section 230(1) read with section 7 subsection (3) to (5) of Section 230 of the Act and the Minutes thereof are duly placed before the Tribunal .</i></p>	<p>Apropos the observation of the Regional Director, Western Region, Mumbai, as stated in paragraph 2 (f) of the Report is concerned, the Petitioner Companies undertakes that the scheme has been approved by the majority of members of the First Petitioner Company and the Third Petitioner Company in the respective meetings of</p>

		<p>the Equity Shareholders dated 21<sup>st</sup> December 2023, wherein Chairperson Report of the First Petitioner Company and the Third Petitioner Company has been annexed in Annexure 19 and 20 respectively to the Company Scheme Petition. Further, the meeting of Equity Shareholders of the Second Petitioner Company was dispensed with by Hon'ble NCLT vide its order dated 09<sup>th</sup> November , 2023 on account of the consent affidavit received from all its Equity Shareholders. Further, the meeting of the secured creditors was dispensed with by Hon'ble NCLT vide its order dated 09<sup>th</sup> November , 2023 on account of the consents received from the secured creditors. Further, the meeting of unsecured creditors of Petitioner Company was dispensed with vide order dated 09<sup>th</sup> November , 2023. The Petitioner Companies have duly complied with the directions in the order of the Hon'ble Tribunal in the</p>
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		Company Application.	Scheme
2 (g)	<i>“Petitioner Companies shall undertake to comply with the directions of the Income Tax Department &amp; GST Department, if any.</i>	Apropos the observation of the Regional Director, Western Region, Mumbai, as stated in paragraph 2 (g) of the Report is concerned, it is submitted that Petitioner Companies undertake to comply with the directions of the Income Tax Department & GST Department, if any. The Petitioner Companies have not received any directions from the Income-tax Department & GST Department.	
2 (h)	<i>“Petitioner/Transferor Company and Transferee Company shall undertake to comply with the directions of the concerned sectoral Regulatory, if any .</i>	Apropos the observation of the Regional Director, Western Region, Mumbai, as stated in paragraph 2 (h) of the Report is concerned, it is submitted that Petitioner Companies undertake to comply with the directions of the concerned sectoral Regulatory, if any. Further, the businesses of the Petitioner Companies are not governed by any sectoral regulators.	
2 (i)	<i>Petitioner Company States that the Transferee Company shall be in compliance with provisions of</i>	Apropos the observation of the Regional Director, Western Region, Mumbai, as	



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	<i>Section 2(1B) of the Income Tax Act, 1961. In this regard, the petitioner company shall ensure compliance of all the provisions of the Income Tax and Rules thereunder</i>	stated in paragraph 2 (i) of his Report is concerned, it is submitted that Third Petitioner Company shall undertake to comply with the provisions of Section 2(1B) of Income Tax Act, 1961 as well as the Petitioner Companies shall ensure to comply with all the provisions of the Income Tax and Rules thereunder
2 (j)	<i>Petitioner Transferor Company 1 and Transferee Company are Listed Company hence Transferor Company 1 and Transferee Company directed to place on record the prior notice to BSE, NSE and SEBI and obtain NOC from BSE, NSE and SEBI, Therefore public interest may be protected in this matter</i>	Apropos the observation of the Regional Director, Western Region, Mumbai, as stated in paragraph 2 (j) of his Report is concerned, it is submitted that First Petitioner and Third Petitioner Company had issued a notice to BSE and SEBI as well as obtain an NOC from BSE/SEBI vide observation letter dated 30 <sup>th</sup> August, 2023 which has been annexed in Annexure 14 of Company Scheme Petition.
2(k)	<i>It is observed at para 6 of the Scheme, that the Transferee Company proposes to reduce the share capital and reorganization reserves under the scheme. Hence, the Transferee Company all undertake to comply with provision of section 52 and 66 Companies Act, 2013 and Rules</i>	Apropos the observation of the Regional Director, Western Region, Mumbai, as stated in paragraph 2 (k) of his Report is concerned, it is submitted that Petitioner Companies re-organisation of reserves and reduction of share capital shall be effected

	<i>made thereunder by the Petitioner Companies</i>	as an Integral part of the Scheme and shall be in accordance with the provisions of sections 52 and 66 of the Companies Act, 2013 and Rules & Regulations made thereunder.
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13. The Official Liquidator, High Court, Bombay, has filed his report dated 17<sup>th</sup> January, 2024 (“Report”) praying that this Tribunal may pass such orders as it thinks fit, save and except as stated in paragraphs 5 and 6 and in response to the observations of the Official Liquidator, the Petitioner Companies have filed their responses vide its Affidavit in reply to the Observations of the Official Liquidator dated 06<sup>th</sup> February, 2024 as under for which the Petitioner Companies were required to clarify before this Hon’ble Tribunal.

<b>Para No.</b>	<b>Official Liquidator observations dated 17<sup>th</sup> January, 2024</b>	<b>Response from the Petitioner Companies</b>
5	<i>Para 5: With reference to clause 13.1 of the scheme it is stated that such clause overrides the provisions of the Companies Act, 2013 namely section 232(3)(i) which inter alia provides that, ‘if a company is dissolved, the fees</i>	Apropos the observation of the Official Liquidator, as stated in paragraph 5 of the Report is concerned, it is submitted that the Petitioner Companies hereby undertake to comply with the provisions of section

	<p><i>paid by such company on its Authorised share capital shall be set off against any fees paid payable by the transferee company on its Authorised Share Capital. Hon'ble Tribunal may be pleased to direct Transferee Company to pay differential amount, if any, after setting off fees already paid by the Transferor Company:</i></p>	<p>232(3)(i) of the Companies Act, 2013 regarding set-off of fees paid by the Transferor Companies i.e., First Petitioner Company and Second Petitioner Company against any fees and stamp duty payable by the Third Petitioner Company i.e., Transferee Company on its authorized capital subsequent to the Scheme. The aggregate authorised share capital of the Third Petitioner Company shall automatically stand increased to that effect by simply filing the requisite e-form INC-28 with the relevant Registrar of Companies without any further act, instrument or deed on the part of Third Petitioner Company. Further, in the event of any increase in the authorised share capital of First Petitioner Company and Second Petitioner Company before the Effective Date, such increase shall be given effect to while aggregating the authorised share capital</p>
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		of the Third Petitioner Company.
6	<p><i>Para 6: it has been noticed from the Financial Statement as at 31.03.2023 of Jaysynth Dyestuff (India) Limited (First Transferor Company) that the company owes Rs.1339.86 Lakhs and Jaysynth Impex Private Limited (Second Transferor Company) owes Rs.711.31 Lakhs to MSME. In this respect it is stated that under MSMED Act, 2006 the buyer is to make payment within 45 days of it becoming due. In case of failure to pay to the MSME supplier, the company is liable to pay compound interest rate. Hon'ble Tribunal may be requiring the Transferor Company to clarify whether they have paid the said amount to the MSME creditor or whether there is any dispute with respect to payment of such amount. In case of dispute with regard to amount due whether the reference has been made to the MSME facilitation council constituted by the respective</i></p>	<p>Apropos the observation of the Official Liquidator, as stated in paragraph 6 of his Report is concerned, it is submitted that that as per the Scheme, all the liabilities of the First Petitioner Company and Second Petitioner Company shall be transferred to Third Petitioner Company including any dues owed to MSME in terms of Clause 7 of the Scheme. It is submitted that as on date:</p> <ul style="list-style-type: none"> <li>• The First Petitioner Company has settled the entire outstanding dues of Rs.1339.86 Lakh to MSME Registered Vendors as of March 31, 2023; and</li> <li>• The Second Petitioner Company has settled the entire outstanding dues of Rs. 711.31 Lakhs to MSME Registered Vendors as of March 31, 2023.</li> </ul> <p>FORM MSME 1 along with its challan for the period October</p>

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	<p><i>Government or not. Company may also be required to produce form MSME-1 filed with the ROC for the above said dues</i></p>	<p>to March 2023 of the First Petitioner Company and Second Petitioner Company respectively are enclosed in Annexure 'A and B' to the Affidavit.</p> <p>Accordingly, outstanding dues including MSME dues, if any, shall be transferred to the Third Petitioner Company and the Third Petitioner Company undertakes to pay the same in the ordinary course of its business pursuant to sanction of the Scheme by this Hon'ble Tribunal. The Petitioner Companies are in compliance with provisions of the MSMED Act and shall continue to adhere to the same to the extent applicable.</p>
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14. Mr. Altap Shaikh, Authorized Representative of the Regional Director, MCA (WR), Mumbai, present at the time of the hearing has submitted that the explanation and clarifications given by the Petitioner/ Transferor Company are found satisfactory and stated that the Regional Director has no objections for approving the scheme by the Tribunal.

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15. The Professional for the Petitioner Companies states and submits that the First Petitioner Company has paid-off all the outstanding dues of Rs. 1,339.86 Lakhs to the MSME Registered Vendors, which were outstanding as on 31<sup>st</sup> March 2023.
16. 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. Upon effectiveness of the Part IV of the Scheme all the assets and properties comprised in the First Petitioner Company, Second Petitioner Company respectively of whatsoever nature and wheresoever situated, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Third Petitioner Company or be deemed to be transferred to and vested in Third Petitioner Company as a going concern so as to become the assets and properties of Third Petitioner Company.

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17. As consideration under the Scheme, upon coming into effect of the Scheme and in consideration for amalgamation of the First Petitioner Company with and into the Third Petitioner Company, the Third Petitioner Company shall, without any further application or deed and without any further payment, issue and allot to all the equity shareholders of the First Petitioner Company (whose names appear in the register of members as on the Record Date) in the following manner:

*“14 fully paid-up equity shares of INR 1/- each of Third Petitioner Company to be issued and allotted for every 1 share having Face Value of INR 1/-each held by the Equity Shareholders of First Petitioner Company”.*

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18. As consideration under the Scheme, upon coming into effect of the Scheme and in consideration for amalgamation of the Second Petitioner Company with and into the Third Petitioner Company, the Third Petitioner Company shall, without any further application or deed and without any further payment, issue and allot to all the equity shareholders of the Second Petitioner Company (whose names appear in the register of members as on the Record Date) in the following manner:

*“252. fully paid-up 2% Redeemable Non-convertible Non-Cumulative Non-Participating Preference Shares of INR 1/- each of Third Petitioner Company to be issued and allotted for every 1 share having Face Value of INR 1/- each held by the Equity Shareholders of Second Petitioner Company”*

19. Since all the requisite statutory compliances have been fulfilled, C.P.(CAA)/18/MB/2024 is made absolute in terms of the prayer clauses of the said Company Scheme Petition.



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20. The Appointed Date of the Scheme is **01<sup>st</sup> April, 2023**. It shall be binding on the Petitioner Companies involved in the Scheme and all concerned including their respective Shareholders, Secured Creditors, Unsecured Creditors/Trade Creditors, Employees and/or any other stakeholders concerned.
21. The Petitioner Companies are directed to file a copy of this Order along with a copy of the Scheme with the concerned Registrar of Companies, electronically along with e-form INC-28 within **30 days** or an extended timeline with payment of additional fees, as may be applicable, from the date of receipt of the Order duly certified by the designated registrar of this Tribunal. The Scheme will become effective on filing of the copy of this order with the concerned Registrar of Companies.
22. On filing of this Order with the concerned Registrar of Companies as instructed in paragraph b above, the First Petitioner Company and Second Petitioner Company shall stand dissolved without winding up.

23. Upon this scheme becoming effective, without any further act, instrument or deed, the name of the Third Petitioner Company shall be changed to “**Jaysynth Orgochem Limited**”. Further, the name “JD Orgochem Limited” wherever occurs in the memorandum of association and articles of association of the Third Petitioner Company, shall be substituted by such name.
24. The Petitioner Companies to lodge a copy of this Order along with the Scheme duly authenticated/certified by the Designated Registrar, Hon’ble National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, within 60 working days from the date of receipt of the certified copy of the Order along with the Scheme from the Registry of this Tribunal.
25. All concerned regulatory authorities to act on a copy of this Order along with Scheme duly certified by the Designated Registrar, National Company Law Tribunal, Mumbai Bench.

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26. Any person interested is at liberty to apply to this Tribunal in the above matters for any directions that may be necessary.
27. Any concerned Authorities are at liberty to approach this Tribunal for any further clarification as may be necessary.
28. Ordered accordingly. Thus, the Company Scheme Petition with C.P.(CAA)/18/MB/2024 in C.A.(CAA)/247/MB/2023 shall stand to be **disposed-off.**

Sd/-

**Anu Jagmohan Singh**  
**Member (Technical)**  
Suresh 17.04.2024

Sd/-

**Kishore Vemulapalli**  
**Member (Judicial)**