

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO.809 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO.666 OF 2014**

Jyotindra Mody Holdings Private Limited

....Petitioner Company / First Transferor Company

AND

**COMPANY SCHEME PETITION NO.810 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO.667 OF 2014**

Ansuya Mody Securities Private Limited

....Petitioner Company / Second Transferor Company

AND

**COMPANY SCHEME PETITION NO.811 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO.668 OF 2014**

Dinesh Mody Securities Private Limited

.... Petitioner Company / Third Transferor Company

AND

**COMPANY SCHEME PETITION NO.812 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO.669 OF 2014**

Kumud Mody Securities Private Limited

.... Petitioner Company / Forth Transferor Company

AND
COMPANY SCHEME PETITION NO.813 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO.670 OF 2014

Shirish B. Mody Investments Private Limited

... Petitioner Company / Fifth Transferor Company

AND
COMPANY SCHEME PETITION NO.814 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO.671 OF 2014

Bharati S. Mody Investments Private Limited

.... Petitioner Company / Sixth Transferor Company

AND
COMPANY SCHEME PETITION NO.815 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO.672 OF 2014

J. B. Chemicals & Pharmaceuticals Limited

.... Petitioner Company / Transferee Company

In the matter of:
the Companies Act, 1956 (1 of 1956)
and Companies Act, 2013 (18 of
2013);

AND

In the matter of :
Sections 391 to 394 read with
Sections 100 to 103 of the

Companies Act, 1956 and Section 55
of the Companies Act, 2013;

AND

In the matter of :

The Scheme of Amalgamation and
Arrangement between Jyotindra Mody
Holdings Private Limited ('JMPL' or
'the First Transferor Company') and
Ansuya Mody Securities Private
Limited ('AMPL' or 'the Second
Transferor Company') and Dinesh
Mody Securities Private Limited
('DMPL' or 'the Third Transferor
Company') and Kumud Mody
Securities Private Limited ('KMPL' or
'the Fourth Transferor Company') and
Shirish B. Mody Investments Private
Limited ('SMPL' or 'the Fifth
Transferor Company') and Bharati S.
Mody Investments Private Limited
('BMPL' or 'the Sixth Transferor
Company') and J. B. Chemicals &
Pharmaceuticals Limited ('JBCPL' or
'the Transferee Company');

AND

Their respective Shareholders

Called for hearing

Mr. Rajesh Shah with i/b M/s Rajesh Shah & Co., Advocate for the
Petitioner Companies in all Petitions.

Mr. P.S. Gujjar for Regional Director in all Petitions.

Mr. S. Ramakantha Official Liquidator, present in CSP Nos. 809 to 814 of
2014.

CORAM: S. J. Kathawalla, J.

DATE : 27th February, 2015

PC:

1. Heard Learned Counsel for the parties. No objector has come before the court to oppose the Scheme and nor has any party controverted any averments made in the Petitions.
2. The sanction of the Court is sought to a Scheme of Amalgamation and Arrangement between Jyotindra Mody Holdings Private Limited ('JMPL' or 'the First Transferor Company') and Ansuya Mody Securities Private Limited ('AMPL' or 'the Second Transferor Company') and Dinesh Mody Securities Private Limited ('DMPL' or 'the Third Transferor Company') and Kumud Mody Securities Private Limited ('KMPL' or 'the Fourth Transferor Company') and Shirish B. Mody Investments Private Limited ('SMPL' or 'the Fifth Transferor Company') and Bharati S. Mody Investments Private Limited ('BMPL' or 'the Sixth Transferor Company') and J. B. Chemicals & Pharmaceuticals Limited ('JBCPL' or 'the Transferee Company') and their respective Shareholders, under Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and Section 55 of the Companies Act, 2013.
3. Learned Counsel for the Petitioners states that Jyotindra Mody Holdings Private Limited and Ansuya Mody Securities Private Limited

and Dinesh Mody Securities Private Limited and Kumud Mody Securities Private Limited and Shirish B. Mody Investments Private Limited and Bharati S. Mody Investments Private Limited which are the Transferor Companies are engaged in the business of Investment activity and are holding equity shares of J. B. Chemicals & Pharmaceuticals Limited ('the Transferee Company'). The Transferee Company is engaged in the business of manufacture and sale of pharmaceutical formulations and bulk drugs.

4. The Learned Council for the Petitioner Companies states that the Transferee Company and the Transferor Companies are part of the same promoter group. The Transferor Companies are companies through which promoters and certain promoter group members hold shares of Transferee Company. The primary asset of the Transferor Companies comprise of equity shares in Transferee Company. The equity shares of Transferee Company are listed on BSE Limited and the National Stock Exchange of India Limited. The merger of the Transferor Companies with the Transferee Company would help in consolidating and reorganizing the promoter holding in the Transferee Company. The same would result in long term stability and transparency in the holding structure of the Transferee Company.
5. Learned Counsel for the Petitioners further states that the Board of Directors of the Petitioner Companies have approved the said Scheme of Amalgamation and Arrangement by passing Board Resolutions which are annexed to the respective Company Scheme Petitions.
6. The Learned Counsel for the Petitioners further states that, Petitioner Companies have complied with all the directions passed in the respective Company Summons for Directions and that the respective

Company Scheme Petitions have been filed in consonance with the orders passed in respective Company Summons for Directions.

7. The Learned Counsel appearing on behalf of the Petitioners have stated that the Petitioner Companies have complied with all requirements as per directions of this Court and they have filed necessary affidavit of compliance in the Court. Moreover, the Petitioner Companies undertake to comply with all statutory requirements if any, as required under the Companies Act, 1956 / 2013 and rules made there under whichever is applicable. The said undertaking is accepted.
8. The Official Liquidator has filed his report on 18th day of February, 2015 in Company Scheme Petition Nos. 809 to 814 of 2014 stating that the affairs of the Transferor Companies have been conducted in a proper manner and that the Transferor Companies may be ordered to be dissolved.
9. The Regional Director has filed an Affidavit on 18th day of February, 2015 stating therein, save and except as stated in paragraph 6 (a) to (d) thereof, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph 6 (a) and (b) of the said Affidavit, the Regional Director has stated that:-

6 That the deponent further submits that,

(a) Clause 16.1.8 of the Scheme provides for adjustment for differences in Accounting Policies between Transferor Companies and Transferee Company. In this regard, it is submitted that the in addition to the compliance of Accounting Standard-14 Transferee Company shall pass such accounting entries which are necessary in connection with the Scheme to comply with other applicable Accounting Standard such as AS 5, etc.

(b) That the deponent further submits that the Tax issues, if any, arising out of the Scheme shall be to final decision of Income Tax Authority and approval of the Scheme by this Hon'ble Court may not deter the Income Tax Authority to scrutinize the tax returns filed by the Petitioner Company after giving effect to the Amalgamation. The decision of the Income Tax Authority is binding on the Petitioner Company.

10. So far as the observation in paragraph 6 (a) of the Affidavit of Regional Director is concerned, the Petitioner Companies through its Counsel undertake that Petitioner Companies will pass such accounting entries which are necessary in connection with this Scheme to comply with any other applicable Accounting Standards.

11. So far as the observation in paragraph 6 (b) of the Affidavit of Regional Director is concerned, the Learned Counsel for the Petitioner Companies submit that the Petitioner Companies are bound to comply

with all applicable provisions of Income Tax Act and all tax issues arising out of the Scheme will be met and answered in accordance with law.

12. The Learned Counsel for Regional Director on instructions of Mr. M. Chandana Muthu, Joint Director Legal in the office of the Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai states that they are satisfied with the undertakings given by the Petitioners. The above undertaking is accepted.
13. 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.
14. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition Nos. 809 to 814 of 2014 are made absolute in terms of prayers clause (a), (b) and (d) and 815 of 2014 is made absolute in terms of prayer clauses (a), (c) to (f).
15. The Petitioner Companies to file a copy of this order and the Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of the Order.

16. Petitioners are directed to file a certified copy of order along with a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically, along with E Form INC- 28 in addition to physical copy as per the relevant provisions of the Companies Act, 1956/2013 whichever is applicable.
17. The Petitioner Companies to pay costs of Rs.10,000/- each to the Regional Director, Western Region, Mumbai and the Petitioners in the Company Scheme Petition Nos. 809 to 814 of 2014 to pay costs of Rs.10,000/- each to the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from the date of the Order.
18. Filing and issuance of the drawn up order is dispensed with.
19. All concerned regulatory authorities to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court (O. S.), Bombay.

(S. J. Kathawalla, J.)