



**JTL
INDUSTRIES
LIMITED**
(Formerly known as JTL Infra Limited)
STEEL PIPES

Regd. & Corp. Off.: S.C.O. 18-19, Sector 28-C
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CIN: L27106CH1991PLC011536

Dated: 31.03.2023

The General Manager, Department of Corporate Services, BSE Limited, P.J. Towers, Dalal Street, Mumbai – 400 001	Metropolitan Stock Exchange of India Limited Building A, Unit 205A, 2nd Floor, Piramal Agastya Corporate Park, L.B.S Road, Kurla West, Mumbai – 400070
BSE Scrip Code – 534600	MSEI Scrip Code- JTLIND

Dear Sir

Subject : Intimation under Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 -Sanction of Scheme of Merger by Absorption of Chetan Industries Limited (“Transferor Company”) with the Company (“Transferee Company”).

This is to inform you that the Hon’ble National Company Law Tribunal, Chandigarh Bench (‘NCLT’), vide its order dated 30.03.2023, has approved the Scheme of Merger by Absorption of Chetan Industries Limited (referred as “Transferor Companies”) with JTL Industries Limited (‘Transferee Company’ or ‘the Company’) under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder.

A copy of the order of the Hon’ble NCLT received today is attached herewith as **ANNEXURE-1**.

The Appointed Date of the Scheme is 1st April, 2021.

Kindly take the same on record.

**For JTL Industries Limited
(Formerly known as JTL Infra Limited)**

**Gurinder Makkar
Company Secretary & Compliance Officer
M.No.: F5124**

Unit - I

Gholu Majra, Derabassi
Chd.-Ambala Highway, Distt. Mohali
Punjab 140 506 (India)

Unit - II

Vill. Koste Budruk, Post Nizampur
Taluka Mangaon, Raigad 402120
Maharashtra (India)

Unit - III

Jagan Road, Backside Aggarwal Bhawan
Sirhind Side, Mandi Gobindgarh 147301
Punjab (India)

THE NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH, CHANDIGARH

CP (CAA) No.87/Chd/Chd/2022
(2nd Motion)

Under Sections 230 to 232 of the
Companies Act, 2013.

IN THE MATTER OF SCHEME OF AMALGAMATION OF:

Chetan Industries Limited

with its registered office at
SCF No. 18-19, Sector 28 C,
Chandigarh-160002
PAN: AACC9253E
CIN: U26941CH1995PL017464

... Transferor Company/ Petitioner Company No.1

And

JTL Industries Limited

with its registered office at
SCF No. 18-19, Sector 28 C,
Chandigarh-160002
PAN: AAACJ8505G
CIN: : L27106CH1991PLCO11536

... Transferee Company/ Petitioner Company No.2

Order delivered on: 30.03.2023

Coram: HON'BLE MR. HARNAM SINGH THAKUR, MEMBER (JUDICIAL)
HON'BLE MR. SUBRATA KUMAR DASH, MEMBER (TECHNICAL)

Present :-

For the Applicant Company : 1. Mr. Anand Chhibbar Senior Advocate
2. Mr. Vaibhav Sahni, Advocate
3. Mr. Suman Kumar Jha, Advocate
4. Mr. Shikhar Sarin, Advocate

For the Income Tax Department : 1. Mr. Gauri neo Rampal, Advocate
2. Mr. Aditya Mehtani, Advocate

CP (CAA) No. 87/Chd/Pb/2022
(2nd Motion)



PER: MR. HARNAM SINGH THAKUR, MEMBER (JUDICIAL)

Judgement

This is a joint second motion company petition filed by the petitioner-Companies, namely; **CHETAN INDUSTRIES LIMITED** (for short hereinafter referred to as Transferor Company/Petitioner Company No.1), and **JTL INDUSTRIES LIMITED** (Transferee Company/Petitioner Company No.2) under Section 230-232 of Companies Act, 2013 (the Act) and other applicable provisions of the Act read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the Rules) in relation to the Scheme of Amalgamation between the Applicant Companies.

2. The Petitioner Companies have prayed for sanctioning of the Scheme of Amalgamation between the respective companies. The said Scheme is attached as Annexure P-1 of the petition.

3. The joint first motion application seeking directions for dispensing with the requirement for convening the meetings of the Equity Shareholders of Applicant company No.1, and to convene the meetings of Equity Shareholders of Applicant No.2 and Secured and Unsecured Creditors of both the applicant companies was filed before this Tribunal by Company Application No.CA (CAA) No.47/Chd/Chd/2022 and based on such application necessary directions were issued on 26.09.2022. In the order dated 26.09.2022, the meeting of the Equity Shareholders of Applicant Company No.1 were dispensed with for the reasons mentioned in the aforesaid order and meetings of Equity Shareholders of Applicant No.2, Secured and Unsecured Creditors of both applicant companies were to be convened on 19.11.2022 and 20.11.2022.



4. In compliance of the directions issued by this Tribunal, the Chairperson, Alternate Chairperson and Scrutinizer were also appointed and they have filed their reports which are as under:

Sr. No.	Meetings of	Chairpersons /Alternate Chairperson/ Scrutinizer	Diary No.	Date of report of Chairperson	Date of Scrutinizer's Report	Date of meeting
1	Equity Shareholders of Applicant Company No.2	Ms. Munisha Gandhi, Senior Advocate, Chairperson,	01862/3 dated 29.11.2022	26.11.2022	23.11.2022	20.11.2022
3	Secured Creditors of Applicant No.1				23.11.2022	19.11.2022
4	Secured creditors of applicant No.2	Mr. Vishal Aggarwal, Advocate Alternate Chairperson			23.11.2022	20.11.2022
5	Unsecured Creditors of Applicant No.1	Mr. Vipul Garg, Chartered Accountant, Scrutinizer			24.11.2022	19.11.2022
7	Unsecured Creditors of Applicant No.2				23.11.2022	20.11.2022

5. As per Chairperson's Reports, the Equity Shareholders of Applicant Company No.2, Secured and Unsecured Creditors of both applicant companies have unanimously passed the resolution approving the Scheme.

6. The main objects, date of incorporation, authorized and paid-up share capital and the rationale of the Scheme have been discussed in details in the order dated 26.09.2022.



7. In the second motion proceedings, certain directions were issued by this Tribunal by order dated 14.12.2022 and the same were compiled by filing affidavits by Diary No. 03087/4 dated 21.02.2023. The notice of hearing was published by Petitioner Companies in "Financial Express" (English) and "Jansatta" (Hindi) both in All India Edition on 08.02.2023 and the original copies of the newspapers are attached as Annexure A-2 of the aforesaid affidavit. It has also stated in the affidavit that copies of notices were served upon the (1) Central Government through the Regional Director (Northern Region), Ministry of Corporate Affairs; (2) The Concerned Registrar of Companies (3) The Official Liquidator attached to Punjab and Haryana High Court and (4) The jurisdictional Income Tax Authorities, and (5) Securities and Exchange Board of India by way of speed post. Original Postal Receipts along with tracking reports evidencing service of notices are attached as Annexure A-1 of the aforesaid affidavit.

8. It is deposed by the authorized signatories of the applicant companies that till date, no objection to the scheme has been received by the petitioner-Company or the advocate on behalf of the petitioner-Company on any of the addresses as mentioned in the notice of hearing. The aforesaid affidavit has been filed by Diary No. 03087/5 dated 24.02.2023.

9. In response to the abovementioned notices, the statutory authorities have furnished their responses.

9.1 **Registrar of Companies (RoC)/Regional Director (RD)**

9.1.1. The Regional Director (RD) has filed its report along with the report of the Registrar of Companies (RoC), by Diary No. 03087/3 dated 24.02.2023. Para 9 of the report of the Regional Director sets out certain



observations based on Clause 29 of the report of RoC, Chandigarh dated 25.01.2023 which are reproduced below:-

"I. The Authorized Capital of the Transferee company, after the scheme becoming effective, shall be in accordance with section 232(3)(i) of the Companies Act, 2013. As per Section 232 (3) (i) of the Companies Act, 2013, the fee, if any, paid by the Transferor Company on its Authorized Capital shall be set-off against any fee payable by the Transferee Company on its authorized capital subsequent to the amalgamation.

II. As per the Auditor's report for financial year 2021-2022, the Transferor Company has provided guarantee to Standard Chartered Bank for credit facilities availed by its associate company i.e. JTL Infra Limited (Transferee Company). The aggregate amount of guarantee provided is Rs. 4500 Lakhs. As per Audit Report, the guarantee provided & terms and conditions therein are not prima facie prejudicial to the interest of the company.

III. There are deferred tax assets (Net) of Rs. 37.26 lakhs as on 31.03.2022 in case of transferor company.

IV. The transferor company has securities premium Reserve balance of Rs. 846.85 lakhs as on 31.03.2022.

V. The Transferee Company is an associate company of the transferor company.

VI. The Transferee Company has deferred tax liabilities of Rs. 225.32 lakhs as on 31.03.2022.

VII. The Transferee Company has formed wholly owned subsidiary on 05.01.2022 with an Authorized Capital of Rs. 5 Lakh.

VIII. The Transferee Company has contingent liabilities of Rs. 960.26 lakhs as on 31.03.2022.

IX. The Transferee Company has entered into related party transaction during the year ended 31.03.2022 and has outstanding balances."

9.1.2. Subsequently, the petitioner companies have submitted responses by diary No. 03087/6 and 03087/7, all dated 27.02.2023 stating that all the observations made by the Regional Director in respect to the said scheme of amalgamation are merely factual in nature and does not require any response.

9.1.3. After perusal of the observations made by the RD/RoC, the directions with regard to the payment of the fee payable by Transferee Company on its revised authorized share capital is made in the subsequent



paragraph. Thus, no adverse observation can be inferred from the report of the Regional Director/ Registrar of Companies.

9.2 Income Tax Department

9.2.1. The Income Tax Department filed its reports by Diary Nos. 03087/1 dated 13.01.2023. It has been stated by the Income Tax Department that there is outstanding demand in respect of the Petitioner Company No. 1 amounting to Rs. 1,47,780 for AY 2011-12, Rs. 4,816 for AY 2013-14, Rs. 4,70,750 for AY 2017-18 and Rs. 29,490 for AY 2018-19 is pending. It is further mentioned that a demand amounting to Rs. 2,04,161/- for A.Y. 2006-07, Rs. 1,09,31,266/- for A.Y. 2009-10, Rs. 1,64,70,570/- for A.Y. 2010-11, Rs. 44,368/- for A.Y. 2011-12, Rs. 14,78,120/- for A.Y. 2017-18, Rs. 4,48,170/-, for A.Y. 2019-20, Rs. 10,580/- for A.Y. 2020-21, Rs. 1,44,120/- for A.Y. 2021-22 with regard to Petitioner Company No. 2 and appeals are pending for AY 2009-10 and 2010-11.

9.2.2. The petitioner companies have filed its responses by diary No. 03087/6 and 03087/7, all dated 27.02.2023 stating that certain demands and appeals are pending against the Petitioner Companies and it is undertaken that all the demands pending from Transferor Company shall be met by the Transferee Company after the effectiveness of the scheme of amalgamation. The demands and appeals in relation to the Transferee Company shall be dealt in the normal course of business.

9.2.3. In this context, we observe that this Tribunal is not shutting out the legitimate interest of the income-tax authorities to recover the lawful dues payable by the petitioner companies, and the scheme provides the



savings in relation to the liabilities as well. The rights of the tax authorities remain intact, and they can proceed against the companies in accordance with the law if any amount is found due and payable by the petitioners.

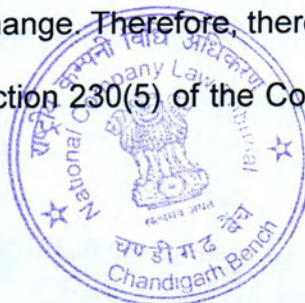
9.2.4. Thus, no adverse observation can be inferred from the report of the Income Tax Department.

9.3 Official Liquidator

9.3.1. The Official Liquidator has filed his report by Diary No. 03087/2 dated 07.02.2023. The Official Liquidator in its report has reproduced the information on the incorporation of the Petitioner Companies, their capital structure, financial highlights, shareholding, etc. The Official Liquidator has also reproduced the extracts of Reports of the Statutory Auditors of the Petitioner Companies on the Financial Statements.

9.3.2. Thus, no adverse observation can be inferred from the report of the Official Liquidator.

10. The Petitioner Companies by Diary No 03087/6 dated 27.02.2023 an affidavit has been filed, in which the Applicant Companies have stated that No Objections in respect to the Scheme (Annexure P-1) have been raised by the Bombay Stock Exchange and Metropolitan Stock Exchange. The petitioner companies have filed no observation letters dated 07.07.2022 and 08.07.2022 issued by the Bombay Stock Exchange and Metropolitan Stock Exchange respectively wherein has been stated that the petitions are filed before this Tribunal only after processing and communication of comments/observations on the draft scheme by SEBI/Stock Exchange. Therefore, there is no requirement to send notices as mandated under Section 230(5) of the Companies Act, 2013 to



the SEBI again. Additionally, The petitioner companies have also served notices to the Securities and Exchange Board of India (SEBI) and Copies of notices issued are attached as Annexure A-1 of Diary No 03087/6 dated 27.02.2023. However, there is no reply from the concerned authorities till now. Considering the lapse of time in the matter, it is presumed that there is no objection to the proposed Scheme of Amalgamation.

11. The certificate of the Statutory Auditors with respect to the Scheme between Petitioner Companies to the effect that the accounting treatment proposed in the Scheme is in compliance with applicable Indian Accounting Standards (Ind AS) as specified in Section 133 of the Act, read with rules thereunder and other Generally Accepted Accounting Principles is attached as Annexure P-12 of the petition.

12. We have heard the learned counsel for petitioner companies and learned counsel for the Income Tax Department and have perused the record carefully.

13. In the context of the above discussion, the proposed Scheme between the petitioner companies appears to be prima facie in compliance with all the requirements stipulated under the relevant Sections of the Companies Act, 2013. As the observations from the Statutory Authorities have been duly addressed by the Petitioner Companies and since all the requisite statutory compliances have been fulfilled, this Tribunal sanctions the Scheme of Amalgamation attached as **Annexure P-1** with the petition.

14. Notwithstanding the submission that no investigation is pending against the Applicant No. 1 Company, if there is any deficiency found or, the violation committed qua any enactment, statutory rule or regulation, the sanction granted by this Tribunal will not come in the way of action being taken, albeit, in



accordance with the law, against the concerned persons, directors and officials of the petitioners.

15. While approving the scheme as above, it is clarified that this order should not be construed as an order in any way granting exemption from payment of stamp duty, taxes or any other charges, if any, payment is due or required in accordance with law or in respect to any permission/compliance with any other requirement which may be specifically required under any law.

THIS TRIBUNAL DO FURTHER ORDER:

- i. That all the property, rights and powers of the Transferor Company be transferred, without further act or deed, to the Transferee Company and accordingly, the same shall pursuant to Sections 230 & 232 of the Act, be transferred to and vested in the Transferee Company for all the estate and interest of the Transferor Company but subject nevertheless to all charges now affecting the same; and
- ii. That all the liabilities and duties of the Transferor Company be transferred, without further act or deed, to the Transferee Company and accordingly the same shall pursuant to Sections 230 to 232 of the Act, be transferred to and become the liabilities and duties of the Transferee Company;
- iii. All benefits, entitlements, incentives and concessions under incentive schemes and policies that the Transferor Company are entitled to include under Customs, Excise, Service Tax, VAT, Sales Tax, GST and Entry Tax and Income Tax laws, subsidy receivables from Government, grant from any governmental authorities, direct tax benefit/exemptions/deductions, shall, to the extent statutorily available



and along with associated obligations, stand transferred to and be available to the Transferee Company as if the Transferee Company was originally entitled to all such benefits, entitlements, incentives and concessions;

- iv. All contracts of the Transferor Company which are subsisting or having effect immediately before the Effective Date, shall stand transferred to and vested in the Transferee Company and be in full force and effect in favour of the Transferee Company and may be enforced by or against it as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obliged thereto;
- v. All the employees of the Transferor Company shall be deemed to have become the employees and the staff of the Transferee Company with effect from the Appointed Date, and shall stand transferred to the Transferee Company without any interruption of service and on the terms and conditions no less favourable than those on which they are engaged by the Transferor Company, as on the Effective Date, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans and any other retirement benefits;
- vi. That the Appointed Date for the Scheme shall be **01.04.2021** as specified in the Scheme;
- vii. That the proceedings, if any, now pending by or against the Transferor Companies be continued by or against the Transferee Company;



- viii. That the Transferee Company shall, without further application, allot to the existing members of the Transferor Companies shares of Transferee Company to which they are entitled under the said Scheme;
- ix. That the fee, if any, paid by the Transferor Company on their authorized capital shall be set off against any fees payable by the Transferee Company on its authorized capital subsequent to the sanction of the 'Scheme';
- x. That the assessment under the Income Tax Act will be in accordance with the provisions of Section 170 (2A) of the Income Tax Act, 1961;
- xi. That the Transferee Company shall file the revised memorandum and articles of association with the concerned Registrar of Companies and further make the requisite payments of the differential fee (if any) for the enhancement of authorized capital of the Transferee Company; after setting off the fees paid by the Transferor Company ;
- xii. That the Petitioner Companies shall, within 30 days after the date of receipt of this order, cause a certified copy of this order to be delivered to the concerned Registrar of Companies for registration and on such certified copy being so delivered, the Transferor Company shall be dissolved without undergoing the process of winding up. The concerned Registrar of Companies shall place all documents relating to the Transferor Company registered with him on the file relating to the said Transferee Company, and the files relating to the Companies and Transferee Company shall be consolidated accordingly, as the case may be; and

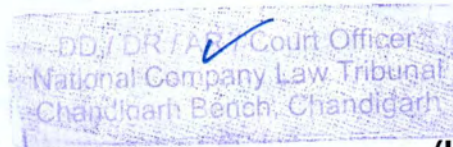


- xiii. That any person interested shall be at liberty to apply to this Tribunal in the above matter for any directions that may be necessary.
16. As per the aforesaid directions, formal orders in Form No. CAA-7 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 be issued after the filing of the Schedule of Properties within three weeks from the date of receiving a certified copy of this order by the petitioners.
17. All the concerned Regulatory Authorities are to act on a copy of this order annexed with the Scheme duly authenticated by the Registrar of this Bench.
18. The Company Petition CP (CAA) No.87/Chd/Chd/2022 is allowed and disposed of accordingly.

Sd/-


(Subrata Kumar Dash)
Member (Technical)

March 30, 2023
VN/SA



Sd/-

(Harnam Singh Thakur)
Member (Judicial)


31.03.23



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OF THE ORIGINAL

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