



August 23, 2024

To,
The Listing Department
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

To,
The Listing Department
National Stock Exchange of India Limited,
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051

Scrip Code - 544014

Scrip Symbol - HONASA

Sub: Intimation of receipt of order of the Hon'ble National Company Law Tribunal, Chandigarh Bench ("Tribunal") under Company Application No. 21/Chd/Hry/2024 filed in relation to the Scheme of Amalgamation ("Scheme") between Just4Kids Services Private Limited ("Applicant Transferor Company"), Fusion Cosmeceutics Private Limited ("Non-Applicant Transferor Company No. 1") and with Honasa Consumer Limited ("Non-Applicant Transferee Company") and their respective shareholders and creditors under the provisions of Sections 230-232 of the Companies Act, 2013 and other applicable provisions thereof.

Dear Sir/Madam,

In relation to the above-cited subject, we would like to inform that the Hon'ble Tribunal has passed the order on 22nd August 2024 in relation to the Scheme of Amalgamation under Company Application No. 21/Chd/Hry/2024. The Hon'ble Tribunal has inter alia dispensed with holding meetings of the Equity Shareholders, Series A Preference Shareholders and Series A1 Preference Shareholders of the Applicant Transferor Company. Further, the Hon'ble Tribunal has directed the Applicant Transferor Company to send notices to (a) the Regional Director, Northern Region, Ministry of Corporate Affairs; (b) Concerned Registrar of Companies; (c) the Income Tax Department through concerned Nodal officers; (iv) Jurisdictional Official Liquidator; (v) Drugs Controller General of India, Ministry of Health and Family Welfare; (vi) Securities and Exchange Board of India (vii) Bombay Stock Exchange (viii) National Stock Exchange and/or any other sectoral regulators or authorities which are likely to be affected by the Scheme, seeking their representation if any, in connection with the Scheme.

Honasa Consumer Limited

Registered Office: Unit No - 404, 4th Floor, City Centre, Plot No 05, Sector-12, Dwarka New Delhi 110075
Corporate Office: 10th And 11th Floor, Capital Cyberscape Ullahwas, Bhondsi, Gurgaon, Haryana, India, 122102
Email: info@mamaearth.in; Phone: 0124 - 4880828 | Website: www.honasa.in
| CIN: L74999DL2016PLC306016 |



A copy of the said order dated 23rd August 2024 has been enclosed herewith.

We request you to take the above information on record.

Thanking you,

For **Honasa Consumer Limited**

Dhanraj Dagar
Company Secretary and Compliance Officer
(Membership No: A33308)

Honasa Consumer Limited

Registered Office: Unit No - 404, 4th Floor, City Centre, Plot No 05, Sector-12, Dwarka New Delhi 110075
Corporate Office: 10th And 11th Floor, Capital Cyberscape Ullahwas, Bhondsi, Gurgaon, Haryana, India, 122102
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**[NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH (COURT-I), CHANDIGARH**

CA (CAA) No. 21/Chd/Hry/2024

(1st Motion)

**Under Sections 230 to 232 of the
Companies Act, 2013, read with the
Companies (Compromises, Arrangements
and Amalgamations) Rules, 2016.**

IN THE MATTER OF SCHEME OF AMALGAMATION OF:

JUST4KIDS SERVICES PRIVATE LIMITED

CIN: U80302HR2010PTC107239

having its registered office at

10th and 11th floor, Capital Cyberscape,

Ullahwas, Sector 59, Gurgaon, Haryana-122102

..... Applicant Transferor Company

AND

FUSION COSMECEUTICS PRIVATE LIMITED

CIN: U24230DL20 03PTC423473

having its registered office at

Unit 404, 4th Floor, City Centre,

Plot No 05, Sector 12, Dwarka ,

New Delhi - 110075

...Non-Applicant Transferor Company No. 1

AND

HONASA CONSUMER LIMITED

CIN: U74999DL2016PLC306016

having its registered office at

Unit 404, 4th Floor, City Centre, Plot No 05,

Sector 12, Dwarka, New Delhi -110075

...Non-Applicant Transferee Company

AND

THEIR RESPECTIVE SHAREHOLDERS

Judgement delivered on: 22.08.2024

Coram: HON'BLE SH. HARNAM SINGH THAKUR, MEMBER (JUDICIAL)

HON'BLE MR. UMESH KUMAR SHUKLA, MEMBER (TECHNICAL)

Present:

For the Applicant Companies: Mr. Deepak Suri with Mr. K. V. Singhal, Advocates

**PER: HON'BLE SH. HARNAM SINGH THAKUR, MEMBER (JUDICIAL)
HON'BLE MR. UMESH KUMAR SHUKLA, MEMBER (TECHNICAL)**

ORDER

The present First Motion Company Application has been filed under Sections 230 to 232 of the Companies Act, 2013 (hereinafter referred to as the "Act") read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (hereinafter referred to as the "Rules") by Just4Kids Services Private Limited (hereinafter referred to as the "Applicant Transferor Company") in respect of amalgamation of Applicant Transferor Company and Fusion Cosmeceutics Private Limited (hereinafter referred to as the "Non Applicant Transferor Company No.1 ") into and with Honasa Consumer Limited (hereinafter referred to as the "Non-Applicant Transferee Company") (hereinafter Non-Applicant Transferor Company No. 1 and Non Applicant Transferee Company collectively referred to as the "Non Applicant Companies"). A copy of the above Scheme of Amalgamation (hereinafter referred to as the "Scheme") has been annexed as Annexure A-1 of the Application.

2. Applicant Transferor Company has prayed for dispensing with convening, holding and conducting of meetings of Equity Shareholders, Series A Compulsorily Convertible Preference Shareholders, Series A1 Compulsorily Convertible Preference Shareholders, Debenture Holders, Secured Creditors and Unsecured Creditors of Applicant Transferor Company and directing the Applicant Transferor Company to issue individual notices to the statutory authorities seeking their representation if any, in connection with the Scheme.

3. The registered office of the Applicant Transferor Company is situated in the State of Haryana, therefore the territorial jurisdiction lies with this Bench. It is stated in the Application that the registered offices of the Non-Applicant Transferor Company No.1 and Non-Applicant Transferee Company are situated in New Delhi i.e. within the jurisdiction of this Hon'ble Bench of the National Company Law Tribunal at New Delhi ("NCLT Delhi") and the Applicant Companies are moving a similar application before the NCLT, Delhi.

FACTS OF THE CASE

4. The facts of the case, as stated in the Application, are summarised below:

- (i) Just4Kids Services Private Limited, Applicant Transferor Company is a private limited company incorporated on 3rd June, 2010 under the provisions of the Companies Act, 1956. Its registered office was situated in the National Capital Territory of Delhi at 6129/1, D-6, Vasant Kunj, New Delhi 110070, which was shifted to Plot no. 56, 2nd Floor, 'Indo Asia House', Institutional Area, Sector 44, Gurugram, Haryana-122002 on 25th August, 2022, which was again shifted on 06th February, 2024 to the present address at 10th and 11th Floor, Capital Cyberscape, Ullahwas, Sector 59, Gurgaon, Haryana-122102. As on 31st December 2023, its authorised share capital is ₹19,00,000/- divided into 1,00,000 Equity Shares of ₹10/- each; 20,000 Compulsorily Convertible Preference Shares (0.1% Series A) of ₹10/- each, 20,000 Compulsorily Convertible Preference Shares (0.001% Series A1) of ₹10/- each & 5,000 Compulsorily Convertible Preference Shares (0.1% Series B) of ₹100/- each and issued, subscribed and paid-up share capital is ₹9,61,170/- divided into 58,997 Equity Shares of ₹10/- each, 17,838 Compulsorily Convertible Preference Shares (0.1% Series A) of ₹10/- each & 19,282 Compulsorily

Convertible Preference Shares (0.001% Series A1) of ₹10/- each. As per the audited accounts as on 31st March, 2023, it has the assets of ₹3366.07 lakh (comprising of non-current assets of ₹864.79 lakh and current assets of ₹2501.27 lakh), which is financed by the equity share capital (₹2624.72 lakh), non-current liabilities (₹195.93 lakh) and current liabilities (₹545.42 lakh). It is a wholly owned subsidiary of Non Applicant Transferee Company and presently engaged inter alia, in the business of operating and maintaining of a multilingual platform for creation of content. The clause III.B(9) of its Memorandum of Association permits and authorizes its amalgamation with the Non-Applicant Transferee Company. Its objects, as set out in its Memorandum of Association, inter alia, are as follows:

1. "To carry on the business so as to provide information, as directory cum information service provider to primarily, though not exclusively, parents for their kids growth and development, on all types of facilities and hyperlocally available platforms, including internet, mobile internet, call-centre, sms, magazines and newsletters in India and abroad. These local services and facilities include information on:
 - a) All kinds of creches, play schools, schools, hobby classes, other educational institutes, sports facilities and coaching centres, pediatrician, health and wellness, leisure activities, vacation and holiday trip agencies, kids toy shops and all other ancillary and incidental activities necessary for the holistic growth and development of kids.
2. To provide all the above-mentioned services in-house so as to provide holistic development support for all age groups of kids in India and abroad.
3. To build & provide products and solutions for businesses primarily, though not exclusively, targeting parents for kids related services in India and abroad. To create, operate, maintain and manage web-portal/s, software, social internet based platform, press to enable buying, selling, advertising and marketing, P R and communications, promotion and delivery/ distribution of all kinds of services related primarily, though not exclusively, to kids.
4. To be a franchisee, dealer, distributor or to appoint sole selling agents, franchisees, distributors, reseller etc. and to provide services in India or outside India for services related to kids.
5. To provide on-ground event management services for businesses/ institutions targeting parents/ kids in India and abroad.
6. To provide consultancy and advisory services to brands and
7. To aggregate, represent, market and generate sponsorships for kids-related events, media and marketing properties to companies and brands targeting kids/ parents in India and abroad.

8. To conceptualize, execute, promote and sell tickets with respect to events related to parents and kids in India and abroad.”

(ii) Fusion Cosmeceutics Private Limited, Non-Applicant Transferor Company No. 1, is a private limited company incorporated on 30th June, 2003 under the provisions of the Companies Act, 1956. Its registered office is situated at Unit 404, 4th Floor, City Centre, Plot No. 05, Sector 12, Dwarka, New Delhi-110075. As on 31st December 2023, its authorized share capital is ₹205,10,000/- divided into 11,65,000 Equity Shares of ₹10/- each & 8,86,000 Compulsorily Convertible Preference Shares of ₹10/- each and issued, subscribed & paid-up capital is ₹1,88,51,480/- divided into 10,00,045 Equity Shares of ₹10/- each & 8,85,103 Compulsorily Convertible Preference Shares of ₹10/- each. As per audited accounts as on 31st March, 2023, it has the assets of ₹1389.58 lakh (comprising of non-current assets of ₹2.19 lakh and current assets of ₹1387.37 lakh), which is financed by the equity share capital (₹100.00 lakh), instruments entirely in the nature of equity (₹497.18 lakh), other equity (₹-1497.63) non-current liabilities (₹804.69 lakh), and current liabilities (₹1485.32 lakh). It is a wholly owned subsidiary of Non-Applicant Transferee Company and presently engaged, inter alia, in the business of formulating and trading of skin care products. The clause III.B(11) of its Memorandum of Association permits and authorizes its amalgamation with the Non Applicant Transferee Company. Its objects, as detailed in clause III(A) of its Memorandum of Association, inter alia, are as follows:

"1. import, export, buy, sell, supply, distribute, indent, store, stock, maintain and otherwise handle, deal in and carry on business in all kinds and varieties of cosmetics, hair and skin products, toiletries, soaps, health, home and beauty care products, medicines, vitamins, drugs, mixtures, formulations, capsules, tablets, pills powders, syrups, liquids, oils, herbs and herbal nutritional supplements, lotions, ointments, foods, beverages, products including herbal teas, minerals, extracts, tinctures, suspensions, and all preparations in the system of Allopathy, Ayurveda, Homeopathy, Aroma Therapy, Flower Remedies, Unani, Naturopathy and all other therapies and related products and by-products. "

(iii) Honasa Consumer Limited, Non-Applicant Transferee Company, was incorporated on 16th September, 2016 under the provisions of the Companies Act, 2013 and is listed on the Bombay Stock Exchange and National Stock Exchange. It was incorporated as a private limited company in the name of "Honasa Consumer Private Limited", however vide fresh certificate of Incorporation dated 11th November, 2022, its name was changed to "Honasa Consumer Limited". Its registered office is situated at Unit 404, 4th Floor, City Centre, Plot No. 05, Sector 12, Dwarka, New Delhi-110075. As on 31st December 2023, its authorized share capital is ₹3,40,03,51,400/- divided into 34,00,00,000 Equity Shares of ₹10/ each; 580 Equity Shares of ₹100/ each; 290 Equity Shares of ₹90 each; 5,839 Compulsorily Convertible Non-Cumulative Preference Shares (0.001% Class A) of ₹10/- each; 1,885 Compulsorily Convertible Non-Cumulative Preference Shares (0.001% Class B) of ₹10/- each; 4,845 Compulsorily Convertible Non-Cumulative Preference Shares (0.001% Class C) of ₹10/- each; 4,161 Compulsorily Convertible Non-Cumulative Preference Shares (0.001% Class D) of ₹10/- each; 5,000 Compulsorily Convertible Non-Cumulative Preference Shares (0.001% Class E) of ₹10/- each & 5,000 Compulsorily Convertible Non-Cumulative Preference Shares (0.001% Class F) of ₹10/- each and issued, subscribed & paid-up capital is ₹3,21,74,67,570/- divided into 32,17,46,757 Equity Shares of ₹10/- each. As per audited accounts as on 31st March, 2023, it has the assets of ₹9290.64 lakh (comprising of non-current assets of ₹3442.82 lakh and current assets of ₹5847.82 lakh), which is financed by the equity share capital (₹6268.78 lakh), non-current liabilities (₹636.78 lakh) and current liabilities (₹2385.08 lakh). It is presently engaged, inter alia, in the business of trading of

a variety of beauty and personal care products such as baby care, skin care and other related products, which are manufactured through third party contract manufacturers under the brand name of 'Mamaearth', 'The Derma Co.', 'BBlunt', 'Aqualogica', and 'Ayuga'. The clause III.B.28 of its Memorandum of Association permits and authorizes the amalgamation of Applicant Transferor Company and Non-Applicant Transferor Company No. 1 with it. Its objects, as detailed in clause III(A) of its Memorandum of Association, inter alia, are as follows:

1. "To carry on the business of marketing, manufacturer of all kinds of goods, products, commodities and services as traders, wholesaler, distributors, stockiest, dealers, agents, suppliers, importers, repurchase and consultants of various items on the Company's online portals or websites as well as through e-commerce, m-commerce, internet, intranet, stores, stalls or kiosks set up across India or abroad or in any other manner.
 2. To carry on the business of purchasing, selling, distributing, trading, acting as an agent, franchising, collaborating exporting, importing, merchandising, manufacturing, designing, packaging and dealing with all kinds of products, goods, commodities, merchandise, accessories and equipment's relating to, which includes but is not limited to, beauty, fitness, personal health care, skin care, hair care, diet related, home remedies, homeopathy, ayurvedic, herbal and other alternative medical or therapeutic treatments, wellness products and equipment's and any other women centric products on the Company's online portals or websites as well as through e-commerce, m-commerce, internet, intranet, stores, stalls or kiosks set up across India or abroad or in any other manner."
- (iv) The copy of the Memorandum and Articles of Association along with the Certificate(s) of Incorporation and Master Data of the Applicant Transferor Company, Non-Applicant Transferor Company No.1 and Non-Applicant Transferee Company have been annexed with the Application as Annexure A-3(Colly.), Annexure A-7(Colly.) and Annexure A-11(Colly.) respectively.
- (v) A copy of the audited financial statements as on 31st March, 2023 along with the report of the auditors of the Applicant Transferor Company, Non-Applicant Transferor Company No.1 and Non-Applicant Transferee Company have been

annexed with the Application as Annexure A-4, Annexure A-8 and Annexure A-12 respectively.

- (vi) The unaudited provisional statement as on 31st December 2023 containing the details of assets and liabilities of the Applicant Transferor Company, Non-Applicant Transferor Company No.1 and Non-Applicant Transferee Company have been annexed with the Application as Annexure A-5, Annexure A-9 and Annexure A-13 respectively.
- (vii) Subsequent to the date of the aforesaid unaudited accounts, no substantial change has occurred in the financial position of Applicant Transferor Company, Non-Applicant Transferor Company No.1 and Non-Applicant Transferee Company.
- (viii) None of the Directors of the Applicant Transferor Company, Non-Applicant Transferor Company No.1 and Non-Applicant Transferee Company has any material interest in the Scheme and further their respective shareholding are as recorded in their respective register of shareholders. The lists of Directors of Applicant Transferor Company, Non-Applicant Transferor Company No.1 and Non-Applicant Transferee Company have been annexed with the Application as Annexure A-6, Annexure A-10 and Annexure A-14 respectively.
- (ix) The Scheme has been approved by the respective Board of Directors of the Applicant Transferor Company and Non-Applicant Transferor Company No.1 vide Board resolutions dated 19th April 2024. Additionally, the Audit Committee of the Non-Applicant Transferee Company vide resolution dated 19th April 2024 recommended the Scheme to the Board of Directors of the Non-Applicant Transferee Company. The Board of directors of the Non-Applicant Transferee

Company approved the Scheme vide Board Resolution dated 19th April 2024. The board resolutions passed by the Applicant Transferor Company, Non-Applicant Transferor Company No.1 and the Audit Committee Resolution of the Non-Applicant Transferee Company have been annexed with the Application as Annexure A-2 (colly).

- (x) The Appointed Date of the Scheme shall be 01st April 2023 or such other date as may be assented to and approved by the Board of Directors of the Companies and approved by the Tribunal.
- (xi) The Scheme has been proposed to achieve the following objectives, namely:
 - (a) Prevent cost duplication and bring in financial efficiencies. The resultant operations are expected to be substantially cost-efficient, which would result in maximizing overall shareholder value and will improve the competitive position of the combined entity;
 - (b) Eliminate layered structures and reduce managerial overlap;
 - (c) Contribute to furthering and fulfilling the objectives and business strategies of all the companies thereby accelerating growth, expansion, greater access to different market segments and development of the respective businesses;
 - (d) Bring concentrated management focus, integration streamlining of the management structure, seamless integration of policy changes and also help enhance efficiency and control;
 - (e) Greater efficiency in cash management of the Applicant Transferee Company by providing access to cash flow generated by combined business, which can be deployed more efficiently to fund organic and inorganic growth opportunities, working capital requirements to maximize shareholder value.
- (xii) The Scheme, as proposed, is not expected to adversely affect the interests of any of the interested parties. Further, the interests of the Equity shareholders, Secured and Unsecured creditors of the Non-Applicant Transferee Company shall be protected and would not impact the amounts payable to them by the Non-Applicant Transferee Company.
- (xiii) The net worth of the Non-Applicant Transferee Company is positive and there would be an excess of assets over the liabilities to the tune of

Rs.10,54,75,30,633/- (on the basis of unaudited financial statements of the Non-Applicant Transferee Company as on 31st December 2023) in the Company on the scheme being made effective. A certificate of net worth dated 25th April 2024 of Lovelesh & Company, Chartered Accountants, showing pre and post scheme net worth of the Non-Applicant Transferee Company has been annexed with the Application as Annexure A-24.

- (xiv) The Scheme does not attract Section 233 of the Companies Act, 2013, as the Scheme being the fulcrum of this Application is not contemplated between two small companies. It is a composite scheme between companies falling within the same group. In any case, Section 233(14) of the Companies Act 2013 enables the companies falling under the purview of Section 233 of the Companies Act 2013 to use the provisions of Section 232 of the Companies Act 2013 for the approval of any scheme for merger or amalgamation.
- (xv) The Applicant Transferor Company and Non-Applicant Transferor Company No.1 are wholly owned subsidiaries of the Non-Applicant Transferee Company and the provisions of Section 233 of the Act would apply to the present Scheme. However, Section 233(14) of the Act provides an option to the Applicant Companies to use the provisions of Section 232 of the Act for approval of any scheme for merger or amalgamation. In this regard, NCLT, Principal Bench, New Delhi has in CA(CAA)16/PB/2017 (Re. Max Medical Services Limited) allowed the applicant companies therein to exercise such options under section 232 of the Act instead of moving an application under section 233 of the Act. Further, in CP(CAA)143/NCLT/MB/MAH/2018, the Hon'ble NCLT, Mumbai Bench vide its Common Order dated 30th July, 2018 approved the Scheme of amalgamation of M/s Oricon Enterprises Limited

(transferee Company) with its wholly owned subsidiaries M/s Oriental Containers Limited and M/s Shinrai Auto Services Limited (transferor companies) permitting them to access the approval route under section 230 to 232 of the Act. Therefore, in terms of Section 233 (14) of the Act, there is no impediment in making a joint application under section 230 to 232 of the Act read with Rule 3(2) of the Rules, even if Section 233 of the Act is applicable to the proposed Scheme.

- (xvi) The Applicant and Non-Applicant Companies are companies within the same group, as the Applicant Transferor Company and Non-Applicant Transferor Company No.1 are the wholly owned subsidiaries of the Applicant Transferee Company since the Non-Applicant Transferee Company (along with its nominees) holds 100% share capital in the Applicant Transferor Company and Non-Applicant Transferor Company No.1. The Non-Applicant Transferee Company shall not issue any shares under the proposed Scheme. The existing shareholding of the Non-Applicant Transferee Company in each of the Applicant Transferor Company and Non-Applicant Transferor Company No.1 shall get cancelled and extinguished, pursuant to the proposed Scheme, hence there is no requirement of a valuation report for determining the share entitlement ration in that regard. Further, pursuant to Paragraph 7 of the circular bearing no. CFD/DIL3/CIR/2017/21 dated 10th March 2017 issued by Securities and Exchange Board of India, there is no requirement to obtain a valuation report from an independent chartered accountant, among others. A certificate of Lovelesh & Company, Chartered Accountants dated 26th April 2024 regarding no requirement of valuation report has been annexed with the Application as Annexure-A-25.

- (xvii) The transfer of the entire Business from the Applicant Transferor Company to the Non-Applicant Transferee Company does not require any approval from the Reserve Bank of India under the provisions of the Foreign Exchange Management Act, 1999.
- (xviii) The accounting treatment as proposed in the Scheme is in conformity with the accounting standards as prescribed under Section 133 of the Companies Act, 2013. The certificate from Statutory Auditors in relation to the accounting treatment as required under section 133 of the Companies Act, 2013 for the Applicant Transferor Company has been annexed with the Application as Annexure A-26. Corresponding certificates for the Non-Applicant Transferor Company 1 and Non-Applicant Transferee Company have been filed along with the Application before the Hon'ble NCLT at New Delhi.
- (xix) The Scheme is in no way, a Scheme of compromise or arrangement with the creditors as all the creditors will be paid in full as and when their respective amounts fall due in the usual course. That the present is not a Scheme of Corporate debt restructuring as envisaged under Section 230 (2) of the Act.
- (xx) No reduction of capital is being envisaged as part of the Scheme between the Applicant Companies.
- (xxi) The Applicant Transferor Company, Non-Applicant Transferor Company No.1 and the Non-Applicant Transferee Company are not falling under Section 6 of the Competition Commission of India Act, 2002 (hereinafter referred to as the "CCI"), as there is an intra-group merger exemption available as per item (9) of Schedule I of the CCI (Procedure in regard to the Transaction of Business relating to Combinations) Regulation, 2011 (hereinafter referred to as the

"Combination Regulation"), wherein more than 50% of the shares or voting right in each of the party to the merger are held by enterprise(s) within the same "group", merger is exempt from CCI notification given that the merger does not result in transfer from 'joint control' to 'sole-control' (Intra-group Merger Exemption). As the Applicant Transferor Company and Non-Applicant Transferor Company No.1 are wholly owned subsidiaries of Non-Applicant Transferee Company, they will be said to be belonging to the same group. Further, as no other entity controls or is in a position to influence the management or affairs of these entities, they are not required to notify or obtain approval from the CCI for the Scheme.

- (xxii) The Applicant Transferor Company is not governed by any other sectoral or regulatory authority(s), therefore, no special permission and approval is required to be obtained or service of the present Scheme is required to be made to any other sectoral or regulatory authority.
- (xxiii) The Applicant Transferor Company has 7 Equity Shareholders as on 22nd April 2024 as per the certificate of Sharp and Tannan, Chartered Accountants, certifying the list of Equity Shareholders (annexed with the Application as Annexure A-15). It has prayed to dispense with convening, holding and conducting meetings of its Equity Shareholders, as all the 7 Equity Shareholders have approved the Scheme without any modification/ amendment by way of affidavits and have also given their written consent for seeking dispensation from convening and holding the meeting for consideration and approval of the Scheme. The consent letters and affidavits of the Equity Shareholders and the supporting Board Resolutions of the

relevant corporate shareholders have been annexed with the Application as Annexure A-16 (colly).

(xxiv) The Applicant Transferor Company has 1 (One) Series A Compulsorily Convertible Preference Shareholder as per the certificate of Sharp and Tannan, Chartered Accountants, certifying the list of Series A Compulsorily Convertible Preference Shareholders as on 22nd April 2024 (annexed with the Application as Annexure A-17). It has prayed to dispense with convening, holding and conducting meetings of its Series A Compulsorily Convertible Preference Shareholders, as the sole Series A Compulsorily Convertible Preference Shareholder has approved the Scheme without any modification/ amendment by way of affidavit and also given their written consent for seeking from convening and holding the meeting for consideration and approval of the Scheme. The consent letter and affidavit of the Series A Compulsorily Convertible Preference Shareholder and the supporting Board Resolution of the relevant corporate shareholder have been annexed with the Application as Annexure A-18.

(xxv) The Applicant Transferor Company has 1 Series A1 Compulsorily Convertible Preference Shareholder as per the certificates of Sharp and Tannan, Chartered Accountants, certifying the list of Series A1 Compulsorily Convertible Preference Shareholders as on 22nd April 2024 (annexed with the Application as Annexure A-19). It has prayed to dispense with convening, holding and conducting meetings of its Series A1 Compulsorily Convertible Preference Shareholders, as the sole Series A1 Compulsorily Convertible Preference Shareholder has approved the Scheme without any modification/ amendment by way of affidavit and has also given its written consent for seeking

dispensation from convening and holding the meeting for consideration and approval of the Scheme. The consent letter and affidavit of the Series A1 Compulsorily Convertible Preference Shareholder and the supporting Board Resolution of the relevant corporate shareholder has been annexed with the Application as Annexure A-20.

(xxvi) There is no requirement for convening any meetings for Debenture Holders of the Applicant Transferor Company, as it does not have any Debenture Holder as on 22nd April 2024 as per the certificate from Sharp and Tannan, Chartered Accountants (annexed with the Application as Annexure A-21).

(xxvii) There is no requirement for convening any meetings for Secured Creditors of the Applicant Transferor Company as it does not have any Secured Creditors as on 22nd April 2024 as per the certificate from Sharp and Tannan, Chartered Accountants (annexed with the Application as Annexure A-22).

(xxviii) There is no requirement for convening any meetings for Unsecured Creditors of the Applicant Transferor Company, as it does not have any Unsecured Creditors as on 22nd April 2024 as per the certificate from Sharp and Tannan, Chartered Accountants (annexed with the Application as Annexure A-23).

(xxix) The status of consent of Equity Shareholders, Preference Shareholders, Debenture Holders, Secured Creditors and Unsecured Creditors of the Applicant Transferor Company has been summarised in the Table below:

Name of the Applicant Companies	Shareholders along with their consent						Creditors along with their consents					
	Equity Shareholder (A)	Consent of (A) with calculations	Series A Preference Shareholders (B)	Consent of (B) with calculations	Series A1 Preference Shareholders (B)	Consent of (B) with calculations	Debenture Holders (C)	Consent of (C) with calculations	Secured Creditors (D)	Consent of (D) with calculations	Unsecured Creditors (E)	Consent of (E) with calculations
Applicant Transferor Company	Seven (7)	100% consents received Annexure A-16 at Page 588 to 633 of Volume 4.	One (1)	100% consents received Annexure A-18 at Page 636 to 646 of Volume 4.	One (1)	100% consents received Annexure A-20 at Page 649 to 659 of Volume 4.	Nil	Not Required	Nil	Not Required	Nil	Not Required

ANALYSIS AND FINDINGS

5. As per Memorandum of Association of the Applicant Transferor Company, its registered office is situated in the National Capital Territory of Delhi, while its master data shows the same at Gurgaon, which is in the State of Haryana. Act The Applicant Transferor Company is directed to submit the correct Memorandum of Association along with an affidavit of compliance of necessary provisions of the and Rules.

6. The Applicant Transferor Company in para 6.34 has stated that it does not any Debenture Holders, Secured and Unsecured Creditors as on 22nd April, 2024 as per the lists certified by the Chartered Accountants, while as per para 3.5 of the Application has stated that as on 31st March, 2023, it has non-current liabilities of ₹195.93 lakh and current liabilities of ₹545.42 lakh. In view of the above, this Tribunal vide its Order dated 10th May, 2024 directed the Petitioner to file its audited provisional balance sheet as on 22nd April, 2024 along with reconciliation of the liabilities side of the balance sheet with the list of its Shareholders, Debentures Holders and Creditors. In compliance of the Order, it has filed, vide diary no. 01497/01 dated 27.05.2024, its unaudited management certified provisional financial statements as on 22nd April, 2024 along with reconciliation of its liabilities, the relevant part of which are shown below:

Equity and liabilities		
Equity		
Equity share capital	7	5.90
Instruments entirely in the nature of equity	8	3.71
Other equity	9	2,146.17
Total equity		2,155.78
Current liabilities		
Financial liabilities		
i. Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	11	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		-
Provisions	10	-
Other current liabilities	12	1.36
		1.36
Total liabilities		1.36
Total equity and liabilities		2,157.14

Particulars	Amount in INR lacs - as of 22 April 2024				
	As per Balance sheet	Secured	Unsecured	Others	Total
Non - current liabilities	-	-	-	-	-
Total Non-current liabilities (A)	-	-	-	-	-
Current Liabilities					
Financial Liabilities					
Trade payables	-	-	-	-	-
Provisions	-	-	-	-	-
Other current liabilities					
Statutory dues payable					
Provident fund	0.75	-	-	0.75	0.75
Labor welfare fund	0.61	-	-	0.61	0.61
Total Current liabilities (B)	1.36	-	-	1.36	1.36
Total Liabilities (A+B)	1.36	-	-	1.36	1.36

7. This Tribunal vide its Order dated 10th May, 2024 also directed the Petitioner to file an affidavit that no investigation is pending before Competition Regulator in India or abroad against any of the companies. In compliance of the Order, the Applicant Transferor Company has filed an affidavit, vide diary no. 01497/01 dated 27.05.2024, stating that there are no investigations or proceedings pending before the Competition Commission of India either against the Applicant Transferor Company or the Non-Applicant Transferor Company No. 1 and Non-Applicant Transferee Company. Moreover, no notice is required to be issued to CCI according to applicant as there is an intra-group merger exemption available as per item (9) of Schedule I of the Competition Commission of India (Procedure in regard to the transaction of Business relating to Combinations) Regulations, 2011.

8. The Non-Applicant Companies are in the business of formulating and trading of skin care products, beauty & personal care products and other preparations in the system of Allopathy, Ayurveda, Homeopathy, Aroma Therapy, Flower Remedies, Unani, Naturopathy, which are governed by the Drugs and Cosmetics Act, 1940 read with the Cosmetics Rules, 2020 and therefore, Drugs Controller General of India, Ministry of Health and Family Welfare may be one of the regulators.

9. Since this is the first motion application seeking order for dispensation/ convening of the meetings of Equity Shareholders, Preference Shareholders, Debenture Holders, Secured Creditors and Unsecured Creditors of the Applicant Transferor Company, the analysis has been limited to that and other issues would be analysed at the time of the Second Motion Petition of the Applicant Transferor Company.

10. The directions of this Bench in the present case are as under:

- I. The meetings of the Equity Shareholders, Series A Preference Shareholder and Series A1 Preference Shareholder of Applicant Transferor Company are dispensed with keeping in view the shareholding and ownership pattern of the Applicant Transferor Company and the fact that the consent to the proposed scheme of amalgamation by way of affidavits has been furnished by all of its Equity Shareholders, Series A Preference Shareholder and Series A1 Preference Shareholder as per the lists certified by the Chartered Accountant.
- II. The Applicant Transferor Company does not have any Debenture Holders, Secured Creditors and Unsecured Creditors, therefore the requirement of convening of meetings for the same does not arise.

III. The Applicant Transferor Company shall serve the notices upon the (i) Regional Director, Northern Region, Ministry of Corporate Affairs; (ii) Concerned Registrar of Companies; (iii) Income Tax Department through concerned Nodal Officers; (iv) jurisdictional Official Liquidator; (v) Drugs Controller General of India, Ministry of Health and Family Welfare (vi) Securities and Exchange Board of India (vii) Bombay Stock Exchange (viii) National Stock Exchange and such other sectoral regulators or authorities, which are likely to be affected by the Scheme and shall require that representations, if any, to be made by them, shall be made within a period of thirty days from the date of receipt of such notice pursuant to Section 230(5) of the Companies Act, 2013 read with Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 with suitable changes in the notice relating to waiver of the meetings. If no response is received by the Tribunal from the above authorities within 30 days of the date of receipt of the notice, it shall be presumed that such authorities have no representations to make on the Scheme.

IV. The Applicant Transferor Company shall file an affidavit in compliance of all the conditions laid down herein along with original proof of service to the above authorities.

11. In view of the above, the First Motion Company Application stands allowed by giving liberty to the Applicant Transferor Company to file Second Motion Petition in accordance with Rule 15 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 within 15 days after the expiry of period of 30 days as mentioned in Section 230(5) of the Companies Act, 2013.

12. A copy of this order be supplied to the learned counsel for the Applicant Transferor Company.

Sd/-

(Umesh Kumar Shukla)
Member (Technical)

August 22, 2024

Sd/-

(Harnam Singh Thakur)
Member (Judicial)