

**JBM AUTO LIMITED**

Plot No. 133, Sector 24,  
Fabridabad - 121 005 (Hr.)  
T: +91-129-4090200  
F: +91-129-2234230  
W: www.jbmgroup.com



**JBMA/SEC/2019-20/ 09**

**22<sup>nd</sup> June, 2019**

**The National Stock Exchange of India Ltd.**

Exchange Plaza, 5th Floor  
Plot No.C/1, G Block,  
Bandra Kurla Complex, Bandra (E)  
Mumbai – 400 051

**SCRIP CODE : JBMA**

**BSE Ltd.**

Phiroze Jeejeebhoy Towers,  
Dalal Street  
Mumbai - 400 001

**SCRIP CODE : 532605**

**Sub. : Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015**

Sir,

With reference to the captioned subject, this is to inform you that the Hon'ble National Company Law Tribunal, New Delhi Bench ("NCLT- Delhi"), has approved the scheme of amalgamation of JBM Auto System Private Limited (Transferor Company No. 1) with the JBM Auto Limited ("Transferee Company") vide its order dated 14<sup>th</sup> June, 2019 which is made available on the website of the NCLT – Delhi on 21<sup>st</sup> June, 2019.

However, pursuant to the scheme of Amalgamation, the merger shall be effective after receipt of the final order from the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT - Mumbai") in the matter of Amalgamation of JBM MA Automotive Private Limited (Transferor Company No. 2) with the JBM Auto Limited ("Transferee Company").

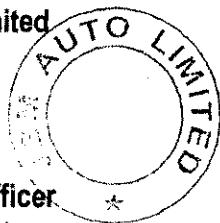
The Company has applied for and awaiting certified copy of the order with the scheme from NCLT - Delhi and a copy of the NCLT - Delhi order as downloaded from the website of NCLT - Delhi is enclosed herewith for your perusal and record please.

Thanking you,

Yours faithfully

For JBM Auto Limited

Vivek Gupta  
Chief Financial Officer  
& Company Secretary



Encl. : as above.

**Works :**

**Plant II :** Plot No. 5, Sector 31, Kasna Indl. Area, Greater Noida, Gautam Budh Nagar-201 306, T: +91-120-4522500, F: +91-120-4522504  
**Plant III :** 71-72, M.I.D.C. Satpur, Nashik - 422 007 (Maharashtra) T: +91 253 2207297 F: +91 253 2360559  
**Plant IV :** Plot No. B-2, Survey No. 1, Tata Motor Vendor Park, Sanand, Ahmedabad - 382 170 (Gujarat) T: +91 2717645180  
**Plant V :** Plot No. 157-E, Sector 3, Pithampur Industrial Area, Distt. Dhar - 454 775, Indore (M.P.) T: +91-129-2307312, F: +91-129-2307016  
**Plant VI :** Plot No. 118, Sector 59, HSIIDC, Industrial Estate, Ballabgarh, Faridabad - 121004 (Haryana) T: +91-129-2307312  
**Plant VII :** SP1-891, RIICO Industrial Area, Pathredi, Alwar - 303 107 (Rajasthan)  
**Plant VIII :** A-4, Industrial Estate, Kosi Kotwan, Mathura - 281 403 (Uttar Pradesh)  
**Corp. Office :** Plot No. 9, Institutional Area, Sector 44, Gurgaon-122 003 (Hr.) T : +91 124 4674500, 4674550 F : +91 124 4674599  
**Regd. Office :** 601, Hemkunt Chambers, 89, Nehra Place, New Delhi - 110 019 T : +91 11 26427104-06. F : +91 11 26427100  
**CIN :** L74899DL1996PLC083073

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL**

**AT NEW DELHI**

**BENCH-III**

**CAA-133(ND) 2018**

**CONNECTED WITH**

**CA (CAA)-109(ND)/2018**

**Coram: SHRI R.VARADHARAJAN, MEMBER (JUDICIAL)**

**MS. DEEPA KRISHAN, MEMBER (TECHNICAL)**

**In the matter of:**

**SECTIONS 230 to 232 OF THE COMPANIES ACT, 2013**

**AND**

**IN THE MATTER OF SCHEME OF AMALGAMATION**

**BETWEEN**

**JBM AUTO SYSTEM PRIVATE LIMITED  
TRANSFEROR COMPANY NO.1 / PETITIONER COMPANY NO. 1**

**AND**

**JBM MA AUTOMOTIVE PRIVATE LIMITED  
TRANSFEROR COMPANY NO.2 / NON- PETITIONER COMPANY**

**WITH**

**JBM AUTO LIMITED  
TRANSFeree COMPANY / PETITIONER COMPANY NO. 2**

**AND**

**Their respective Shareholders and Creditors**

**MEMO OF PARTIES**

**1. JBM AUTO SYSTEM PRIVATE LIMITED**

601, HEMKUNT CHAMBERS,

89, NEHRU PLACE,

NEW DELHI 0 110019

..TRANSFEROR COMPANY NO. 1/ PETITIONER COMPANY NO. 1

**2. JBM MA AUTOMOTIE LIMITED**

PLOT NO. C-1/ 2, M.I.D.C. CHAKAN,

TAL-KHED, PUNE,

MAHARASHTRA- 410501

..TRANSFEROR COMPANY NO. 2/ NON- PETITIONER COMPANY

**3. JBM AUTO LIMITED**

601, HEMKUNT CHAMBERS,

89, NEHRU PLACE,

NEW DELHI 0 110019

..TRANSFEREE COMPANY / PETITIONER COMPANY NO. 2

**For the Petitioners:** MR. SANJAY GROVER/ DEVESH KUMAR VASISHT/  
NEERAJ ARORA (COMPANY SECRETARY IN  
PRACTICE)

**For the Respondent:** MR. MOHIT SHARMA, MS. VIBHOOTI ON BEHALF  
OF THE INCOME TAX AND MR. C. BALOONI,  
COMPANY PROSECUTOR OF RD

**ORDER**

**Delivered on: 14.06.2019**

1. The present petition has been filed by the petitioner companies being the Transferor Company no. 1 and the Transferee Company above named for the purpose of the approval of the scheme of arrangement, as contemplated between the companies and its shareholders by way of amalgamation of the JBM Auto System Private Limited and JBM MA Automotive Private Limited with JBM Auto Limited under Section 230 to 232 and other applicable provisions of the Companies Act, 2013( for brevity 'the Act') read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (for brevity 'the Rules') in relation to the Scheme of Amalgamation (hereinafter referred to as the 'SCHEME') proposed between all the companies and the said Scheme is also annexed as Annexure "A-1" to the petition.
  
2. From the records, it is seen that the First Motion seeking directions dispensing with the requirement for convening the meeting of the Equity Shareholders Of petitioner No. 1 and Preference Shareholders of petitioner No. 2 and seeking convening of the meetings for secured creditors and Unsecured Creditors of Petitioner No. 1, and equity shareholders, Secured and Unsecured Creditors of the Petitioner No. 2 was filed before this Tribunal vide CA (CAA) - 109 (ND) 2018 and based



on such application moved under Sections 230-232 of the Companies Act, 2013, directions were issued by this Tribunal, wherein the meeting of the Secured and Unsecured Creditors of the Petitioner No. 1 and Equity Shareholders, Secured Creditors and Unsecured Creditors of the Petitioner No. 2 were directed to be convened on 25<sup>th</sup> August 2018 vide order dated 04.07.2018, which was further modified on 12.07.2018 and the date of meetings to be convened were changed from 25.08.2018 to 24.08.2018.

3. In compliance with the directions issued by this Tribunal on 04.07.2018 and 12.07.2018, the Petitioner Companies have held the meeting as contemplated by the above said order on 24.08.2018 and to which effect the Chairperson appointed by this Tribunal has also filed his reports on 31.08.2018.
4. Under the circumstances, the Petitioner Companies has filed the present petition seeking for sanction of the Scheme of Amalgamation before this Tribunal, subsequent to the order of dispensation/convening of the meeting in relation to both the Petitioner Companies. On 17.10.2018 this Tribunal ordered Notice in the Second Motion petition moved by the Petitioner Companies in connection with the scheme of amalgamation, to the Central Government, Registrar of Companies, NCT of Delhi & Haryana, Regional Director (Northern Region) MCA, Income Tax Authorities, Official Liquidator, as well as other sectoral

regulators including SEBI and Stock Exchanges and to such other Objector(s), if any. The Petitioner were also directed vide said order to carry out publication in the newspapers "Business Standard" (English, Delhi Edition) and "Jansatta" (Hindi, Delhi Edition).

5. The Petitioner companies, it is seen from the records have filed an affidavit on 27.11.2018 in relation to the compliance of the order passed by the Tribunal as noted above and a perusal of the same discloses that the Petitioner Companies have effected the paper publication as directed by the Tribunal in one issue of the 'Business Standard' in English edition on 31.10.2018 and 'Jansatta' in Hindi edition on 01.11.2018. Further, the notices have been served to Central Government through the Regional Director (Northern Region, MCA), Registrar of Companies (NCT of Delhi & Haryana), Office of the Official Liquidator, Income Tax Authorities, The Securities Exchange Board of India and BSE Limited and National Stock Exchange Limited in compliance with the directions passed by this Tribunal and in proof of the same acknowledgements/receipts have also been enclosed.
6. That the Regional Director, Northern Region, MCA to whom notice was issued has filed its observation dated 29.11.2018 before this Tribunal, New Delhi and upon perusal of the same it is observed that that the Regional Director does not have any adverse observation/ remark against the Scheme of Amalgamation between the petitioner companies.

It is also reflected in the Representation Affidavit filed by RD at paragraph 8 which is to the following effect;

8 . That at para 31 of the report of the Registrar of Companies, It has been inter-alia stated as under:  
"Refer to clause 11 (b) of the proposed Scheme, the Transferee Company may be advised to comply with the provisions of section 232(3) (B) (i) r/w (12) of the Act".

The Petitioner Companies have filed a detailed reply to the observations/ Affidavit of RD, dated 31.11.2018 in which it is stated as follows :

"4.2 In respect of observation made in para 8 of affidavit of Ld. Regional Director, the Transferee Company hereby confirm and undertake to comply with the provisions of Section 232(3) (i) & 233 (11) r/w 233 (12) of the Companies Act, 2013 and hereby further state that applicable fees and charges, if any, with regard to payment of fee on increase in the authorized share capital of the Transferee Company subsequent to the sanction of scheme of merger after deducting the aggregate fee already paid by Petitioner Companies' on its pre-merger authorized share capital shall be paid by the Transferee Company to the Registrar of Companies as per the provisions of Companies Act, 2013."

7. That the report of the Official Liquidator filed on 29.11.2018 has been placed on record which states that the Official Liquidator has not received any complaint against the proposed scheme of Amalgamation from any person/party interested in the scheme. Hence, no objections has been made in the report submitted by the Official Liquidator.
8. (a) Further, the Department of Income Tax has filed its report vide diary no. 0710200432232018/9 dated 08.01.2019 in relation to Transferor

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Company No. 1, wherein Income Tax has made the following observation:

3. In the interest of revenue it is submitted that all demands, of whichever nature, under the Income Tax Act, 1961 pending against the Transferor Company on the appointed date of merger shall be honored by the Transferee Company. As per the AST software on the systems of the I.T. department, demands as per the details given hereunder are outstanding against the transferor company M/s. JBM Auto Systems Pvt. Ltd. :-

Status of outstanding demand of M/s. JBM Auto Systems Pvt. Ltd.

Assessment Year	Demand Outstanding (Amt. in Rs.)
2004-05	5,37,974/-
2006-07	72,75,938/-
2008-09	58,67,231/-
2010-11	7,24,188/-
2013-14	40,57,410/-

The Petitioner has filed an additional reply affidavit on behalf of the Transferor Company No. 1 to the representation of the Income Tax Department, dated 15.03.2019 and represents that in respect of outstanding income tax of Rs. 5,37,974/- for the Assessment Year 2004-2005, the assessment order under section 147 of Income Tax Act, 1961 in respect of AY 2004-2005 was passed on 28.12.2011 wherein assessing officer has made an addition of Rs. 6,49,865/- in respect of non-deduction of TDS and thereby demanded as income Tax of Rs. 2,33,137/- and an appeal was filed against the order of Assessing officer before the Commissioner of Income Tax (Appeals) and CIT (Appeal) vide order dated 20.07.2018 allowed such appeal and therefore there is no

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pending income tax demand in respect of the Transferor / Petitioner Company no. 1 for the Assessment Year 2004-2005. In addition to the outstanding income tax demand of Rs. 72,75,938/- for the Assessment Year 2006-2007 , the transferor / petitioner company no. 1 has filed a rectification application with Additional Commissioner of Income Tax on June 24, 2008 inter- alia apprising the department about incorrect chargeability of interest amount and thereby claiming a refund of Rs. 13,10,676/- which is still pending for disposal. The commissioner of income tax vide its order dated 25.07.2011 for A.Y. 2007-2008 allowed a refund of Rs. 18,03,266/-. It is further represented that the outcome of aforesaid rectification application filed by the petitioner is yet to come and that the Transferee / Petitioner Company No. 2 undertakes that any income tax liability arising pursuant to aforesaid rectification application, the same will be paid by the Transferee / Petitioner Company No. 2. Further in respect to the Outstanding income tax demand of Rs. 58,67,231/- , Rs. 7,24,188/- , Rs. 40,57,410/- for the assessment years 2008-2009, 2010-2011 and 2013-2014 respectively, in relation to such demand the petitioner has filed an appeal with the commissioner of Income Tax which is still pending for disposal, and the Transferee company confirms and undertakes that all proceedings , under the Income Tax Act, 1961 pending against the Transferor Companies on the appointed date of merger shall be honored by Transferee Company.

Further in reply to the other observations the Income Tax Department has filed a further reply dated 10.04.2019, representing the current

outstanding Income Tax demand of the Transferee/ Petitioner Company

No. 1 which is concluded in the below table:

Assessment Year	Outstanding Income Tax Demand
2004-05	Rs. 3,36,900/-
2006-07	No Demand
2008-09	Rs. 62,72,766/ (The assessee has claimed TDS Rs. 63,82,186/- against which credit of Rs. 3,09,266/-)
2010-11	Rs. 7,24,190/- ( The assessee claimed TDS of Rs. 22,09,608/- against which credit of Rs. 15,97,655/- only was allowed.)
2013-14	Rs. 40,58,410/-

(b) Further, the Income tax has filed its reply in respect of JBM Auto Limited, vide diary no. 12282 dated 10.12.2018, and has made the following observation:

“8. If after the order, finalizing merger is passed and before the intimation to the Department of said order, any proceeding is initiated against the transferor companies it shall be deemed to have been initiated against the transferee company to the extent of the terms of the merger of the transferor companies.”

And to the observations made by the Income Tax Department the Petitioner Company has filed a reply vide diary no. 11990 dated

29.11.2019, and undertakes to comply with all the observations of the Income Tax Department.

9. The petitioner companies during the First Motion stage have filed the Observation Letters from the BSE and NSE dated 04.06.2018 as annexure 20, conveying No-Objection to the Scheme of Amalgamation.
10. The Petitioner Companies has complied with proviso to Section 230 (7) proviso/ Section 232 (3) by filing the certificate of the Company's Auditor in relation to compliance with the Accounting Standards notified under Section 133, the applicable accounting standard notified by the Central government under the Companies Act, 2013 and the rules framed there under.
11. The Transferee Company has submitted that no investigation proceedings are pending against it under section 210 or any other applicable provisions of the Companies Act, 2013.
12. In view of absence of any other objections having been placed on record before this Tribunal and since all the requisite statutory compliances having been fulfilled, this Tribunal sanctions the scheme of amalgamation annexed as Annexure "A-1" with the Company Petition as well as the prayer made therein. In relation to non-petitioner it is represented that in view of the registered office situated outside the territorial jurisdiction of this Tribunal, Company Petition in C.P. No. (CAA)4660/MB/2018 has been preferred and is listed for final disposal.

13. Notwithstanding the above, if there is any deficiency found or, violation committed qua any enactment, statutory rule or regulation, the sanction granted by this court will not come in the way of action being taken, albeit, in accordance with law, against the concerned persons, directors and officials of the petitioners.
14. 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 in accordance with law or in respect to any permission/compliance with any other requirement which may be specifically required under any law. Further the sanction accorded to the Scheme is subject to approval of sanction accorded by NCLT, Mumbai.

**THIS TRIBUNAL DO FURTHER ORDER:**

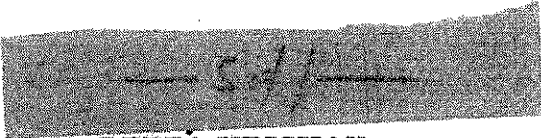
- (1) That all the property, rights and powers of the Transferor Company No. 1 be transferred without further act or deed to the Transferee company and accordingly the same shall pursuant to section 232 of the Act, be transferred to and vest in the Transferee company for all the estate and interest of the Transferor Company No.1 therein but subject nevertheless to all charges now affecting the same;
- (2) That all the liabilities and duties of the Transferor Company No. 1 be transferred without further act or deed to the Transferee company and

accordingly the same shall pursuant to section 232 of the Act, be transferred to and become the liabilities and duties of the Transferee company;

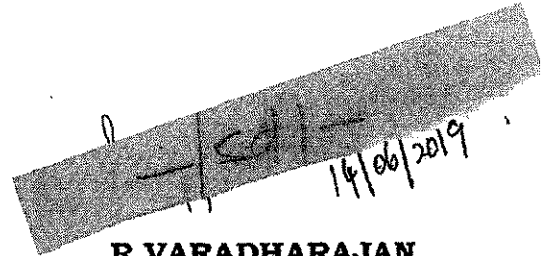
- (3) That all proceedings now pending by or against the Transferor Company No. 1 be continued by or against the Transferee company;
  
- (4) That all the employees of the Transferor Company No.1 in service on date immediately preceding the date on which the scheme finally take effect shall become the employees of the Transferee company without any break or interruption in their service;
  
- (5) That the Transferee Company do without further application allot to the persons entitled of the Transferor Companies, as have not given such notice of dissent, the shares in the transferee company to which they are entitled under clause no. 2.1 of Part -II of the said SCHEME OF AMALGAMATION;
  
- (6) That Transferor Company No. 1 shall within thirty days of the date of the receipt of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered the Transferor Company No. 1 shall be dissolved and the Registrar of Companies shall place all documents relating to the Transferor Company No.1 and registered with

him on the file kept by him in relation to the Transferee company and the files relating to the said both companies shall be consolidated accordingly;

- (7) That any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary.



**DEEPA KRISHAN**  
**MEMBER (TECHNICAL)**



**R.VARADHARAJAN**  
**MEMBER (JUDICIAL)**

U.D Mehta/K