



FREE OF COST COPY

**IN THE NATIONAL COMPANY LAW TRIBUNAL: NEW DELHI**  
**COURT - IV**

Item No. 504  
CP(CAA)/63/ND/2022

**IN THE MATTER OF:**

Jasch Industries Limited  
And  
Jasch Gauging technologies limited

...

Applicant

**Order under Section 230-232 of Companies Act, 2013.**

**Order pronounced on 12.09.2023**

**Coram:**

**MR. P.S.N. PRASAD,**  
**HON'BLE MEMBER (JUDICIAL)**  
**DR. BINOD KUMAR SINHA,**  
**HON'BLE MEMBER (TECHNICAL)**

**PRESENT:**

For the Applicant :  
For the Respondent :

**ORDER**

Order pronounced in open Court vide separate sheets.

CP(CAA)/63/ND/2022 stands allowed.

Sd/-

**DR. BINOD KUMAR SINHA**  
**MEMBER (TECHNICAL)**

Sd/-

**P.S.N. PRASAD**  
**MEMBER (JUDICIAL)**



  
19/09/2023  
सहायक पंजीयक  
ASSISTANT REGISTRAR  
राष्ट्रीय कम्पनी विधि अदिकरण  
NATIONAL COMPANY LAW TRIBUNAL  
C.G.O. COMPLEX, NEW DELHI-110002



**IN THE NATIONAL COMPANY LAW TRIBUNAL  
NEW DELHI BENCH  
COURT-IV  
COMPANY PETITION NO. (CAA) 63/ND/2022  
CONNECTED WITH  
COMPANY APPLICATION NO. (CAA) 13/ND/2022**

In The Matter of Section 230-232 Of the Companies Act, 2013 Read with Other Relevant Provisions Of The Companies Act, 2103 Read With The Companies (Compromises, Arrangements And Amalgamations) Rules, 2016

**IN THE MATTER OF SCHEME OF ARRANGEMENT**

JASCH INDUSTRIES LIMITED

...DEMERGED COMPANY/PETITIONER COMPANY NO. 1  
AND

JASCH GAUGING TECHNOLOGIES LIMITED

...RESULTING COMPANY/PETITIONER COMPANY NO. 2  
AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

**Order Delivered on: 12.09.2023**

**CORAM:**

**SHRI P.S.N. PRASAD, HON'BLE MEMBER (JUDICIAL)**

**DR. BINOD KUMAR SINHA, HON'BLE MEMBER (TECHNICAL)**

**PRESENT:**

For the Applicant : Mr. Yashoj Guglani, Adv., Mr. Aanish Gupta,  
Mr. Narendra Thakur, Mr. Saurabh Agarwal &  
Mr. Sachin Khurana, CSs  
For the OL : Ms. Hemlata Rawat, Adv.

**ORDER**

**PER: DR. BINOD KUMAR SINHA, MEMBER (TECHNICAL)**

1. This petition has been jointly filed by the petitioner companies under section 230-232 of the Companies Act, 2013, read with Rule 15, 16, 20 and 24 of the Companies (Compromises, Arrangements, Amalgamations) Rules, 2016 and the National Company Law Tribunal Rules, 2016 namely M/s Jasch Industries Limited (Demerged Company/Petitioner Company No. 1) and Jasch Gauging Technologies





Limited (Resulting Company/Petitioner Company No. 2) for sanction to the proposed Scheme of Demerger ("the Scheme"). The copy of the Scheme of Demerger has been placed on record.

2. The Demerged Company /Petitioner Company No. 1 i.e., M/s Jasch Industries Limited was incorporated on 11.12.1985 under the provisions of the Companies Act, 1956 bearing CIN: L24302DL1985PLC383771, having its registered office situated at 502, Block-C, NDM-2, Netaji Subhash Place, Pitampura, Delhi-110034. The Authorized Share Capital of the Demerged Company/Petitioner Company 1 is Rs. 14,00,00,000 divided into 1,40,00,000 Equity Shares of Rs. 10/- each. The Issued, Subscribed and Paid-up Share Capital of the Company is Rs. 11,33,00,000/- divided into 1,13,30,000 Equity Shares of Rs. 10/- each.
3. The Resulting Company/Petitioner Company No. 2 i.e., M/s Jasch Gauging Technologies Limited was incorporated on 25.05.2021 under the provisions of the Companies Act, 2013 bearing CIN: U33111DL2021PLC381513, having its registered office situated at 502, Block-C, NDM-2, Netaji Subhash Place, Pitampura, Delhi-110034. The Authorized Share Capital of the Resultant Company/Petitioner Company 2 is Rs. 4,00,00,000/- divided into 40,00,000 Equity Shares of Rs. 10/- each. The Issued, Subscribed and Paid-up Share Capital of the Company is Rs. 5,00,000/- divided into 50,000 equity shares of Rs. 10/- each.





4. The Petitioner Companies submit that the proposed scheme would have the following benefits:

- i. The Demerged Undertaking and the Remaining Undertaking have their own set of strengths and dynamics in the form of nature of risks, competition, challenges, opportunities and business methods, leading to different growth potentials. Hence, segregation of the two undertakings would enable a focused management to explore the potential business opportunities effectively and efficiently;
- ii. The demerger would result in achieving efficiency in operational processes by designing and implementing independent strategies specifically designed for the two businesses and in optimizing profitability. This would in turn enhance the shareholders' wealth.
- iii. Targeting and attracting new investors with specific focus and expertise in the two businesses, thereby providing the necessary funding impetus to the long-term growth strategy of the two businesses;
- iv. The Demerger will help in growth of the Demerged Company and Resulting Company by providing scope of independent collaborations and expansion;
- v. Consequent to the demerger of the Demerged Undertaking, the issued, subscribed and paid-up equity shares capital of the Demerged Company will also be reorganized by way of reduction





of such proportion of the paid-up equity share capital of the Demerged Company which has been issued as fully paid-up equity shares in the Resulting company as on the Record Date in terms of Clause 16.1 of this Scheme. The reorganization and consequent reduction of the paid-up equity share capital of the Demerged Company will result in improved financial ratios;

vi. Pursuant to the Scheme, the equity shares issued by the Resulting Company would be listed on BSE. Therefore, the existing shareholders of the Demerged Company would hold the shares of two listed entities after the Scheme becoming effective. Such shareholders would then be able to choose whether they want to remain invested in either or both the businesses/operations of the Demerged Company, giving them flexibility in managing their investment in the two businesses having differential dynamics.

5. The appointed date of the proposed scheme of arrangement is 01<sup>st</sup> April, 2021 or such other date as may be approved by the National Company Law Tribunal. Considering the time already elapsed during the pendency of this petition. This Tribunal now prescribes that the appointed date of the proposed demerger shall be 01.04.2022.

6. A perusal of the petition discloses that initially the First Motion application, seeking dispensation from convening the meetings of Equity Shareholders, Secured and Unsecured Creditors of the Applicant Companies, was filed before this Tribunal, vide Company Application CA(CAA)13/(ND)/2022 and based on such joint





application, moved under Sections 230-232 of the Companies Act, 2013, the Tribunal vide its order dated 24.02.2022 dispensed with the requirement of convening/holding meeting of shareholders and unsecured creditor of the Resulting Company and Secured Creditor of Demerged Company. There were nil Secured Creditors of the Resulting Company therefore the requirement of holding/convening the meeting of Secured Creditors of the Resulting Company did not arise. Further, vide order dated 24.02.2022 read with order dated 25.03.2022, this Tribunal directed convening the meeting of Shareholders and Unsecured Creditors of the Demerged Company. In compliance with the directions of this Tribunal, notice of the meeting of Equity Shareholders and Unsecured Creditors of the Demerged Company were published in “Business Standard” (English, Delhi Edition) and in “Jansatta” (Hindi, Delhi Edition) dated 11<sup>th</sup> April, 2022. The Chairperson’s report dated 10.05.2022 for the meeting of Equity Shareholders of Demerged Company has been filed. It transpires from the report of the Chairperson that majority of Members present at the meeting representing three-fourths in value cast their votes in favour of the Scheme. Therefore, the aforesaid resolution was passed with the requisite majority. The Chairperson’s report for the meeting of Unsecured Creditors of the Demerged Company has been filed on 18.05.2022. It transpires from the said report of Chairperson that the unsecured creditors have unanimously voted in favour of the Proposed Scheme of Arrangement.



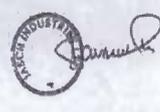


7. Vide order dated 02.06.2022 passed by this Tribunal, the petitioner companies were directed to serve notice to the statutory authorities. It is seen from record that the petitioner companies have filed an affidavit dated 12<sup>th</sup> July, 2022 affirming compliance and disclosing that the applicants have effected publication in “Business Standard” (English Delhi Edition) and “Jansatta” (Hindi Delhi Edition) both dated 22<sup>nd</sup> June, 2022. In addition to the public notice, notices were also served by hand and email to the Regional Director (Northern Region), Registrar of Companies, NCT of Delhi and Haryana, the Income Tax Department, Securities and Exchange Board of India and BSE Ltd., by uploading it at their listing centre.
8. Pursuant to the notice issued to the Regional Director, Income Tax Department and Official Liquidator they have filed their respective reports and participated in the proceedings.
9. The Regional Director in its letter dated 15.07.2022 had made certain observations with regard to the Scheme of Demerger among the Petitioner Companies. The Applicant Companies had filed reply dated 10.11.2022 in response to the observations made by the Regional Director, under wherein the Petitioner Companies gave clarification to the observations made by the Regional Director. The details of which are given below:

Observations	Observations made by Regional Director in its letter dated 10.11.2022	Reply made by the Petitioner Companies dated 16.11.2022
1.	The Resulting Company proposes in Clause 16.3 of the Scheme to issue equity shares worth Rs. 4.53 Crores to shareholders of Demerged Company. However, the Authorized Capital of the Resulting Company is only 4 crores out of	Pursuant to Clause 16.11 & 16.12 of the Scheme, upon Scheme coming into effect on the Effective Date, the authorized share capital of Resulting Company shall stand enhanced to Rs. 5,00,00,000 (Rupees Five Crore) divided into 50,00,000 (Fifty Lakh) equity shares having face value of Rs. 10 (Ten) each, without any





	<p>which equity shares worth Rs. 5 Lakh has already been issued and paid-up. The company, hence, needs to increase its Authorized share capital as prescribed under section 61 of the Companies Act, 2013 read with relevant rules and pay full fees.</p>	<p>further act or deed by the Resulting Company for purpose of such enhancement of the authorised share capital of the Resulting company. We hereby undertake will pay requisite fees and stamp duty as may required on the increased authorised share capital upon sanction of the Scheme by this Tribunal.</p>																																																																																																										
<p>2.</p>	<p>Schedule of Assets and Liabilities of Demerged undertaking not given. The same may be provided.</p>	<p>Schedule of Assets and Liabilities of Demerged Undertaking is reproduced hereunder:</p> <p style="text-align: right;"><b>ANNEXURE A</b></p> <p style="text-align: center;"><b>DETAILS OF ASSETS AND LIABILITIES OF DEMERGED UNDERTAKING AS ON 31ST MARCH 2021</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Particulars</th> <th style="text-align: center;">Amount (Rs. in lakh)</th> </tr> </thead> <tbody> <tr> <td colspan="2"><b>ASSETS</b></td> </tr> <tr> <td colspan="2"><b>Non-Current Assets</b></td> </tr> <tr> <td>a) Property, plant and equipment</td> <td></td> </tr> <tr> <td>i) Tangible assets</td> <td style="text-align: right;">820.19</td> </tr> <tr> <td>ii) Intangible assets</td> <td style="text-align: right;">-</td> </tr> <tr> <td>ii) Capital work-in-progress</td> <td style="text-align: right;">-</td> </tr> <tr> <td>b) Investments in subsidiaries, controlled entity</td> <td style="text-align: right;">0.04</td> </tr> <tr> <td>c) Financial assets</td> <td></td> </tr> <tr> <td>Investments</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Other financial assets</td> <td style="text-align: right;">-</td> </tr> <tr> <td>d) Other non-current assets</td> <td style="text-align: right;">0.20</td> </tr> <tr> <td colspan="2"><b>Current assets</b></td> </tr> <tr> <td>a) Inventories</td> <td style="text-align: right;">347.95</td> </tr> <tr> <td>b) Financial assets</td> <td></td> </tr> <tr> <td>i) Investments</td> <td style="text-align: right;">-</td> </tr> <tr> <td>ii) Trade receivables</td> <td style="text-align: right;">373.82</td> </tr> <tr> <td>iii) Cash and cash equivalents</td> <td style="text-align: right;">235.58</td> </tr> <tr> <td>iv) Bank Balances other than cash and cash equivalents</td> <td style="text-align: right;">31.54</td> </tr> <tr> <td>v) Other financial assets</td> <td style="text-align: right;">2,049.68</td> </tr> <tr> <td>c) Other current assets</td> <td style="text-align: right;">11.03</td> </tr> <tr> <td><b>TOTAL ASSETS</b></td> <td style="text-align: right;"><b>3,670.08</b></td> </tr> <tr> <td colspan="2"><b>LIABILITIES</b></td> </tr> <tr> <td colspan="2"><b>Non-current liabilities</b></td> </tr> <tr> <td>a) Financial liabilities</td> <td></td> </tr> <tr> <td>i) Borrowings</td> <td style="text-align: right;">-</td> </tr> <tr> <td>ii) Lease liabilities</td> <td style="text-align: right;">-</td> </tr> <tr> <td>b) Deferred tax liability (Net)</td> <td style="text-align: right;">65.18</td> </tr> <tr> <td colspan="2"><b>Current liabilities</b></td> </tr> <tr> <td>a) Financial liabilities</td> <td></td> </tr> <tr> <td>i) Borrowings</td> <td style="text-align: right;">-</td> </tr> <tr> <td>ii) Lease liabilities</td> <td style="text-align: right;">-</td> </tr> <tr> <td>iii) Trade payables</td> <td style="text-align: right;">269.36</td> </tr> <tr> <td>iv) Other financial liabilities</td> <td style="text-align: right;">2.94</td> </tr> <tr> <td>b) Other current liabilities</td> <td style="text-align: right;">634.85</td> </tr> <tr> <td>c) Provisions</td> <td style="text-align: right;">23.57</td> </tr> <tr> <td>d) Current Tax Liabilities (Net)</td> <td style="text-align: right;">42.06</td> </tr> <tr> <td><b>TOTAL EQUITY AND LIABILITIES</b></td> <td style="text-align: right;"><b>1,027.96</b></td> </tr> </tbody> </table> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">   <p>Dr. Anil Kumar Managing Director</p> </div> <div style="text-align: center;">   <p>Dr. Anil Kumar Managing Director</p> </div> </div> <p style="text-align: center; font-size: small;">Details of Immovable Properties of Demerged Undertaking as on 31.03.2021.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">S.No.</th> <th style="text-align: center;">Particulars</th> <th style="text-align: center;">Address</th> <th style="text-align: center;">Book Value as at 31.03.2021. 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<p>3.</p>	<p>The Demerged Company is a Listed entity and Resulting Company is proposed to be listed upon approval of the Scheme. The applicants are requested to comply with relevant SEBI regulations as well.</p>	<p>Clause 6 of the Introduction envisage the Rationale for the Scheme of Arrangement (Page 3 of the Scheme) and specifically provide for listing of the equity shares of the Resulting company shall apply to the stock exchange for listing and admission to trading, of all the equity shares issued under this scheme. Further,</p>																																																																																																										





		<p>the Resulting company and the Demerged Company shall enter into such arrangements, complete such formalities and give such confirmation and/ or undertaking to the Stock Exchange or any other Appropriate Authority, as may be necessary in accordance with the Applicable Laws for the listing of equity shares of the Resulting Company issued in pursuance of this Scheme.</p> <p>It is again confirmed that both the Companies (i.e., the Demerged Company and the Resulting Company) shall comply with relevant SEBI Regulations upon approval of the Scheme by the NCLT and undertake necessary activities as may be required for listing of equity shares of the Resulting Company on the Stock Exchange.</p>
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10. The Regional Director in its final report filed vide affidavit dated 15.12.2022 has stated that the company has undertaken to increase the authorized share capital on payment of requisite fee. Also, it has attached details of Assets and Liabilities of the demerged undertaking as on 31.03.2021 along with details of immovable properties thus, the same may be made part of the order & company being listed entity the clearance of stock exchange & SEBI may be sought as resulting company is also proposed to be listed. In light of above the RD prayed to take his submissions into consideration and to satisfy itself about the scheme before passing any order or orders.

11. The Official Liquidator has filed its report dated 05.09.2022, wherein the following observations have made:

*“That while going through the petition/and annexure thereto, it has emerged that the proposed scheme is with regard to demerger of a particular undertaking of the Demerged Company into the Resulting Company. Since the Demerged Company is not going to be dissolved, hence this office is of the view that no report/representation under*





section 232(5) of the Companies Act, 2013 and Rules made thereunder is desired on the part of the Official Liquidator attached to the High Court of Delhi at New Delhi.”

12. The Income Tax Department has submitted its report dated 17.11.2022. Their observations raised with respect to M/s Jasch Industries Limited (Demerged Company) are as follows: -

a. Details of ITRs filed by the company are as follows: -



4

Company has been regularly filing ITR for A.Y. 2007-08 to 2020-21.

b. Details of total demand outstanding against the company are as follows: -

- i. Rs. 94,197/- w.r.t. AY 2008-09 u/s 143(1)
- ii. Rs. 83,490/- w.r.t. AY 2012-13 u/s 220(2)
- iii. Rs. 1,50,347/- w.r.t. AY 2012-13 u/s 271(1)(c)
- iv. Rs. 97,296/- w.r.t. AY 2012-13 u/s 154
- v. Rs. 1,42,160/- w.r.t. AY 2016-17 u/s 143(3)
- vi. Rs. 1,16,430/- w.r.t. AY 2018-19 u/s 143

c. Details of Proceedings pending against the Company are as follows: -

Assessment Proceedings u/s 147 of the Act are pending w.r.t. AY 2016-17

13. The Income Tax Department has submitted its report dated 17.11.2022. The observations raised with respect to M/s Jasch Guaging Technologies Limited (Resulting Company) are as follows: -





a. Details of ITRs filed by the company are as follows: -

As per ITBA Portal, no records found.

b. Details of total demand outstanding against the company are as follows: -

As per ITBA Portal, no demand pending.

14. The Petitioner Companies have filed a reply to the Counter Affidavit filed by the Assistant Commissioner of Income Tax, Circle-13(1), New Delhi on behalf of Income Tax Department dated 17.11.2022 which is reproduced as hereunder: -

a) e Clause 4 of the proposed Scheme of Arrangement already and expressly provides for the Compliances with the Tax Laws. The said clause 4 of the Scheme is reproduced below:

**CLAUSE 4. COMPLIANCES WITH THE TAX LAWS**

***"This Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the said provisions at a later date, including resulting from amendment of law or for any other reason whatsoever, the provisions of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income-tax Act, 1961. Such modification will, however, not affect other parts of the Scheme. The power to make such modifications / amendments, as may become necessary, shall vest with the Board of Directors of the Demerged Company, which can exercise the power at any time and shall be exercised in the best interest of the Demerged Company and the Resulting Company."***





- b) It is hereby further submitted that clause 11 of the proposed Scheme of Arrangement already and expressively contains an enabling provision to deal with the Legal Proceeding of whatsoever nature (i.e. Legal, Taxation and other civil and criminal proceeding). The said clause 11 is reproduced below: -



**CLAUSE 11. LEGAL PROCEEDING**

***“11.1 If any suit, appeal or other proceedings of whatsoever nature (legal, taxation and other proceedings whether civil or criminal including before any statutory or quasi-judicial authority or tribunal or any court of law), unless exclusively related to the Demerged Undertaking, by or against the Demerged Company is pending or instituted thereafter, the same shall be continued, prosecuted and enforced, by or against the Demerged Company, in the same manner***

***and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Demerged Company, as if this Scheme had not been made.***

***11.2 In the event of any difference or difficulty on whether any specific legal or other proceedings relates to the Demerged Undertaking or not, the decision of the Board of Directors of the Demerged Company and Resulting Company, as mutually agreed, in this regard shall be conclusive and binding on the Demerged Company and Resulting Company.”***





- c) It is hereby further submitted that, clause 12.5 of the proposed Scheme of Arrangement already expressively provides for the treatment of all tax liabilities, treatment of the carry forward losses and other statutory benefits under the Income-tax Act, 1961. The said clause 12.5 of the Scheme is reproduced below -

***“12.5 Any refunds or credits (including credits for minimum alternate tax, advance tax and tax deducted at source under the provisions of Income-tax Act, 1961), benefit or carry forward losses and other statutory benefits under the Income-tax Act, 1961, Service Tax laws, Central Sales Tax, Goods and Services Tax, applicable State Value Added Tax Laws or other applicable laws / regulations dealing with taxes /duties/ levies, due to the Demerged Company, relating to Demerged Undertaking, including refunds, benefits or credits consequent to the assessment made on Demerged Company (including any refund for which no credit is taken in the accounts of the Demerged Company) as on the date immediately preceding the Appointed Date shall also belong to and be received by the Resulting Company upon this Scheme becoming effective.”***



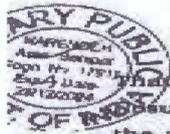


- d) It is hereby further submitted that, Clause 12.1 and 12.7 of the proposed Scheme of Arrangement already clearly provide for the treatment of all tax liabilities and pendency of rectification and refunds eligible w.r.t the Demerged Undertaking, for all purposes, be treated as tax, duty or cess liability, of the Resulting Company. The relevant extract from the scheme is reproduced hereunder.

**TREATMENT OF TAXES**

**"12.1 With effect from the Appointed Date and upon the Scheme becoming effective, all taxes and duties (including but not limited to income tax, Goods and Services Tax, etc.) paid or payable by Demerged Company, and relating to the operations of the Demerged Undertaking, including all advance tax payments, tax deducted at source, credits for minimum alternate tax, shall, for all purposes, be treated as tax, duty or cess liability, advance tax payments, tax deducted at source, credits for minimum alternate tax, as the case may be, of the Resulting Company.**

**12.7 Upon the Scheme coming into effect, any obligation of tax deduction at source on any payment made by or to be made by the Demerged Company relating to Demerged Undertaking shall be made or deemed to have been made and duly complied with by the Resulting Company."**



both the Companies i.e. Demerged Company and the Resulting Company will remain in existence after the approval of the said scheme by the Hon'ble National Company Law Tribunal, New Delhi Bench. It is hereby confirmed that all valid, legitimate and undisputed demands of the Income Tax Department which are outstanding/pending against the Demerged Company shall be met by the Demerged Company or Resulting Company as per the arrangement made in the scheme and the approval of the said

scheme shall not affect the said outstanding demands of the Income Tax in any manner.

- 5 In light of the aforesaid submissions, it is to be noted that the interest of the department is protected and considered in the aforementioned clauses of the Scheme and it is humbly prayed that the submission made by the Assistant Commissioner of Income Tax, Circle-13(1), New Delhi, vide its Counter Affidavit on behalf of Income Tax Department dated November 17, 2022, may kindly be dismissed and the present scheme of Arrangement between the Demerged Company & Resultant Company may please, be sanctioned.

15. The "No-objection/Observation letter" with no adverse observation from the BSE Ltd, the stock exchange where the equity shares of Applicant Company-I are listed, has also been obtained on November





03, 2021. A copy of the said letter has been placed on record, and the same is reproduced below:



DCS/AMAL/MJ/R37/2132/2021-22

"E-Letter"

November 03, 2021

The Company Secretary,  
JASCH INDUSTRIES LTD.  
602, Block-C, NDM-2, N.P.S.,  
Pitampura, New Delhi, Delhi, 110034.

Dear Sir,

**Sub: Observation letter regarding Draft Scheme of Arrangement between Jasch Industries Limited and Jasch Gauging Technologies Limited and their respective shareholders and creditors.**

We are in receipt of the Draft Scheme of Arrangement of Jasch Industries Limited filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated October 28, 2021 has inter alia given the following comment(s) on the draft scheme of Arrangement:

- "Company shall ensure that suitable disclosure about the latest financials of the companies involved in the Scheme being not more than 6 months old is done before filing the same with the Hon'ble National Company Law Tribunal"
- "Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the scheme with the stock exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- "Company shall duly comply with various provisions of the Circular."
- "Company shall ensure disclosure of percentage of business getting transferred to Jasch Gauging Technologies Limited. The same shall also be disclosed in the explanatory statement or notice accompanying the resolution to be passed, sent to shareholders while seeking their approval."
- "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."
- "It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT. Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

However, the listing of equity shares of Jasch Gauging Technologies Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. Further, Jasch Gauging Technologies Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange.

For Jasch Industries Limited

*(Signature)*  
Authorised Signatory  
JASCH GAUGING TECHNOLOGIES LIMITED



SEBI Registered (Formerly Bombay Stock Exchange Ltd)  
Floor 25, 26 & 27, Naraina, New Delhi 110028, India  
T: 011 2610 9700 | E: corpsec@sebi.gov.in | www.sebi.gov.in  
Corporate Identity Number: U26209DL1998PLC000000





The Company shall fulfil the Exchange's criteria for listing the securities of such company and also comply with other applicable statutory requirements. However, the listing of shares of Jasch Gauging Technologies Limited is at the discretion of the Exchange. In addition to the above, the listing of Jasch Gauging Technologies Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval and the Company satisfying the following conditions:

1. To submit the information Memorandum containing all the information about Jasch Gauging Technologies Limited in line with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange. Further, the company is also advised to make the same available to the public through its website.
2. To publish an advertisement in the newspapers containing all Jasch Gauging Technologies Limited in line with the details required as per the aforesaid SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid information Memorandum available on the website of the company as well as BSE.
3. To disclose all the material information about Jasch Gauging Technologies Limited on a continuous basis so as to make the same public, in addition to the requirements if any, specified in Listing Agreement for disclosures about the subsidiaries.
4. The following provisions shall be incorporated in the scheme:
  - I. The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange.
  - II. There shall be no change in the shareholding pattern of Jasch Gauging Technologies Limited between the record date and the listing which may affect the status of this approval.

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be Six Months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be is required to be served upon the Exchange seeking representations or objections if any.

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, would be accepted and processed through the Listing Centre only and no physical filings would be accepted. You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,  
Sd/-

Prasad Bhide  
Manager

For Jasch Industries Limited  
*[Signature]*  
JASCH GAUGING TECHNOLOGIES LIMITED  
AUTHORISED SIGNATORY



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16. Certificates of respective Statutory Auditors of both the petitioner companies, have been placed on record to the effect that Accounting Treatment proposed in the Scheme of Demerger is in conformity with the Accounting Standard notified by the Central Government as specified under the provisions of Section 133 of the Companies Act, 2013.





17. The Petitioner Companies have filed an affidavit dated 20.12.2021 affirming that there are no inquiry/investigation/inspection is neither pending nor received any notice of initiation of any such enquiry/investigation/inspection by any of the regulatory bodies.
18. Considering the reply of the Petitioner Companies and further, the undertakings of the Petitioner Companies, we find no legal impediment in approving the present scheme of arrangement.
19. It has also been affirmed in the petition that the Scheme is not prejudicial to the interest of equity shareholders and creditors of the Petitioner Companies. It is further submitted that the proposed Scheme of Arrangement will be beneficial to the Petitioner Companies and their respective shareholders and creditors. In view of the foregoing, upon considering the approval accorded by the members and creditors of the Petitioner companies to the proposed Scheme, there appears to be no impediment in sanctioning the present Scheme.
20. Consequently, sanction is hereby granted to the Scheme under Section 230 to 232 of the Companies Act, 2013 with the following directions: -
- i. The appointment date as proposed in the Scheme of Demerger is 1<sup>st</sup> April, 2021 or such other date as directed by the National Company Law Tribunal. Considering the time already elapsed during Pendency of the instant petition, the Appointed Date of the proposed demerger shall be 01.04.2022.
  - ii. The Petitioners shall always remain bound to comply with the statutory requirements in accordance with law.





- iii. Notwithstanding the sanction, if there is any deficiency found or, violation committed, qua any enactment, statutory rule or regulation, the sanction granted by this court to the scheme will not come in the way of action being taken in accordance with the law, against the concerned persons, directors and officials of the petitioners.
- iv. While approving the Scheme as above, we further clarify 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, and payment in accordance with law or in respect to any permission/compliance with any other requirement which may be specifically required under any law.

21. This Tribunal hereby further order: -

- a. That all properties, rights and powers of Demerged Undertaking be transferred without further act or deed to the Resulting Company and accordingly, the same shall pursuant to Section 230-232 of the Companies Act, 2013 be transferred to and vested in the Resulting Company for all intents, purposes and interest of the Demerged Undertaking subject nevertheless to all changes now affecting the same;
- b. That all the liabilities, (if any) and powers, engagements, obligations and duties of the Demerged Undertaking shall pursuant to Section 232(3) of the Companies Act, 2013 without further act or deed be transferred to the Resulting Company and





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accordingly the same will become the liabilities and duties of the Resulting Company; and

c. That all proceedings now pending by or against the Demerged Undertaking shall be continued by or against the Resulting Company;

d. That the Petitioner Companies, shall within thirty days of the date of the receipt of this order cause certified copy of this Order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the Demerged Undertaking shall be deemed to be transferred; and

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

22. The petition stands allowed on the above terms.

23. Let copy of the order be served to the parties.



Sd/-  
**DR. BINOD KUMAR SINHA**  
MEMBER (TECHNICAL)

Sd/-  
**P.S.N. PRASAD**  
MEMBER (JUDICIAL)

  
19/09/2023  
सहायक पंजीयक  
ASSISTANT REGISTRAR  
राष्ट्रीय कम्पनी विधि अधिकरण  
NATIONAL COMPANY LAW TRIBUNAL  
C.G.O. COMPLEX, NEW DELHI-110003