

IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT – 1, AHMEDABAD

ITEM No.301

C.P.(CAA)/55(AHM)2025in C.A.(CAA)/41(AHM)2025

Under Section 230-232 of the Companies Act, 2013

IN THE MATTER OF:

JKPL Utility Packaging Solutions Pvt. Ltd
Securipax Packaging Pvt. Ltd
Horizon Packs Pvt. Ltd
Enviro Tech Ventures Limited
PSV Agro Products Pvt. Ltd
JK Paper Limited

.....Applicants

Order delivered on: 03/02/2026

C O R A M:

MR. SHAMMI KHAN, HON'BLE MEMBER (J)
MR. SANJEEV SHARMA, HON'BLE MEMBER (T)

ORDER
(Hybrid Mode)

The case is fixed for pronouncement of order. The order is pronounced in the open court, vide separate sheet.

Sd/-

SANJEEV SHARMA
MEMBER (TECHNICAL)

Sd/-

SHAMMI KHAN
MEMBER (JUDICIAL)

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT-1, AHMEDABAD BENCH**

CP(CAA)/55(AHM)/2025

in

CA(CAA)/41(AHM)/2025

[Company Application under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016]

In the matter of Scheme of Arrangement

Memo of Parties

**JKPL Utility Packaging Solutions
Private Limited**

(CIN: U21014GJ2008PTC164944)

A Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at: P.O. Central Pulp Mills, Fort Songadh, District Tapi, Gujarat-394660.

..... Petitioner Company
No.1 / Transferor
Company 1

And

Securipax Packaging Private Limited

(CIN: U74999GJ1980PTC165257)

A Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at: P.O. Central Pulp Mills, Fort Songadh, District Tapi, Gujarat-394660.

..... Petitioner Company
No.2/Transferor
Company 2

And

Horizon Packs Private Limited

(CIN: U21014GJ2001PTC164178)

A Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at: P.O.

..... Petitioner Company
No.3/Transferor
Company 3

Central Pulp Mills, Fort Songadh,
District Tapi, Gujarat-394660.

And

Enviro Tech Ventures Limited

(CIN: U73100GJ2007PLC075963)

A Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at: P.O. Central Pulp Mills, Fort Songadh, District Tapi, Gujarat-394660.

..... Petitioner Company
No.4/Demerged
Company/Transferor
Company 4

And

PSV Agro Products Private Limited

(CIN: U01820GJ2017PTC164439)

A Company incorporated under the provisions of the Companies Act, 2013 and having its registered office at: P.O. Central Pulp Mills, Fort Songadh, District Tapi, Gujarat-394660.

..... Petitioner Company
No.5/Resulting
Company

And

JK Paper Limited

(CIN: L21010GJ1960PLC018099)

A Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at: P.O. Central Pulp Mills, Fort Songadh, District Tapi, Gujarat-394660.

..... Petitioner Company
No.6/Transferee
Company

Order pronounced on 03.02.2026

C O R A M

MR. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)

MR. SANJEEV SHARMA, HON'BLE MEMBER (TECHNICAL)

A P P E A R A N C E:

For the Petitioner Companies : Mr. Harsh Ruparelia, PCA
For the Regional Director : Mr. Shiv Pal Singh, Deputy
Director
For the Income Tax Dept. : Mr. Aman A Mir, Sr.
Standing Counsel
For the Official Liquidator : Mr. Sandeep Tupe, Technical
Assistant

O R D E R **Per Bench**

1. This joint Company Petition viz., **CP(CAA)/55(AHM) 2025** in CA(CAA)/41(AHM)/2025, has been filed by the petitioner companies under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act and the Companies (Compromise, Arrangement and Amalgamations) Rules, 2016 (hereinafter referred to as “Companies (CAA) Rules, 2016”), seeking approval of the proposed Scheme of Arrangement (Scheme) with effect from **01.04.2024 and 01.04.2025**, being the Appointed Dates as mentioned in the Scheme. The said Scheme is annexed as “**Exhibit-21**” to the Company Petition (Pg. 920 to 1003).
2. Affidavit dated 07.11.2025 in support of the Company Petition, was sworn by Rajesh Tripathi the Authorized Signatory of the petitioner companies, duly authorized vide Board Resolutions dated 13.12.2024, of Petitioner Companies. The aforesaid affidavits and board resolutions are placed on record along with the company petition. The Board Resolutions dated 13.12.2024 are annexed at

Exhibit-13 to Exhibit-18 (for First to Sixth Petitioner Company respectively) [Pages 865 to 903] to the company petition.

3. The proposed Scheme, *inter alia*, in short provides for Amalgamation of Transferor Companies 1, 2 and 3 [First to Third Petitioner Companies] into the Transferee Company [Sixth Petitioner Company] , reduction and conversion of redeemable preference shares of Enviro Tech Ventures Limited (Demerged Company for Part 'E' of the Scheme and Transferor Company No.4 for Part 'F' of the Scheme) into an unsecured loan and Demerger of the Demerged undertaking of Enviro Tech Ventures Limited (Demerged Company for Part 'E' of the Scheme and Transferor Company for Part 'F' of the Scheme) into PSV Agro Products Limited (Resulting Company or Fifth Petitioner Company) and amalgamation of Enviro Tech Ventures Limited (demerged Company for Part 'E' of the Scheme and Transferor Company for Part 'F' of the Scheme) with and into JK Paper Limited (Transferee Company or Sixth Petitioner Company) and re-organization of reserves of the Transferee Company post effectiveness of Scheme under Sections 230-232 read with Section 66 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013.

4. **JKPL Utility Packaging Solutions Private Limited/Transferor Company 1(Petitioner Company 1).**

It is a private limited company incorporated on 15.02.2008 under the provisions of the Companies Act, 1956. Its CIN is U21014GJ2008PTC164944. As on 30.06.2025, its authorized share capital was Rs.47,00,00,000/- and the issued, subscribed and paid-up share capital was Rs.40,70,08,100/-.

5. Securipax Packaging Private Limited / Transferor Company 2 (Petitioner Company 2)

It is a private limited company incorporated on 15.09.1980 under the provisions of the Companies Act, 1956. Its CIN is U74999GJ1980PTC165257. As on 30.06.2025, its authorized share capital was Rs.5,50,00,000/- and the issued, subscribed and paid-up share capital was Rs.5,45,00,000/-.

6. Horizon Packs Private Limited/Transferor Company 3 (Petitioner Company 3)

It is a private limited company incorporated on 20.08.2001 under the provisions of the Companies Act, 1956. Its CIN is U21014GJ2001PTC164178. As on 30.06.2025, its authorized share capital was Rs.3,38,96,66,290/- and the issued, subscribed and paid-up share capital was Rs. 3,16,75,39,990/-.

7. Enviro Tech Ventures Limited/Demerged Company/Transferor Company 4 (Petitioner Company 4)

It is a public limited company incorporated on 19.12.2007 under the provisions of the Companies Act, 1956. Its CIN is

U73100GJ2007PLC075963. As on 30.06.2025, its authorized share capital was Rs. 3,35,00,00,000/- and the issued, subscribed and paid-up share capital was Rs. 2,95,26,54,000/-.

8. PSV Agro Products Private Limited/Resulting Company (Petitioner Company 5)

It is a private limited company incorporated on 03.11.2017 under the provisions of the Companies Act, 2013. Its CIN is U01820GJ2017PTC164439. As on 30.06.2025, its authorized share capital was Rs.10,00,000/- and the issued, subscribed and paid-up share capital was Rs.1,00,000.

9. JK Paper Limited/Transferee Company (Petitioner Company 6)

It is listed company incorporated on 04.07.1960 under the provisions of the Companies Act, 1956. Its CIN is L21010GJ1960PLC018099. Its equity shares are listed on BSE Limited and the National Stock Exchange of India Limited. As on 30.06.2025, its authorized capital was Rs.500,00,00,000/- and the issued, subscribed and paid-up share capital was Rs.169,40,23,440/-.

10. The Petitioner Companies had filed a joint Company Application before this Tribunal, being CA(CAA)/41(AHM)2025. The said company application was allowed by this Tribunal vide order dated 08.09.2025 and

directed for convening and holding separate meetings of equity shareholders of all the petitioner companies, preference shareholders of petitioner company no.4, secured creditors of petitioner companies 1,2 and 4 and the unsecured creditors of petitioner companies 1,2,3,4 and 6. Further, directed for issuance of notice to Central Government through the Regional Director, to the Registrar of Companies, Gujarat, to the Official Liquidator (for Transferor Companies), to SEBI, BSE, NSE (for Transferee Company) and to the concerned Income Tax Department and copy to the Principal Chief Commissioner of Income Tax Office as well as other Sectorial Regulators, if applicable, who may have significant bearing on the operation of the Applicant Companies. Further, directed to submit, along with the second motion petition, the basis of management determination of the share entitlement ratio on account of the amalgamation and demerger and the value of the assets and liabilities as on the appointed date proposed to be transferred to the Transferee Company and Resulting Company.

- 11.** In compliance with the order dated 08.09.2025 passed by this Tribunal in CA(CAA)/41(AHM)2025, the Applicant Companies filed affidavit of service of notice on 04.11.2025, vide Inward No. D7091, regarding service of notice upon Statutory/Regulatory Authorities (Exhibits 34 to 39) as well as Chairman's service affidavits on 07.11.2025, vide inward no.D7092 (Exhibits 33A to 33F).

12. The aforesaid meetings were duly convened and held on 01.11.2025 and 02.11.2025. The Chairman has filed his reports on 10.11.2025, vide inward no.D7427, regarding the result of the aforesaid meetings, before this Tribunal in compliance with the order dated 08.09.2025.

13. RATIONALE OF THE SCHEME:

The Application states the following regarding the rational of the Scheme:

a) Object and rationale for amalgamation of Transferor Company 1, Transferor Company 2, Transferor Company 3 with and into Transferee Company:

The Transferor Company 1, Transferor Company 2, Transferor Company 3 are wholly owned subsidiaries of the Transferee Company (Petitioner Company 6). The amalgamation of the Transferor Company 1, Transferor Company 2, Transferor Company 3 with and into the Transferee Company is, inter alia, expected to yield the following benefits:

- (i) The Transferor Company 1, Transferor Company 2, Transferor Company 3, and the Transferee Company are engaged in similar line of business, and the Board of the respective companies has decided to consolidate all packaging business, manufacturing, and trading entities under the Transferee Company. The proposed consolidation of business operations through amalgamation will therefore lead to more efficient utilization of capital assets, supply chain, and customer relationships, thereby creating a stronger base for future growth;
- (ii) Facilitate flexibility in funding the capex of the Transferor Company 1, Transferor Company 2, Transferor Company 3, eliminate intra-group transactions and consequent cash flow blockages which shall result in efficient utilization of capital

at a group level;

- (iii) Assist in rationalizing the corporate structure and reduction of shareholding tiers.
 - (iv) Reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the Transferor Company 1, Transferor Company 2, Transferor Company 3 and Transferee Company.
 - (v) Result in savings of administration and other costs associated with managing separate entities
- b) Object and rationale for reduction and conversion of Redeemable Preference Shares held by the Transferee Company in the Transferor Company 4 into unsecured loan:

The reduction and conversion of preference share capital of the Transferor Company 4 into unsecured loan, would, inter alia, entail the following benefits:

- (i) The reduction and conversion of Redeemable Preference Shares (RPS) in the manner proposed in the Scheme would enable the Transferee Company to reflect the true nature of investment in the Transferor Company 4 i.e., as a liability, and thereby, facilitate the demerger from the Transferor Company 4 (as a part of the Scheme);
- (ii) The RPS issued by Transferor Company 4 (or the Demerged Company) shall, upon the effectiveness of Part D of the Scheme, be converted into an unsecured loan. Furthermore, upon the effectiveness of Part F of the Scheme, whereby Transferor Company 4 is merging with the Transferee Company, such unsecured loan, previously arising from the conversion of the RPS, shall stand cancelled without any further act, deed, or instrument;
- (iii) Facilitate support for organic growth opportunities

and eliminating intra-group transactions and consequent cash flow blockages which shall result in efficient utilization of capital at a group level;

- (iv) The Scheme would not affect the ability or liquidity of the Transferor Company 4 to meet its obligations/commitments in the normal course of business upon effectiveness of the Part D of the Scheme.

c) Object and rationale for merger of Transferor Company 4 into Transferee Company:

- (i) Upon effectiveness of Part E of the Scheme, Transferor Company 4 would be left with paper and packaging business and management of Transferor Company 4 and Transferee Company are engaged in the same line of business, and so, the Board of the respective companies have decided to consolidate all paper and packaging business, manufacturing, and trading entities under the Transferee Company;
- (ii) Assist in rationalizing the corporate structure and reduction of shareholding tiers;
- (iii) Reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by both the Transferor Company 4 and Transferee Company;
- (iv) Result in savings of administration and other costs associated with managing separate entities.

d) Rationale for re-organization of reserves of the Transferee Company in the manner set out in the Scheme.

- (i) The Scheme proposes to set off the debit balance of Credit Reserve arising out of effectiveness of the Scheme as on the Appointed Date against the existing credit balance lying under Transferee Company, in order to right-size the balance sheet;

(ii) The proposed reorganization of the reserves is in the interest of the Transferee Company, shareholders, creditors, and all concerned stakeholders. If the Scheme is approved, the books of the Company would present a fair representation of the financial position of the Transferee Company.

- 14.** After complying with all the directions given in the order dated 08.09.2025 passed in CA(CAA)/41(AHM)2025, by this Tribunal, the Second Motion Petition was filed by the Petitioner Companies on 12.11.2025 (e-filed on 07.11.2025), vide Inward Diary No. E2876, seeking sanction of the proposed Scheme.
- 15.** This Tribunal vide order dated 20.11.2025, passed in CP(CAA)/55(AHM)2025, directed the petitioner companies for issuance of notice to the Statutory/Regulatory Authorities namely (i) Central Government through the Regional Director (North-Western Region), (ii) Registrar of Companies, Gujarat, (iii) the Official Liquidator (iv) to SEBI, BSE, NSE and to the Reserve Bank of India (v) to the concerned Income Tax Authorities, as well as to the concerned Statutory Regulators / Sectorial Regulators, if applicable. Further, directed to publish the notice in two newspapers i.e. in “Indian Express” in English (national edition) and Gujarati translation thereof in “Gujarat Samachar” (Gujarat edition).

16. In compliance of order dated 20.11.2025, passed in CP(CAA)/55(AHM)2025, the petitioner companies filed affidavit of service dated on 11.12.2025, vide inward no.D8327 in respect of service of notice upon the aforesaid statutory/regulatory authorities along with proof of service as well as proof of publications of notice of hearing of the petition in “Indian Express” as well as in “Gujarat Samachar”.
17. Pursuant to the service of notice upon the statutory/regulatory authorities, following authorities have responded: -

**STATUTORY/REGULATORY AUTHORITIES
OBSERVATION & RESPONSE THEREOF**

A. Regional Director and ROC

In response to the notice served upon the Regional Director (RD), a representation/report dated 12.12.2025 was filed by the RD, North-Western Region, on 16.12.2025, vide Inward Diary No. R576, along with report of the Registrar of Companies (RoC) dated 18.11.2025. They have made some observations in their reports. The petitioner companies filed joint affidavit in reply on 17.12.2025, vide inward no. D8632, in response to the representation/reports of RD and RoC.

RD's Observation

- i) Para-7(i), it is submitted that as per para 3.3 of the scheme, the Appointed Date/Transfer Date is 01.04.2024, however, company application was filed

on 15.08.2025 after one year from the Appointed Date. It is further submitted that as per para 6 (c) of MCA Circular no. 09/2019 dated 21.08.2019 have stated that if the 'appointed date' is significantly ante-dated beyond a year from the date of filing, the justification for the same would have to be specifically brought out in the scheme and it should not be against public interest". In the scheme, no justification has mentioned about gap of more than one year in filing of application and appointed date.

Hence, this Tribunal may, therefore, be pleased to direct the petitioner companies to clarify the same and place on record all the relevant facts of the case.

Reply of the petitioner companies: It is submitted that as follows:

- (a) the Appointed Date i.e. 01.04.2024, and the Scheme was approved by the Board of Directors of the petitioner companies on 13.12.2024.
- (b) since the Transferee Company is a listed company it was required to obtain observations from the stock exchanges, submitted the requisite documents to BSE Ltd. and the National Stock Exchange of India Ltd. on 30.12.2024 for seeking their observations. The Transferee Company received the observation letters from the stock exchanges on 08.08.2025.

- (c) The appointed dates provided in the Scheme are beneficial to the stakeholders of the petitioner companies. The Scheme has been duly approved by the Board of Directors of the stock exchanges, SEBI and the requisite majority of the shareholders of the petitioner companies (including public shareholders) in accordance with the directions of this Tribunal.
- (d) They have relied upon the order passed by the Hon'ble NCLAT, Delhi, in the matter of Accelysit Solutions Pvt. Ltd. Vs. Freecharge Payment Technologies Pvt. Ltd. in Company Appeal (AT) No. 15/2021 and Hon'ble NCLAT, Chennai, in the matter of Sterlite Ports Ltd. in Company Appeal (AT) (CH) No. 99 of 2023 dealing with the appointed date.
- (ii) Para-7(ii), it is submitted that at para 11.1 and 11.2 of the scheme which are as under:-

*11.1 As on the Appointed Date 1, the Transferee Company shall record all the Assets (including intangible assets), Liabilities and reserves (if and to the extent applicable) of the Transferor Company 1, Transferor Company 2 and Transferor Company 3, vested in it pursuant to this Scheme, at the carrying values appearing in the **consolidated financial statements of the Transferee Company.***

11.2 The identity of the reserves pertaining to the Transferor Company 1, Transferor Company 2 and Transferor Company 3 shall be preserved and shall appear in the financial statements of the Transferee

*Company in the same form in which they appeared in the financial statements of said Transferor Companies and it shall be aggregated with the corresponding balance appearing in the financial statements of the Transferee Company, as on the Appointed Date 1, at the carrying values appearing in the **consolidated financial statements of the Transferee Company.***

In this regard, it is submitted that all the Assets, Liabilities and reserves of the Transferor Companies are required to be transferred at the respective carrying values in the standalone financial statements of the Transferee Company instead of consolidated financial statements.

Hence, this Tribunal may, therefore, be pleased direct the Transferee Company to transfer all assets, liabilities and reserve etc. of transferor companies at the respective carrying value in the standalone financial statements of the Transferee Company instead of consolidated financial statements.

Reply of the petitioner companies: It is submitted that under Part C of the Scheme, had the accounting entries been prepared on the basis of the standalone financial statements of the Transferee Company and the Transferor Companies, the goodwill and intangible assets, as appearing in the consolidated financial statements would not have appeared in the opening balance sheet of the Transferee Company. The Transferor Companies are wholly-owned subsidiaries

of the Transferee Company. Upon consolidation of financial statements of the Transferee Company at the end of every financial year, such goodwill and intangible assets are recorded in the Consolidated Financial Statements of the Transferee Company in accordance with well-established principles laid down under IND-AS to provide consolidated true and fair view of the Group as a whole to provide reader of financial statements, a wholistic view of the true and fair financial position of the Holding Company.

In the present transaction, the accounting has been undertaken using consolidated carrying values, in line with the guidance provided in ITFG Bulletin 9, Issue 2, Situation 2 issued by the Institute of Chartered Accountants of India, which states as follows:

"In this case, since B Ltd. is merging with A Ltd. (i.e., parent), nothing has changed and the transaction only means that the assets, liabilities and reserves of B Ltd. which were appearing in the consolidated financial statements of Group A immediately before the merger would now be a part of the separate financial statements of A Ltd. Accordingly, it would be appropriate to recognise the carrying value of the assets, liabilities and reserves pertaining to B Ltd. as appearing in the consolidated financial statements of A Ltd. Separate financial statements to the extent of this common control transaction shall be considered as a continuation of the consolidated group

It is submitted that in accordance with the above guidance, the goodwill and intangible assets

recognised at the consolidated level have been carried forward in Part C of the Scheme, resulting in their recognition in the post-merger financial statements of the Transferee Company to provide true and fair financial position of the Transferee Company to comply with IND-AS 103 for "Business Combinations" read with the guidance as reproduced hereinabove. This accounting treatment ensures consistency with the principle that, for the purposes of a common control transaction, the parent's standalone financial statements represent a continuation of its consolidated financial statements to represent a wholistic financial position of the Holding. Further, the accounting treatment has been certified by the Statutory Auditor to be in compliance with Indian Accounting Standards laid down under Section 133 of the Act read with regulations framed in this regard from time to time. The certificate of the Statutory Auditor has been annexed as Exhibit 26 to the Company Scheme Petition. Further, the Scheme has been approved by SEBI and Stock Exchanges and in commercial wisdom by shareholders of the Companies (including majority of public shareholders of the Transferee Company).

Hence, the petitioner companies prayed that the Accounting Treatment is in line with IND-AS 103 (Business Combinations) read with the Guidance issued, in this regard, by ICAI.

(iii) Para-7(iii), the authorized capital of the petitioner Transferor Company No. 1, 2, 3 and 4 will be added to the authorized share capital of the petitioner transferee company. The Transferee Company shall pay the differential fees and stamp duty, if any, on the enhanced authorised share capital after set-off the fee/stamp duty paid by the Transferor Company(ies) on its authorised capital prior to amalgamation in compliance of provisions of Section 232 (3) (i) of the Companies Act, 2013.

Reply of the petitioner companies: The petitioner companies undertake to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013.

(iv) Para-7(iv), Transferee Company is listed with the BSE and NSE and the Transferee Company has submitted with the office of the Regional Director, the copy of observation letters dated 04.08.2025 issued by BSE and NSE to the Petitioner Transferee Company pursuant to the SEBI master circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20.06.2023 for necessary compliance. The SEBI's circulars are intended to ensure compliances by listed companies in the interest of shareholders at large. Hence, this Tribunal may be pleased to direct the Transferee Company to place confirmation/undertaking that the company has complied the observations of aforesaid letters of said stock exchanges.

Reply of the petitioner companies: The Transferee Company undertakes that it has duly complied with the observations letters dated 04.08.2025 issued by BSE Ltd and the National Stock Exchange of India Ltd to the Transferee Company, pursuant to SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20.06.2023. The Transferee Company further undertakes to comply with SEBI Master Circular, so far as it relates to the post Scheme compliances.

- v) This Tribunal to direct the petitioner companies to file an affidavit to the extent that the Scheme enclosed to the Company Application and Company Petition are one and same and there is no discrepancy, or no change is made.

Response of the petitioner companies: The petitioner companies affirmed that the Scheme enclosed along with the Company Application and Company Petition are one and same and there are no discrepancies or changes made.

- vi) This Tribunal may kindly direct the Petitioner Companies to file an affidavit to the extent that no CIRP proceeding under IBC and/ or winding up petition against applicant companies are pending.

Response of the petitioner companies: The petitioner companies affirmed that no CIRP proceeding under

IBC and/or winding up petition against the petitioner companies are pending.

The RD in the representation further submitted that this Tribunal may be pleased to direct the Petitioner Companies;

- (i) To preserve its books of accounts, papers and records and shall not be disposed of without prior permission of Central Government as per the provisions of Section 239 of the Companies Act, 2013.

Response of the petitioner companies: The petitioner companies undertake to preserve its books of accounts, papers and records and shall not dispose of without prior permission of Central Government as per the provisions of Section 239 of the Companies Act, 2013.

- (ii) To ensure statutory compliance of all applicable laws and on sanctioning of the present scheme, the petitioner companies shall not be absolved from any of its statutory liabilities, in any manner.

Response of the petitioner companies: The petitioner companies undertake to ensure statutory compliance of all the applicable laws and on sanctioning of the present Scheme, shall not be absolved from any of its statutory liabilities, in any manner.

- (iii) Necessary Stamp Duty on transfer of property/assets, if any, is to be paid to the respective authorities before implementation of the Scheme.

Response of the petitioner companies: The petitioner companies undertake to file Adjudication Application before the Stamp Duty Authorities, as may be required in accordance with applicable State Laws for determination of Stamp Duty payable on the Order and the Scheme.

- (iv) The petitioner companies involved in the Scheme to comply with the provisions of Section 232(5) of the Companies Act, 2013 with respect to filing of the certified copy of the order sanctioning the scheme with Registrar of Companies within 30 days from the date of passing order.

Response of the petitioner companies: The Petitioner Companies undertake to comply with the provisions of Section 232(5) of the Companies Act, 2013 with respect to filing certified copy of order sanctioning the scheme with Registrar of Companies within 30 days from the date of passing order or within an extended timeline with payment of additional fees, as may be levied by RoC from time to time.

- (v) The petitioner companies shall undertake to comply with the Income Tax/GST law and any demand/taxes payable on implementation of the said scheme as per law.

Response of the petitioner companies: The petitioner companies undertake to comply with the Income Tax / GST law and any demand/taxes payable on implementation of the said scheme as per law, if any.

RoC's Observation

(i) In para-16(3), according to para 11(iv) of the order dated 08.09.2025 passed in CA(CAA)/41(AHM) 2025 by this Tribunal, as on 30.06.2025, there are no secured creditors in the Transferor Company No. 3. Whereas, as per the Index of Charge available under the MCA's website, there are 3 (Three) open secured Charge IDs in favour of 2 (Two) Secured charge holders in the records of the Transferor Company No. 3. The details of aforesaid open charge Ids are as under:

Sr. No.	SRN	Charge ID	Charge Holder Name	Date of Creation	Date of Modification	Amount (in Rs.)
1	F08683997	100541917	HDFC BANK LIMITED	16/02/2022	18/06/2022	25,00,00,000
2	R24340630	100252637	CITI BANK N.A.	21/03/2019	29/11/2019	50,00,00,000
3	R22372031	90237516	CITI BANK N.A.	30/10/2002	29/11/2019	50,00,00,000
Total						1250000000

The Applicant Transferor Company No. 3 vide letter dated 29.09.2025 [attached with e-forms GNL-1 bearing SRN AB6857491] submitted that "the index of charges maintained with the Registrar matches with the latest audited financial statements and list of secured creditors filed with NCLT under Section 230(5)."

According to para 14(iv) of the order dated 08.09.2025 passed in CA(CAA)/41(AHM) 2025 by this Tribunal, as on 30.06.2025, there are 5 secured creditors (Rs. 12,59,53,27,508) in the Transferee Company. Whereas, as per the Index of Charge available under the MCA's website, there are 14 (fourteen) open secured Charge IDs in favour of 7(Seven) Secured charge holders. Out of 14 Charge IDs, only 01 charge ID is created after 30.06.2025 The details of aforesaid open charge Id as under:

Sr. No.	SRN	Charge ID	Charge Holder Name	Date of Creation	Date of Modification	Amount (in Rs.)
1	AB6026643	101143714	HDFC BANK LIMITED	31/07/2025	-	4,00,00,00,000
2	AB6272665	101045281	HDFC BANK LIMITED	24/01/2025	31/07/2025	74,00,00,000
3.	R86302254	100404189	IDBI TRUSTEESHIP SERVICES LIMITED	02/12/2020	02/12/2020	2,60,00,00,000
4.	T10845402	100390328	State Bank of India	12/11/2020	24/03/2021	3,00,00,00,000
5.	R51050276	100346183	State Bank of India	24/06/2020	27/07/2020	3,93,42,85,000
6.	R50470806	100342235	DEG-Deutsche	10/06/202	27/07/2020	2,76,86,78,500

			Investitions-Und Entwicklungsgesellschaft MBH	0		
7.	R50869379	100338541	Axis Bank Limited	22/05/2020	27/07/2020	1,25,00,00,000
8.	R51049567	100320399	State Bank of India	15/01/2020	27/07/2020	3,00,00,00,000
9.	R50789866	100305699	Bank of Baroda	26/11/2019	27/07/2020	3,00,00,00,000
10.	R29245206	100251847	IDBI TRUSTEESHIP SERVICES LIMITED	27/03/2019	02/12/2019	3,35,00,00,000
11.	AA7153752	10142772	State Bank of India	11/02/2009	28/02/2024	8,50,00,00,000
12.	A23564685	10067541	IFCI LIMITED	30/05/2007	06/09/2007	8,99,29,600
13.	A03670924	10018879	IFCI LIMITED	10/08/2006	27/04/2007	3,89,39,000
14.	A03671179	10018981	IFCI LIMITED	10/08/2006	27/04/2007	3,70,84,000
					Total	36,30,89,16,100

The Applicant Transferee Company vide letter dated 29.09.2025 [attached with eforms GNL-1 bearing SRN AB6852392] has submitted that "the index of charges maintained with the Registrar matches with the latest audited financial statements and list of secured creditors filed with NCLT under Section 230(5) except for three cases, where amount has been paid by the company, but no dues certificate is yet to be received from said financial creditors".

The Registrar of Companies submitted that this Tribunal may kindly issue suitable directions to the Applicant Transferor company No. 3 and Transferee

Company to place on record all the relevant facts in the matter.

Response of the petitioner companies: It is submitted that in Transferor Company 3, secured loan facilities were sanctioned and charges were created in respect of three facilities, there was no amount outstanding as on 30th June 2025. The said fact was duly disclosed in the Certificate issued by the Chartered Accountant certifying the list of secured creditors, which was filed along with the Company Scheme Application before this Tribunal.

Further, Transferor Company No. 3, vide its letter dated 29th September 2025 filed along with e-Form GNL-1 bearing SRN AB6857491, confirmed that the index of charges maintained with the ROC is in consonance with the latest audited financial statements and the list of secured creditors filed before this Tribunal under Section 230(5) of the Companies Act: 2013, there being no amount outstanding against the said secured facilities as on 30th June 2025.

In Transferee Company, it is submitted that, as recorded in paragraph 14(iv) of the Order dated 08.09.2025 passed by this Tribunal in CA (CAA) No. 41(AHM)/2025, as on 30.06.2025 the Transferee Company had five (5) secured creditors aggregating to Rs. 12,59,53,27,508/-. As per the Index of Charges

available on the website of the Ministry of Corporate Affairs, there are fourteen (14) open secured Charge IDs in favour of seven (7) secured charge holders, out of which only one (1) Charge ID has been created after 30.06.2025. The difference is on account of repayment of secured dues in three cases, for which No Due Certificates are yet to be received from the concerned financial creditors and satisfaction of charges is pending.

In this regard, the Transferee Company, vide its letter dated 29.09.2025 filed along with e-Form GNL-1 bearing SRN AB6852392, has confirmed that the index of charges maintained with the ROC matches with the latest audited financial statements and the list of secured creditors filed before this Tribunal under Section 230(5) of the Companies Act, 2013, save and except the aforesaid three cases where the secured dues have been repaid but the No Dues Certificates are yet to be received and the satisfaction of charges is pending. The Petitioner Companies undertake to file for satisfaction of charges, as and when No-Dues Certificate is received by the Petitioner Companies in due compliance with provisions of the Companies Act, 2013. Further, the Scheme does not provide any arrangement with creditors and all the charges pending, if any will be taken over by the Transferee Company, as a result of the Scheme.

- (ii) The other observations of the Registrar of Companies have already been incorporated in the representation filed by the Regional Director. The petitioner companies have duly submitted their replies and have also furnished the requisite undertakings in response to the said representation of the Regional Director/the Registrar of Companies.

18. The Official Liquidator

In response to the notice served upon the Official Liquidator (OL), representations/reports filed on 17.12.2025 vide Inward Diary No. R584, in respect of the Transferor Companies. In response of the representations of the OL, joint affidavit in reply filed on 18.12.2025, vide Inward Diary No. D8691.

OL's Observation

- (i) The Transferor Companies have filed their Audited Annual Accounts (Balance Sheet) with the Registrar of Company up to 31.03.2025.
- (ii) The Transferor Companies have not accepted Deposits under Section 73 of the Companies Act, 2013. Further, the maintaining of cost record is not applicable to the companies. Moreover, the Transferor Companies are not required to register with RBI as a NBFC.
- (iii) The Income Tax Assessments have been completed up to AY 2024-2025. There are no pending tax assessments for any year.

- (iv) The Transferor Companies undertake to engage all employees on the terms and conditions not less favourable than those on which they are engaged by the Transferor Companies without any interruption of services as a result of the amalgamation of Transferor Companies with Transferee Company. Also on the effective date, the Provident Fund, Gratuity Fund, Superannuation Fund and/or other funds and including any surplus in any such Funds created or existing for the benefit of the employees of the Transferor Companies shall be transferred to the corresponding funds of the Transferee Company in due course.
- (v) This Tribunal may be pleased to direct the Transferor Companies to preserve its books of accounts, papers and records and shall not be disposed of without prior permission of Central Government as per the provisions of Section 239 of the Companies Act, 2013.

Response of the petitioner companies: The petitioner companies undertake to preserve their books of accounts, papers and records and shall not be disposed of without prior permission of Central Government as per the provisions of Section 239 of the Companies Act, 2013.

- (vi) To direct the Transferor Companies to ensure Statutory compliance of all applicable laws and on sanctioning of the present Scheme, the Transferor Companies shall not be absolved from any of its Statutory liabilities, in any manner.

Response of the petitioner companies: The petitioner companies undertake to ensure statutory compliance of all applicable laws and on sanctioning of the present Scheme, shall not be absolved from any of its statutory liabilities, in any manner.

- (vii) The Transferor Companies may be dissolved without following the process of winding-up in terms of sub-section 3(d) of Section 232 of the Companies Act, 2013. Further, the Transferor Companies being dissolved the fee, if any, paid by the Transferor Companies on their Authorized Share Capital shall be set-off against any fees payable by the Transferee Company on its Authorized Capital subsequent to the amalgamation in terms of sub-section 3(i) of Section 232 of the Companies Act, 2013.

Reply of the petitioner companies: The petitioner companies undertake to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013.

- (viii) To direct the petitioner companies to lodge a certified copy of the order along with the scheme, with the

Superintendent of Stamps concerned for the purpose of adjudication of stamp duty payable, if any.

Response of the petitioner companies: The petitioner companies undertake to lodge a certified copy of the order along with the scheme, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any.

- (ix) To direct the companies involved in the scheme to comply with provision of Section 232(5) of the Companies Act, 2013 with respect to filing of certified copy of order sanctioning the scheme with Registrar of Companies within 30 days from the date of passing order.

Response of the petitioner companies: The petitioner companies undertake to comply with provisions of Section 232(5) of Companies Act, 2013 with respect to file certified copy of order sanctioning the scheme with Registrar of Companies within 30 days from the date of passing order.

19. Income Tax Department

- 19.1 Pursuant to the notice served upon the Income Tax Department, report dated 02.12.2025 and 28.11.2025 of the Income Tax Department, New Delhi, were received on 05.12.2025 and 08.12.2025, vide inward nos. 2147 and 2175 and report dated 01.12.2025 of the Income Tax Department, Udupi was received on 08.12.2025, vide

inward no. 2163. The petitioner companies filed their reply in affidavit on 17.12.2025, vide inward no. D8633.

- 19.2 In the aforesaid reports, it is submitted that they have no objection on the proposed Scheme of Amalgamation / Arrangement. It is further submitted that post approval of the Scheme of Arrangement by this Tribunal, all pending liabilities/Tax Demands/Compliance will be transferred to new entity.

Response of the petitioner companies: The petitioner companies undertake that the Income Tax Department shall be at liberty to initiate appropriate proceedings against any of the petitioner companies, particularly, the surviving company which shall inherit all the past liabilities of the Transferor Companies, subsequent to receiving the sanction of the Scheme by this Tribunal. Further, it is submitted that the Scheme does not in any manner violate or prejudice the rights of the Income Tax Department to adjudicate matters relating to any of the petitioner companies.

- 20.** The equity shares of Petitioner Company No.6/ Transferee Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange of India Ltd. (NSE). The petitioner companies have placed on record copy of No Objection Letters dated 04.08.2025 issued by BSE Limited and National Stock Exchange of India Ltd as per Regulation 37(3) of SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015 read with SEBI Master Circular, is annexed as **Exhibit-22 (Pages 1004 to 1007) and Exhibit-23 (Pages 1008 to 1011)**, respectively.

21. No other representations or reports have been received from any other statutory/regulatory authorities.

22. Valuation Report

Copy of Valuation Report/Fair Share Exchange Ratio and Share Entitlement Ratio dated 13.12.2025 of BDO Valuation Advisory LLP, Registered Valuer, Registration No. IBBI/RV-E/02/2019/103, recommending the share exchange ratio for the proposed Scheme of Amalgamation/Arrangement, is annexed to the company petition as **Exhibit-27** (Pg.1028-1055). Copy of Fairness Opinion, dated 13.12.2024 of ICICI Securities Limited, on the share exchange ratio for the proposed Scheme of Amalgamation/Arrangement, is annexed to the company petition as **Exhibit-28** (Pg. 1056-1063).

23. Accounting Treatment

The petitioner companies submitted that the accounting treatment specified in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.

The Statutory Auditors Lunawat & Co., vide certificate [**Exhibit-24**, Pg.1012-1016] dated 13.12.2024, in respect of the Demerged Company/Transferor Company No.4, have confirmed that the accounting treatment contained in

Clause 19.1 of Part D and Clause 25.1 of Part E of the Scheme, is in compliance with all the applicable Accounting Standards notified by the Central Government under the Companies Act, 2013.

The Statutory Auditors A.K. Gutgutia & Co., vide certificate [**Exhibit-25**, Pg.1017-1021] dated 13.12.2024, in respect of the Resulting Company, have confirmed that accounting treatment contained in Clause 25.2 of Part E of the Scheme, is in compliance with all the applicable Accounting Standards notified by the Central Government under the Companies Act, 2013.

The Statutory Auditors LODHA & Co. LLP, vide certificate [**Exhibit-26**, Pg.1022-1027] dated 13.12.2024, in respect of the Transferee Company, have certified that the accounting treatment contained in Clause 11 of Part C, Clause 19.2 of Part D and Clause 36 of Part F of the draft Scheme is in compliance with the applicable Indian Accounting Standards (Ind AS) 103-‘Business Combinations’ as notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rule, 2015 and other applicable accounting standards.

- 24.** The petitioner companies placed also on record the following:-
- (i) copy of Net-Worth of the Resulting Company as on 30.09.2024, pre-scheme net worth and the post-

scheme net worth of the Resulting Company, issued by the Statutory Auditor Agarwal Ketan & Co., vide Certificate **(Exhibit-29, Pg.1064-1065]** dated 24.12.2024, same is as follows:-

(INR in Crores)

Particulars	Pre-Scheme	Post Scheme
Equity Share Capital	0.01	65.66
Retained Earnings	0.18	34.06
Capital Reserve on Merger/ Demerger	--	75.07
Total Net-worth	0.19	174.79

(ii) copy of Net-Worth of the Transferee Company as on 30.09.2024, pre-scheme net worth and the post-scheme net worth of the Transferee Company, issued by the Statutory Auditor Agarwal Ketan & Co., vide Certificate **(Exhibit-30, Pg.1066-1067]** dated 24.12.2024 same is as follows:-

(INR in Crores)

Particulars	Pre-Scheme	Post Scheme
Equity Share Capital	169.40	181.32
General Reserve + Retained Earnings	4033.97	4019.13
Impact of Fair Valuation on Fixed Assets on Ind AS adoption	(241.59)	(241.59)
Securities Premium	438.32	404.64
Capital Redemption Reserve	11.84	--
Debenture Redemption Reserve	4.74	--
Other Comprehensive Income	10.18	10.18
Total Net-worth	4426.86	4373.68

- 25.** In compliance of the order dated 08.09.2025, passed by this Tribunal in CA(CAA)/41(AHM)2025, the petitioner companies have placed on record the basis of management determining of the share exchange ratio (**Exhibit-41**, Pg.1145-1156) and value of assets and liabilities as on the appointed date proposed to be transferred to the Transferee Company and Resulting Company (**Exhibit-42**, Pg. 1157-1329).
- 26.** The petitioner companies submitted that the Transferee Company has accepted public deposits, however, there are no arrears of repayment of any public deposits.
- 27.** It is further submitted that there are no proceedings/ investigation pending against the Petitioner Companies by any regulatory authorities or under Sections 206 to 229 of the Companies Act, 2013 or any other corresponding provisions under the erstwhile Companies Act, 1956.
- 28.** The petitioner companies submitted that there are no investigation or proceedings instituted or are pending in relation to the Petitioner Companies under the Companies Act, 2013 and there is no winding up petition admitted against the Petitioner Companies. There is no petition/ application under Insolvency and Bankruptcy Code, 2016 which is admitted by NCLT against the Petitioner Companies.

29. It is further submitted that in terms of Section 230(2)(c) of the Act, it is also declared that the proposed Scheme is not a corporate debt restructuring scheme and hence creditors responsibility statement and other requirements of section 230(2)(c) of the Act are not applicable in the present case.

30. We have heard the Ld. PCA for the Petitioner Companies, Ld. Deputy Director for the Regional Director, the representative of the Ld. Official Liquidator, the Ld. Sr. Standing Counsel for Income Tax Department and perused the record.

31. OBSERVATIONS OF THIS TRIBUNAL

31.1 Before advertizing to the reports of the Regional Director, Registrar of Companies, Income Tax Department, Official Liquidator and, we summarise the progress of the case before this Tribunal after application was filed seeking approval of the Scheme.

	Filed on	Notice issued on	Service Affidavit filed on	Report/ Response received on	Reserved on	Order pronounced on	Meetings held on
First Motion Application	19.08.2025				04.09.2025	08.09.2025	01.11.2025 & 02.11.2025
Chairman's Report	10.11.2025						
2 nd Motion Petition	12.11.2025	20.11.2025	11.12.2025		22.01.2026	03.02.2026	
RD Office Report/RoC				16.12.2025			

And Petitioner companies' response				17.12.2025			
OL Office Report (s)				17.12.2025			
And Petitioner companies' response				18.12.2025			
Income Tax Report(s)				05.12.2025 & 08.12.2025			
And Petitioner companies' response				17.12.2025			

31.2 The Scheme has two Appointed Dates i.e. **01.04.2024 and 01.04.2025**

31.3 The Scheme involves;

(A) Part-C of the Scheme

- with effect from the Appointed Date i.e. 01.04.2024
- (i)** Amalgamation of JKPL Utility Packaging Solutions Private Limited, Securipax Packaging Private Limited and Horizon Packs Private Limited (Transferor Companies (Petitioner Companies 1 to 3 respectively) into JK Paper Limited (Transferee Company 6).
- (ii)** Since the aforesaid Transferor Companies are the wholly owned subsidiaries of the Transferee Company, no shares shall be issued by the Transferee Company.
- (iii)** Combination of authorized share capital of Transferor Companies with that of Transferee Company.

(B) Part-D and E of the Scheme

•with effect from the Appointed Date i.e. **01.04.2025**

- (i) Reduction and Conversion of Redeemable Preference Shares of Demerged Company/Transferor Company No.4/Enviro Tech Ventures Limited into unsecured loan. (recorded as an outstanding unsecured loan at an equivalent net present value of the redemption amount).
- (ii) Demerger of demerged **undertaking** from Demerged Company/Transferor Company No.4/Enviro Tech Ventures Limited into PSV Agro Products Private Limited/Resulting Company.
- (iii) The Resulting Company to issues its shares to the shareholders of the Demerged Company-issuance of mirror image equity as a result of demerger.

(C) Part-E of the Scheme

•with effect from the Appointed Date i.e. **01.04.2025**

- (i) Merger of residual business, (the business of the Demerged Company related to paper and packaging including the shares held in The Sirpur Paper Mills Ltd. Pg.932) of Demerged Company/Transferor Company No.4 into the Transferee Company/Petitioner Company 6.
- (ii) The Transferee Company will issue its equity shares to the shareholders of Transferor Company No.4

32. Companies involved in the Scheme

- (i) In the Scheme presented in the company petition, JKPL Utility Packaging Solutions Pvt. Ltd. has been designated as Transferor Company No.1. It had revenue from operations of Rs.12,993.23 lakhs, other income of Rs. 73.81 lakhs and profit/(loss) before tax of Rs.100.26 lakhs during the financial year 2024-2025 (Pg.180).
- (ii) In the Scheme presented in the company petition, Securipax Packaging Pvt. Ltd. has been designated as Transferor Company No.2. It had revenue from operations of Rs.8,837.17 lakhs, other income of Rs.53.60 lakhs and profit/(Loss) before tax of Rs.(552.11 lakhs) during the financial year 2024.2025 (Pg.303).
- (iii) In the Scheme presented in the company petition, Horizon Packs Pvt. Ltd. has been designated as Transferor Company No.3. It had revenue from operations of Rs.72,211.58 lakhs, other income of Rs.931.44 lakhs and profit before tax of Rs.4,081.10 lakhs during the financial year 2024-2025 (Pg.415).
- (iv) In the Scheme presented in the company petition, Enviro Tech Ventures Ltd. has been designated as Demerged Company/Transferor Company No.4. It had revenue from operations of Rs.2,284.37 lakhs, other income of Rs.1,114.22 lakhs and Loss before

tax of Rs.(392.71 lakhs) during the financial year 2024-2025 (pg.576).

- (iv) In the Scheme presented in the company petition, PSV Agro Products Pvt. Ltd. has been designated as Resulting Company. It had NIL revenue from operations, other income of Rs.1.26 lakhs and profit before tax of Rs.0.79 lakhs during the financial year 2024-2025(Pg.671).
- (v) In the Scheme presented in the company petition, JK Paper Ltd. has been designated as Transferee Company. It had revenue from operations of Rs.5,731.64 crores, other income of Rs.98.61 crores and profit/(Loss) before tax of Rs.459.15 crores during the financial year 2024-2025 (Pg.784).

Transferor Companies 1 to 3 are the wholly owned subsidiaries of the Transferee Company, Transferor Company No.4 is the subsidiary of the Transferee Company i.e. 96.08% of the equity shares being owned by the Transferee Company, Resulting Company is not related to the Transferor Companies and the promoter group companies of the Transferee Company holds 0.30% equity shares of the Resulting Company.

33. Consideration

(i) for Merger

Paragraph 10 (Pg. 951) of the Scheme deals with the Consideration of transfer and vesting of the Transferor Companies into the Transferee Company.

(ii) **for Demerger**

Paragraph 26 (Pg.973-976) of the Scheme deals with the Consideration of Demerger of Demerged Undertaking into the Resulting Company.

(iii) **For merger of Residual Business**

Paragraph 35 (Pg.987-990) of the Scheme deals with the Consideration of merger of Residual Business of Demerged Company/ Transferor Company No.4

- 34.** We have gone through the Company Petition, Scheme, Representation/Report of the Regional Director, report of the Registrar of Companies, representations of Official Liquidator in respect of Transferor Companies, reports of Income Tax Department as well as the response of the Petitioner Companies in respect of the Representation/Report of the RD, RoC, OL and Income Tax.
- 35.** On perusal of the aforesaid representations/reports, there are no adverse observations in respect of the petitioner companies and the proposed Scheme.
- 36.** On perusal of the Chairman's reports, it confirms that the equity shareholders of the petitioner companies, preference shareholders of the petitioner company no.4, secured

creditors of petitioner companies 1,2,3 and 6 and unsecured creditors of the petitioner companies 1,2,3,4 and 6 have unanimously approved the proposed Scheme.

- 37.** The Transferee Company is a listed company. Copies of the respective No Objection Letters, issued by the stock exchanges, are placed on record.
- 38.** During the hearing on 22.01.2026, Ld. Deputy Director for the Regional Director's office, Ld. Technical Assistant of office of the Official Liquidator and Ld. Sr. Standing Counsel for the Income Tax Department submitted that they have no objection to the proposed scheme, in view of the response affidavits and undertaking given by the petitioner companies.
- 39.** After analysing the Scheme in detail, this Tribunal is of the considered view that the Scheme as contemplated between the Companies seems to be prima facie beneficial to the Companies and will not be in any way detrimental to the interest of the shareholders and the creditors of the Companies, upholding the commercial wisdom doctrine as in ***Miheer H. Mafatlal v. Mafatlal Industries Ltd. (1997) 1 SCC 579***. Considering the record placed before this Tribunal and since all the requisite statutory compliances have been fulfilled by the Petitioner Companies, this Tribunal sanctions the proposed Scheme as well as the prayer made therein subject to the findings/directions given in this order. In short, the proposed Scheme provides for Merger of JKPL Utility Packaging Solutions Pvt. Ltd.,

Securipax Packaging Pvt. Ltd., Horizon Packs Ltd. (Transferor Companies) into JK Paper Ltd. Transferee Company, Reduction and Conversion of Redeemable Preference Shares of Enviro Tech Ventures Pvt Ltd. into unsecured loan and Demerger of Business of Undertaking of Enviro Tech Ventures Pvt Ltd. (Demerged Company/Transferor Company No.4) into PSV Agro Products Pvt. Ltd. (Resulting Company) and Merger of Residual Business of Demerged Company/Transferor Company No.4) into JK Paper Ltd. (Transferee Company). We have also carefully examined the responses of the Regional Director, ROC, Income Tax Department, and the Official Liquidator on being notices served on them and the replies of the Applicant Companies. We consider none of the responses object to the sanctioning of Scheme and any procedural/technical issue raised by the authorities about the transferor companies will be considered and responded by the transferee company.

- 40.** The Learned PCA for the Petitioner Companies submitted that no investigation proceedings are pending against the Petitioner Companies under the provisions of the Companies Act, 1956 or the Companies Act, 2013, and no proceedings for oppression or mismanagement have been filed before this Tribunal or the erstwhile Company Law Board. Considering the submission of the Petitioner Companies, the Transferee Company will be responsible for all the compliance issues concerning the Business of the Transferor Companies. This Tribunal holds that any non-

compliance does not affect the approval of the Scheme, as the statutory/ regulatory authorities are free to take necessary action as per law for any non-compliance.

- 41.** Notwithstanding the above, if there is any deficiency found or, violation committed qua any enactment, statutory rule or regulation, the sanction granted by this Tribunal will not come in the way of action being taken, albeit, in accordance with law, against the concerned persons, directors and officials of the petitioner companies.
- 42.** The BSE Letter of 04.08.2025 and NSE Letter of 04.08.2025 refers to the SEBI Letter of 01.08.2025 who had made various comments on the draft scheme of arrangements. The Petitioner Companies should strictly follow the requirements stated in the said letter.
- 43.** While approving the Scheme as above, it is clarified that this order should not be construed as an order in any way granting approval of any loan assignments and exemption from payment of stamp duty, taxes or any other charges, if any, payment is due or required in accordance with law or in respect to any permission/compliance with any other requirement which may be specifically required under any law.
- 44.** Further, it becomes relevant to discuss that in Company Petition CAA-284/ND/2018 vide Order dated 12.11.2018, the NCLT New Delhi has made the following observations

with regard to the right of the Income Tax Department in the Scheme of Amalgamation:

*“taking into consideration the clauses contained in the Scheme in relation to liability to tax and also as insisted upon by the Income Tax and in terms of the decision **in re Vodafone Essar Gujarat Limited v. Department of Income Tax (2013) 353 ITR 222 (Guj)** and the same being also affirmed by the Hon'ble Supreme Court and as reported in **(2016) 66 taxmann.com374 (SC)** from which it is seen that at the time of declining the SLPs filed by the revenue, however stating to the following effect vide its order dated April 15,2015 that the Department is entitled to take out appropriate proceedings for recovery of any statutory dues from the Petitioner or transferee or any other person who is liable for payment of such tax dues, the said protection be afforded is granted. With the above observations, the petition stands allowed and the scheme of amalgamation is sanctioned.*

45. THIS TRIBUNAL DO FURTHER ORDER

- i) The Scheme of Arrangement annexed as **Exhibit '21' (Pages 920 to 1003)**, to the Company Petition is hereby sanctioned and it is declared that same shall be binding on the Petitioner Companies and its Shareholders and Creditors and all concerned under the Scheme.
- ii) **The Appointed Dates for the Scheme shall be 01.04.2024 and 01.04.2025 for various parts of the Scheme as stated in the Scheme and noted in this order.**
- iii) The petitioner Transferor Companies, including the Residual Business Undertaking of Transferor

Company No.4, shall be dissolved without winding up.

- iv) The Transferee Company (JK Paper Ltd), being a listed entity, shall comply with all applicable regulations, circulars, and directions issued by the Securities and Exchange Board of India (SEBI), BSE Limited, and National Stock Exchange of India Limited (NSE), including ongoing disclosure and compliance obligations under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- v) The approval of the Scheme will not be foreclosing the right of the Income Tax Department to take any decision as per the provisions of the Income Tax Act, 1961, against the Petitioner Companies. The final Income Tax demands in the case of Transferor Companies, if any, shall be paid by the Transferee Company.
- vi) The approval of the Scheme does not affect the authorities' right to proceed with pending cases, if any, against the Petitioner Companies.

For Merger/Amalgamation

- vii) All the properties rights and powers of the Undertakings of the Transferor Companies, including the Residual Business of Transferor Company No.4, and all the other property, rights

and powers of the Transferor Companies be transferred without any further act or deed to the Transferee Company and accordingly the same shall, pursuant to Section 232 of the Act, vest in the Transferee Company for all the estate and interest of the Transferor Companies therein but subject nevertheless to all charges now affecting the same, if any.

- viii) All licenses, permissions, permits, approvals, certificates, clearances, authorities, leases, tenancy, assignments, rights, claims, liberties, special status, other benefits or privileges and any power of attorney relating to the Transferor Companies, including the Residual Business of Transferor Company No.4, shall stand transferred to and vested in the Transferee Company, without any further act or deed. The Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.
- ix) All the liabilities and duties of the Transferor Companies, including the Residual Business of Transferor Company No.4, shall be transferred, without further act or deed, to the Transferee Company, and accordingly, the same shall pursuant to Sections 230 & 232 of the Companies Act, 2013,

be transferred to and become the liabilities and duties of the Transferee Company.

- x) All contracts, agreements, insurance policies, bonds and all other instruments of whatsoever nature or description, of the Transferor Companies, including the Residual Business Undertaking of Transferor Company No.4, shall stand transferred to and vested in the Transferee Company and be in full force and effect in favour of the Transferee Company and may be enforced by or against it as fully and effectually against the Transferee Company.
- xi) All proceedings, if any, now pending by or against the Transferor Companies, including the Residual Business of Transferor Company No.4, shall be continued by or against the Transferee Company.
- xii) All workers / employees of the Transferor Companies, including the Residual Business of Transferor Company No.4, shall be deemed to become the workers /employees of the Transferee Company with effect from the Appointed Dates, and shall stand absorbed in the Transferee Company in accordance with the Scheme without any interruption of service and on terms and conditions no less favourable than those on which they are engaged by the Transferor Companies, including the Residual Business of Transferor Company No.4, as

on the Effective Date, in compliance with Section 232(3)(g) of the Act and applicable labour laws.

- xiii) All taxes paid or payable by the Transferor Companies, including the Residual Business of Transferor Company No.4. including existing and future incentives, unveiled credits and exemptions, the benefit of carried forward losses and other statutory benefits, which shall be available to and vest in the Transferee Company, as per the provisions of law. The Tax liability of the Transferor Companies, including the Residual Business of Transferor Company No.4, shall become a liability of the Transferee Company, and any proceedings against the Transferor Companies, including the Residual Business of Transferor Company No.4, shall continue against the Transferee Company. It is stated that any credit/exemption/relief, etc., as discussed, will be subject to the provisions of the Income Tax Act, 1961.
- xiv) The petitioner companies are directed to comply with the observations of the Regional Director, the Registrar of Companies and the Official Liquidator in their representation. The petitioner companies shall:
 - a) Preserve their books of accounts, papers, and records and not dispose of them without prior permission of the Central Government, as per Section 239 of the Companies Act, 2013.

- b) The sanction of the Scheme shall not absolve the petitioner companies from any statutory liabilities, and all books of accounts, papers, and records shall be preserved as per Section 239 of the Companies Act, 2013, without disposal unless permitted by the Central Government.
 - c) File a certified copy of this order with the Registrar of Companies electronically via e-Form INC-28 (in addition to physical copy) within 30 days of receipt of the certified copy, as per Section 232(5) of the Companies Act, 2013.
- xv) The Transferee Company shall pay the differential fees and stamp duty, if any, on the enhanced authorized share capital after setting off the fees/stamp duty already paid by the Transferor Company, in compliance with Section 232(3)(i) of the Companies Act, 2013.

For De-Merger/Arrangement

- xvi) All the properties rights and powers of the Demerged Undertaking of the Demerged Company and all the other property, rights and powers of the Demerged Undertaking of the Demerged Company be transferred without any further act or deed to the Resulting Company and accordingly the same shall, pursuant to Section 232 of the Act, vest in the Resulting Company for all the estate and interest of the Demerged Undertaking of the Demerged Company therein but subject

nevertheless to all charges now affecting the same, if any.

- xvii) All licenses, permissions, permits, approvals, certificates, clearances, authorities, leases, tenancy, assignments, rights, claims, liberties, special status, other benefits or privileges and any power of attorney relating to the Demerged Undertaking of the Demerged Company, shall stand transferred to and vested in the Resulting Company, without any further act or deed. The Resulting Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting Company.
- xviii) All the liabilities and duties of the Demerged Undertaking of the Demerged Company, shall be transferred, without further act or deed, to the Resulting Company, and accordingly, the same shall pursuant to Sections 230 & 232 of the Companies Act, 2013, be transferred to and become the liabilities and duties of the Resulting Company.
- xix) All contracts, agreements, insurance policies, bonds and all other instruments of whatsoever nature or description, of the Demerged Undertaking of the Demerged Company, shall stand transferred to and vested in the Resulting Company and be in full force and effect in favour of the Resulting Company and

may be enforced by or against it as fully and effectually against the Resulting Company.

- xx) All proceedings, if any, now pending by or against the Demerged Undertaking of the Demerged Company, shall be continued by or against the Resulting Company.
- xxi) All workers / employees of the Demerged Undertaking of the Demerged Company, shall be deemed to become the workers /employees of the Resulting Company with effect from the Appointed Date and shall stand absorbed in the Resulting Company in accordance with the Scheme without any interruption of service and on terms and conditions no less favourable than those on which they are engaged by the Demerged Undertaking of the Demerged Company, as on the Effective Date, in compliance with Section 232(3)(g) of the Act and applicable labour laws.
- xxii) All taxes paid or payable by the Demerged Undertaking of the Demerged Company including existing and future incentives, unveiled credits and exemptions, the benefit of carried forward losses and other statutory benefits, which shall be available to and vest in the Resulting Company, as per the provisions of law. The Tax liability of the Demerged Undertaking of the Demerged Company, shall become a liability of the Resulting Company,

and any proceedings against the Demerged Undertaking of the Demerged Company shall continue against the Resulting Company. It is stated that any credit/exemption/relief, etc., as discussed, will be subject to the provisions of the Income Tax Act, 1961.

xxiii) **Consideration**

(A) for Merger (Part-B, Paragraph-10 of the Scheme)

- (i) The Transferor Company 1, Transferor Company 2 and Transferor Company 3 are wholly owned subsidiaries of the Transferee Company and therefore there shall be no issue of shares as consideration for the amalgamation of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 with the Transferee Company.
- (ii) *Upon the scheme becoming effective, all equity shares of the Transferor Company 1, Transferor Company 2 and Transferor Company 3 held by the Transferee Company shall stand cancelled without any further application, act or deed.*

(B) for Demerger of Business Undertaking (Part-E, Paragraph-26 of the Scheme)

- (i) Upon coming into effect of the Scheme, in consideration for the transferor and vesting of the Demerged Undertaking by the Demerged Company into the Resulting Company, the equity shareholders of the Demerged Company or their respective heirs, executors, administrators or other legal representatives or other successors in title, whose names appear in the Register of Members of the Demerged Company on any date

on or after the Appointed Date 2 (i.e., Record Date), as may be mutually decided by the Board of the Demerged Company and the Resulting Company, shall, without any further act, deed or thing be issued and allotted as under:

To Equity Shareholders:

"1 fully paid equity share of Rs. 10 each of Resulting Company, for every 1 equity share of Rs. 10 each held in the Demerged Company"

To Compulsorily Convertible Preference Shareholders:

"2,50,00,000 fully paid equity shares of Rs. 10 each of Resulting Company, for every 30,00,000 fully paid Series 1 Compulsorily Convertible Preference Share of Rs. 100 each held in the Demerged Company.

83,33,333 fully paid equity shares of Rs. 10 each of Resulting Company, for every 10,00,000 fully paid Series 2 Compulsorily Convertible Preference Share of Rs. 100 each held in the Demerged Company.

1,10,57,692 fully paid equity shares of Rs. 10 each of Resulting Company, for every 23,00,000 fully paid Series 3 Compulsorily Convertible Preference Share of Rs. 100 each held in the Demerged Company"

(C) for Merger of Residual Business (Part-F, Paragraph-35 of the Scheme)

Upon the Scheme taking effect and as consideration for the amalgamation of Transferor Company 4 with the Transferee Company, the Transferee Company shall, without any further application, deed, or payment, issue and allot shares of the Transferee Company to all equity

shareholders of Transferor Company 4 (except to Transferee Company itself) whose names appear the register of members on the Record Date, in the following manner:

“2,635 fully paid equity shares of Rs.10 each of Transferee Company, for every 10,000 equity shares of Rs.10 each held in the Transferor Company 4.

- xxiv) The Petitioner Companies are further directed to file a copy of this order along with a copy of the Scheme with the concerned Registrar of Companies, electronically, along with e-form INC-28 in addition to a physical copy within 30 days from the date of issuance of the certified copy of the Order by the Registry as per relevant provisions of the Act.
- xxv) The Petitioner Companies 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, on such certified copy being so delivered, the entire Undertakings of the Transferor Companies, including the Residual Business Undertaking of Transferor Company No.4, shall stand transferred to the Transferee Company and the Registrar of Companies shall place all documents relating to the entire Undertakings of the Transferor Companies, including the Residual Business Undertaking of

Transferor Company No.4, to the respective files kept by him in relation to the Transferee Company.

xxvi) All concerned Authorities shall act on the copy of this order along with the Scheme annexed at “**Exhibit-21**” of the Company Petition. The Registrar of this Tribunal shall issue the certified copy of this order within 7 days of from the date of this order.

xxvii) The Petitioner Companies are directed to lodge a copy of this Order and the approved Scheme, duly certified by the Registrar of this Tribunal, with the concerned Superintendent of Stamps for adjudication of stamp duty payable, if any, within 30 days from the date of this Order, and pay requisite stamp duty within 60 days from the date of adjudication under the Gujarat Stamp Act, 1958 as amended.

xxviii) The legal fees and expenses of the office of the Regional Director are quantified at Rs.50,000/-, to be paid by the Transferee Company.

xxix) The legal fees and expenses of the office of the Official Liquidator are quantified at Rs.25,000/- in respect of the Transferor Companies. The said fees of the Official Liquidator shall be paid by the Transferee Company.

xxx) The Statutory Auditors of the Petitioner Companies are hereby directed to ensure that the Accounting Treatment as a result of this order is carried out in

accordance with the provisions of Section 133 of the Companies Act, 2013, and as per the draft treatment as proposed in the Scheme. They are further directed to disclose their observations in this regard in the next Annual Audit Report/Audit Report of the Petitioner Companies in accordance with the certificate dated 13.12.2024 issued by the Statutory Auditors and placed on record.

xxxi) The Income Tax Department will be free to examine the aspect of any tax payable as a result of the sanction of the Scheme and if it is found that the Scheme of Merger ultimately results in tax avoidance or is not in accordance with the applicable provisions of Income Tax Act, then the Income Tax Department shall be at liberty to initiate appropriate course of action as per law, including under Section 232(3)(h) of the Companies Act, 2013, for any tax liabilities arising from the scheme. Any sanction of the Scheme of Merger under Sections 230-232 of the Companies Act, 2013 shall not adversely affect the rights of Income Tax Department or any past, present or future proceedings and the sanction of the scheme shall not come in its way for the appropriate course of action as per law for the tax liabilities, if any.

xxxii) Any person aggrieved shall be at liberty to apply to this Tribunal for any directions that may be necessary.

46. Accordingly, Company Petition i.e. **CP(CAA)/55(AHM)2025** in **CA(CAA)/41(AHM)2025**, stands allowed and disposed of in terms of the aforementioned terms.
47. The Registry is directed to send a copy of this order to the Regional Director, the Registrar of Companies, the Official Liquidator, the Income Tax Department, New Delhi, Udupi and Principal Chief Commissioner of Income Tax, Ahmedabad within seven days from the date of this order, through e-mail and place proof on the file.

Sdt

SANJEEV SHARMA
MEMBER (TECHNICAL)

Sudha PS

Sdt

SHAMMI KHAN
MEMBER (JUDICIAL)