

January 15, 2025

To,
The Manager
The Corporate Relationship Department,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001

To,
The Manager - Corporate Compliance
National Stock Exchange of India Limited
"Exchange Plaza", Bandra - Kurla
Complex, Bandra (E),
Mumbai - 400 051

Scrip Code: 532419

Symbol: SMARTLINK

Sub: Sanction of the Scheme by the Hon'ble National Company Law Tribunal ("NCLT")

Ref: Scheme of Amalgamation between Smartlink Holdings Limited ('SHL') and Synegra EMS Limited ('SEL'), Wholly Owned Subsidiary of SHL and their respective shareholders, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

Dear Sir/Madam,

In accordance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the Scheme of Amalgamation between Smartlink Holdings Limited and Synegra EMS Limited has received approval from the NCLT, Mumbai Bench, through an order delivered on January 09, 2025. The final order has been uploaded on the NCLT website, accessible as on January 14, 2025, in the evening. A copy of the said Order, as downloaded from the website of the NCLT, is enclosed herewith, for your information.

We are currently in the process of obtaining certified copies of the order from the NCLT and we will notify the Stock Exchanges and make the information available on the Company's website, on receipt of the certified order copy.

The Scheme will come into effect once the above certified copies of order from the NCLT is filed with the Registrar of Companies, Ministry of Corporate Affairs and after fulfilling other conditions as specified in the Scheme.

Kindly take note of the same and acknowledge the receipt.

Yours Faithfully,

For **SMARTLINK HOLDINGS LIMITED**

EDLAN FERNANDES
COMPANY SECRETARY
ACS 53614

SMARTLINK HOLDINGS LIMITED

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**NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH-IV**

**CP (CAA)/175/MB-IV/2024
IN
CA (CAA)/99/MB/2024**

*In the matter of
the Companies Act, 2013;*

AND

In the Matter of

*Section 230-232 of the Companies Act, 2013
and other applicable provisions of the
Companies Act, 2013 read with the
Companies (Compromises, Arrangements
and Amalgamations) Rules, 2016;*

AND

*In the matter of Amalgamation
Of*

SYNEGRA EMS LIMITED
("Transferor Company")

With

SMARTLINK HOLDINGS LIMITED
("Transferee Company")

And

their respective Shareholders.

SYNEGRA EMS LIMITED
[CIN: U31909GA2016PLC012969]

... First Petitioner Company

SMARTLINK HOLDINGS LIMITED
[CIN: L67100GA1993PLC001341]

... Second Petitioner Company

Order delivered on: **09.01.2025**

Coram:

Mr. Sanjiv Dutt
Hon'ble Member (Technical)

Mr. Kishore Vemulapalli
Hon'ble Member (Judicial)

Appearances :

For the Petitioner : Mr. Ahmed M. Chunawala,
Mr. Karshil Shah and Mr.
Mahadev Parab i/b Rajesh
Shah & Co, Advocates.

For the Regional Director (WR) : Mr. Tushar Wagh, Deputy
Director of the Regional
Director.

ORDER

1. Heard Learned Counsel for the Petitioner Companies and the representative of the Regional Director, Western Region, Ministry of Corporate Affairs, Mumbai.
2. The Advocate for the Petitioner Company submits that the Petitioner Company has filed the present Company Scheme Petition seeking sanction of this Tribunal to the Scheme of Amalgamation between Synegra Ems Limited ("Transferor Company" or "Petitioner Company No. 1" or "SEL") and Smartlink Holdings Limited ("Transferee Company" or "Petitioner Company No. 2" or "SHL") and their respective Shareholders.
3. The Advocate for the Petitioner Company submits that the Petitioner Companies have approved the said Scheme of Amalgamation by passing the Board Resolutions dated 9th February, 2024.

4. The Advocate for the Petitioner Company submits that the Petition has been filed in consonance with the Order of this Tribunal passed in the Company Scheme Application No. 99 of 2024.
5. It is submitted that the Petitioner Companies have complied with all requirements as per directions of this Tribunal and they have filed necessary affidavits of compliance.
6. The Petitioner Companies state that the Petitioner Company No. 1 is presently carrying on business of manufacture of various categories of electronic and IT products on job work basis and also engages in contract manufacturing for original equipment manufacturer and that the Petitioner Company No. 2 is an NBFC and operates as an Investment company. The Petitioner company No. 1 is wholly owned subsidiary of Petitioner Company No. 2.
7. The Counsel for the Petitioner Company submits that the **Rationale** for the Scheme is as follows:
 - a. To foray into design, development, research in the field of Information Technology for networking products at the Holding company level.
 - b. Reduce managerial overlaps, regulatory compliances which are necessarily involved in running multiple entities and elimination of duplication of administrative expenses, consequently enabling cost savings.
 - c. Ease in raising funds at Holding company level.

- d. Economies of scale, greater integration, flexibility and market reach for the amalgamated entity.
- e. Achieve simplified corporate structure and ensuring more productive and optimum utilization of various resources.
8. The Regional Director (“RD”) has filed its Report dated **26th November, 2024** with this Tribunal. The observations of the RD in the Report and the undertaking of the Petitioner Company are mentioned here in below:

Para	Regional Director	Petitioner Company
2(a)	<p>On examination of the report of the Registrar of Companies, Goa dated 05.09.2024 (Annexed as Annexure A-1) for Petitioner Companies falls within the jurisdiction of ROC, Goa. It is submitted that no complaint and /or representation regarding the proposed scheme of Amalgamation has been received against the Petitioner Companies. Further, the Petitioner Companies has filed Financial Statements up to 31.03.2023.</p> <p>The ROC has further submitted that in his report dated</p>	

	<p>05.09.2024 which are as under :-</p> <p>i. That the ROC Goa in its report dated 05.09.2024 has also stated that No Inspection, Investigations, Prosecutions and complaint under CA, 2013 have been pending against the Petitioner Companies.</p> <p>ii. Inquiry against the Petitioner Transferor Company Synegra EMS Limited was ordered by Ministry Vide its Order No. 3/531/2018/CL-II(WR) dated 26.07.2018 and the Report u/s 208 of Companies Act, 2013 had been submitted to the Regional Director on 13.09.2022.</p>	<p>So far as the observation in paragraph 2(a)(i) of the Report of the Regional Director is concerned, the Petitioner Companies submits that there are no inspections, investigation & prosecution is pending against the subject Petitioner companies and that is the fact of the case.</p> <p>So far as the observation in paragraph 2 (a)(ii) of the Report of the Regional Director is concerned, the Petitioner Companies humbly submit that none of the Petitioner Companies have been investigated under section 210 and 213 of the Companies Act, 2013. There was no inspection carried out under section 206 of the Companies Act, 2013 of the Transferee Company. The Petitioner Companies humbly submits that an inquiry was ordered by the Registrar of Companies, Goa</p>
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		<p>(RoC) under Section 206 of the Companies Act, 2013 calling for information/documents of the Transferor company. All documents/information was submitted to the RoC. The Inquiry Notices dated July 13, 2022, August 01, 2022, and the acknowledgement of the replies submitted to the said notices, dated July 18, 2022, August 08, 2022 and August 23, 2022. It is further submitted that the Transferor company had received summon from the RoC under section 207(3) of the Companies Act, 2013 dated November 25, 2022. The Transferor Company had duly submitted deposition dated December 01, 2022 of the authorised representative of the Transferor company in pursuance of the summon under section 207(3) of the Companies Act, 2013. Subsequent to the above notices and summons, no further communication has been</p>
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	<p>iii. As per MCA records, Transferor Company have two active charges and the amount involved is Rs. 21,70,00,000/-</p> <p>iv. As per MCA records, Transferee Company have ten active charges and the</p>	<p>received from the authorities. Further, it is humbly submitted that as per the scheme, any pending litigation or proceedings against the transferor company shall be continued in the hands of the Transferee Company upon sanction of the scheme.</p> <p>So far as the observation in paragraph 2 (a)(iii) of the Report of the Regional Director is concerned, with regards to the two open charges on the Petitioner Company No. 1, the Petitioner Companies submits that the said charges of INR 21,70,00,000/- will not be impacted by the merger of wholly owned subsidiary with the Holding Company and also, it is humbly submitted that the said charges will be transferred to the Petitioner Company No.2 on sanction of the Scheme.</p> <p>So far as the observation in paragraph 2 (a)(iv) of the Report of the Regional Director is</p>
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	<p>total amount involved is Rs. 32,30,61,000/-</p> <p>v. May be decided on merits.</p> <p>Hon'ble NCLT may kindly direct the Petitioner Companies to furnish the reply on the observations of ROC, Mumbai to satisfy Hon'ble NCLT that scheme of merger is in public interest and creditors interest and will not affect adversely.</p>	<p>concerned, the Petitioner Companies submit that the twelve active charges of INR 35,30,61,000/- will not be impacted by the merger of wholly owned subsidiary with the Holding Company and also, it is humbly submitted that the said charges will remain with the Petitioner Company No.2, being the Transferee Company on sanction of the Scheme.</p>
2(b)	<p>Transferee company should undertake to comply with the provisions of section 232(3)(i) of the Companies Act, 2013 through appropriate affirmation in respect of fees payable by Transferee Company for increase of share capital on account of merger of transfer of companies.</p>	<p>So far as the observation in paragraph 2(b) of the Report of the Regional Director is concerned, the Petitioner Companies undertake to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013 for fees payable by the Transferee Company for increase of authorized share capital on account of merger of Transferor Company.</p>

2(c)	<p>In compliance of Accounting Standard-14 or IND-AS 103, as may be applicable, the transferee company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards including AS-5 or IND AS-8 etc.</p>	<p>So far as the observation in paragraph 2(c) of the Report of the Regional Director is concerned, the Petitioner Companies submit that in addition to compliance of AS-14 (corresponding IND AS-103) for accounting treatment, the Transferee Company shall pass such accounting entries as may be necessary in connection with the Scheme to comply with other applicable accounting standards such as AS-5 (corresponding IND AS-8) etc. as applicable.</p>
2(d)	<p>The Hon'ble Tribunal may kindly 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.</p>	<p>So far as the observation in paragraph 2(d) of the Report of the Regional Director is concerned, the Petitioner Companies undertake that the Scheme enclosed to the Company Application and Company Petition are one and same and there is no discrepancy and no changes are made.</p>

2(e)	<p>The Petitioner Companies under provisions of section 230(5) of the Companies Act 2013 have to serve notices to concerned authorities which are likely to be affected by the Amalgamation or arrangement. Further, the approval of the scheme by the Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the scheme. The decision of such authorities shall be binding on the petitioner companies concerned.</p>	<p>So far as the observation in paragraph 2(e) of the Report of the Regional Director is concerned, the Petitioner Companies undertake that the notices were duly served to concerned regulatory authorities which are likely to be affected by the Amalgamation. Further, the Petitioner Companies undertake that approval of Scheme by the Hon'ble Tribunal shall not deter such authorities to deal with any of the issues arising after giving effect to the Scheme and the decisions of such authorities shall be binding on the Petitioner Companies.</p>
2(f)	<p>As per Definition of the Scheme. "Appointed Date" shall mean 1st April, 2024 or such other date directed by or stipulated by the National Company Law Tribunal as may be applicable. "Effective Date" means the last of</p>	<p>So far as the observation in paragraph 2(f) of the Report of the Regional Director is concerned, the Petitioner Companies submit that the Appointed Date is 1st April, 2024. The Counsel for the Petitioner Companies further</p>

<p>the dates on which the conditions and matters referred to in clause 19 hereof occur or have fulfilled.</p> <p>Any references in this Scheme to the date of “coming into effect of this Scheme” or “the Scheme coming into effect” or “Scheme becoming effective” shall mean the Effective Date.</p> <p>In this regard, it is submitted that Section 232 (6) of the Companies Act, 2013 states that the scheme under this section shall clearly indicate an appointed date from which it shall be effective and the scheme shall be deemed to be effective from such date and not at a date subsequent to the appointed date. However, this aspect may be decided by the Hon’ble Tribunal taking into account its inherent powers.</p> <p>Further, the Petitioners may be asked to satisfy the Hon’ble</p>	<p>undertake that the Petitioner Companies will comply with the requirements as clarified vide circular no. F. No.7/12/2019/CL-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs.</p>
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	NCLT about compliance of circular no. F. No, 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs	
2(g)	Petitioner Companies shall undertake to comply with the directions of Income Tax Department and GST Department, if any.	So far as the observation in paragraph 2(g) of the Report of the Regional Director is concerned, the Petitioner Companies undertake to comply with the directions of the Income tax Department & GST Authorities.
2(h)	Petitioner Companies shall undertake to comply with the directions of the concerned sectoral Regulatory, if any.	So far as the observation in paragraph 2(h) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that the Petitioner Companies undertake to comply with the concerned regulatory authority (i.e. RBI, SEBI, SIDBI) as may be applicable at any time.
2(i)	The Petitioner Company states that the Transferee Company	So far as the observation in paragraph 2(i) of the Report of

	<p>shall be in compliance with provisions of Section 2(1B) of the Income Tax Act, 1961. In this regard, the petitioner company shall ensure compliance of all the provisions of Income Tax Act and Rules thereunder;</p>	<p>the Regional Director is concerned, the Petitioner Companies submit that they will comply with the provisions of Section 2(1B) under Income Tax Act and Rules thereunder.</p>
2(j)	<p>As the Petitioner Transferee Company is Listed Company hence Petitioner Transferee Company was addressed to submit the compliance details. The Transferor and Transferee Company have replied that the shares of the Transferor Company are not listed on any of the stock exchanges whereas the shares of Transferee Company are listed on both the Stock Exchanges i.e. BSE and NSE. Further, as per Sub-Regulation (6) of Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entity is not required to obtain the</p>	<p>So far as the observation in paragraph 2(j) of the Report of the Regional Director is concerned, the Petitioner Companies submits that the notice of merger issued to NSE, BSE and SEBI has been submitted to the office of the Regional Director. Further as per clause 4 of the Preliminary part of the SEBI Master Circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub- rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957 dated June 20, 2023, NOC of NSE and BSE are not required to be obtained for merger of wholly</p>

	<p>NOC from stock exchanges if the merger is between wholly owned subsidiary and its holding company. Since, the Transferor Company is a wholly owned subsidiary of the Transferee Company, the Transferee Company being listed entity has given prior intimation to the Stock Exchange and need not obtain NOC from Stock Exchanges. Further, the Transferee Company is registered as NBFC. NOC from RBI has been enclosed (Annexed as Annexure A-2).</p>	<p>owned subsidiary with its holding company. The said SEBI Master Circular has been submitted with the office of the Regional Director in its reply. Further, Petitioner Company humbly submits that they have filed further affidavit with Tribunal dated June 24, 2024. Further, the Petitioner Company states that public interest shall not be affected pursuant to the merger.</p>
2(k)	<p>Petitioner Transferee Company has foreign shareholders; hence Petitioner Transferee Company shall undertake to comply with rules, regulations, guidelines of FEMA, FERA and RBI.</p>	<p>So far as the observation in paragraph 2(k) of the Report of the Regional Director is concerned, the Petitioner Company humbly submits that they will comply with rules, regulations, guidelines of FEMA, FERA and RBI.</p>

2(l)	The Transferor & Transferee companies may be directed to close the open charges 12 Nos. or satisfy this Hon'ble Tribunal on closure the open charges before the final orders by Hon'ble Tribunal.	The Petitioner Companies submits as per Point 3 (iii) and (iv) that the open charges will not impact the merger between wholly owned subsidiary and holding company and open charges of Petitioner No. 1 will be transferred to Petitioner No. 2.
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9. During the course of arguments, Ld. Authorised Representative for the Regional Director appeared and submitted that their observations/ objections have been satisfactorily clarified/explained by the Petitioner Company. Hence, the Regional Director does not have any further objection to the proposed Scheme Company Petition.

10. The Official Liquidator has filed his report dated 5th September 2024 in the Company Scheme Petition No. 175 of 2024 without any observation and submitted that the same may be taken on record.

11. We have perused from the RoC Report that Reserve Bank of India vide Letter dated 19.08.2024 has stated that they do not have any objection for merger of Synegra Ems Limited into Smartlinks Holdings Limited and instructed the Petitioner Company No. 2 to add the following point under the scheme as under:

“All regulatory or other proceedings of like nature or cause of actions against the transferor company pending and/ or arising, before, on, or after, the appointed date shall not abate or be discontinued or be in any way prejudicially affected by reason of anything contained in this scheme but shall be initiated, continued and enforced by or against the Transferee Company in the manner and to the same extent as would or might have been initiated, continued or enforced against the transferor company without any further act, instrument, deed, matter or thing being made, done or executed. The Transferee company will have all such regulatory or other proceedings initiated by or against the transferor company referred to in this clause, transferred in its name and to have the same continued, prosecuted and enforced by or against the transferee, to the exclusion of the Transferor Company”.

It is submitted by the Learned Counsel that the Petitioner Company No.2 had duly filed further affidavit dated 21st October, 2024 with this Tribunal wherein the Petitioner Company No. 2 has undertaken to comply with the above necessary compliances of Reserve Bank of India.

12. The Income Tax Department will be at liberty to examine the aspect of any tax payable as a result of this scheme in relation to tax or any other kind of obligations of Transferor Company against the Transferee Company, as permissible under the Income Tax Law.
13. From the materials on record, the Scheme attached to the Company Scheme Petition appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
14. Since all the requisite statutory compliances have been fulfilled, the said Company Scheme Petition No. *CP(CAA) 175/MB/2024* is made absolute in terms of prayer clauses (a) and (b) thereof.
15. The Petitioner Company is directed to file a certified copy of this order along with a copy of the sanctioned Scheme with the concerned Registrar of Companies, electronically in e-form INC-28 within 30 (thirty) days of the receipt of the certified copy of this order and the sanctioned Scheme by the Petitioner Company.
16. The Petitioner Company to lodge a certified copy of this order along with the sanctioned Scheme duly authenticated/certified by the designated Registrar of the National Company Law Tribunal, Mumbai Bench, with the concerned Collector/Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, within 60 (sixty) days from the date of receipt of the certified copy of this order

along with a copy of the sanctioned Scheme from the Registry of this Tribunal.

17. All concerned Regulatory Authorities, stock exchanges and depositories (including National Stock Exchange of India Limited, BSE Limited, National Securities Depository Limited and Central Depository Services (India) Limited) to act on a certified copy of this Order along with Scheme duly certified by the designated Registrar of the National Company Law Tribunal, Mumbai Bench.
18. Any person interested is at liberty to apply to this Hon'ble Tribunal in the above matters for any directions that may be necessary.
19. Any concerned Authorities are at liberty to approach this Tribunal for any further clarification as may be necessary.
20. The Appointed Date is 1st April, 2024.
21. Accordingly, the present Company Petition i.e. *CP (CAA)/175/MB-IV/2024* is **allowed** and disposed of.

Sd/-

Sanjiv Dutt
Member (Technical)

Sd/-

Kishore Vemulapalli
Member (Judicial)