

PURSHOTTAM INVESTOFIN LIMITED

Regd. Off: L-7, Menz Floor, Greenpark Extension, New Delhi -110016

Ph No. 011-46067802 CIN: L65910DL1988PLC033799 GSTIN: 07AAACD0419K1ZX

Email ID: purshottaminvestofin@gmail.com Website: www.purshottaminvestofin.in

Date: 07.01.2025

To,

BSE Limited

Corporate Relationship Department

1st Floor, New Trading Ring,

Rotunda Building, P.J. Towers,

Dalal Street, Fort, Mumbai - 400 001

Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Sanction of Scheme of Arrangement for Amalgamation

Dear Sir(s)/ Madam(s),

In continuation of our earlier intimation dated 24.12.2021, 05.01.2023, 18.07.2023, 07.08.2023, 09.09.2023, 11.09.2023, 19.10.2023 and 02.11.2023, this is to inform you that the Hon'ble National Company Law Tribunal, New Delhi Bench ('NCLT'), basis its hearing held on 19.11.2024 has approved the Scheme of Arrangement for Amalgamation between Middle Path Trading Private Limited (Transferor Company - 1) and Shiraj Marketing Private Limited (Transferor Company - 2) and Purshottam Investofin Limited (Transferee Company) and their respective shareholders and creditors, under Sections 230 and 232 of the Companies Act, 2013 read with rules framed thereunder.

The said order pronounced on 01.01.2025, which is now available on the website of Hon'ble NCLT via. <https://nclt.gov.in/>, as of today i.e. 07.01.2025. However, a certified copy of the same is awaited.

Any further information in this connection will be submitted with the Exchanges in due course.

Thanking you,

Yours faithfully,

For **Purshottam Investofin Limited**

ANKIT

GUPTA

Digitally signed by
ANKIT GUPTA
Date: 2025.01.07
15:35:25 +05'30'

Ankit Gupta

Company Secretary and Compliance Officer

Enclosure: as above



IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

C.P. (CAA)/65(ND)2023
CONNECTED WITH
C.A. (CAA)/14/ND/2023

Under Sections 230 to 232 of the Companies Act, 2013 read with Rule 15 of the Companies (Compromise, Arrangements ad Amalgamation Rules, 2016)

IN THE MATTER OF:

MIDDLE PATH TRADING PRIVATE LIMITED

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

AND

SHIRAJ MARKETING PRIVATE LIMITED

... PETITIONER COMPANY NO. 2/TRANSFEROR COMPANY NO. 2

AND

PURSHOTTAM INVESTOFIN LIMITED

... PETITIONER COMPANY NO. 3/TRANSFeree COMPANY

(Collectively hereinafter may be referred to as the “Petitioner Companies”)

Order Delivered on: 01.01.2025

CORAM:

SHRI MANNI SANKARIAH SHANMUGA SUNDARAM,
HON’BLE MEMBER (JUDICIAL)

DR. SANJEEV RANJAN,
HON’BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant	: Mr. Suman Kumar Jha, Mr. S. Shiva, Advs.
For the RD	: Mr. Sumit Kansal, Ms. Manshi, Mr. Aryan Gupta
For the OL	: Mr. Kartikeya Asthana, Adv.
For the ITD	: Ms. Prerna Raman on behalf of Mr. Aseem Chawla, Sr. St. Counsels



ORDER

PER: MANNI SANKARIAH SHANMUGA SUNDARAM, MEMBER (JUDICIAL)

1. This second motion petition has been jointly filed by the petitioner companies herein namely M/s Midde Path Trading Private Limited (hereinafter referred to as Transferor Company No. 1/Petitioner Company No. 1), M/s Shiraj Marketing Private Limited (hereinafter referred to as Transferor Company No. 2/Petitioner Company No. 2), with M/s Purshottam Investofin Limited (hereinafter referred to as Transferee Company/Petitioner Company No. 3) under section 230-232 of the Companies Act, 2013, read with the Companies (Compromises, Arrangements, Amalgamations) Rules, 2016, (“Rules”) and the National Company Law Tribunal Rules, 2016, for the purpose of the sanction of the proposed Scheme of Amalgamation proposed between the petitioners. The copy of the Scheme of Amalgamation (hereinafter referred as the (“Scheme”), has been placed on record.
2. The Petitioner Company No. 1/Transferor Company No. 1 i.e., **M/s Middle Path Trading Private Limited** was incorporated on 06.01.2009, under the provisions of the Companies Act, 1956 bearing CIN: U51100DL2009PTC186443, having its registered office at L-7, Menz. Floor, Green Park Extension, South Delhi-110016. The Authorized Share Capital of the Transferor Company No. 1/Petitioner Company No. 1 is Rs. 1,25,00,000/- divided into 12,50,000 Equity Shares of Rs. 10/- each. The



Issued, Subscribed and Paid-up Share Capital of the Transferor Company No. 1/Petitioner Company No. 1 is Rs. 1,21,82,500/- divided into 12,18,250 Equity Shares of Rs. 10/ each fully paid-up. The Transferor Company No.1 is engaged in the business of general trader, merchant, transactions in nature of hedging, spot-trading, options market, investment and other related activities.

3. The Petitioner Company No. 2/Transferor Company No. 2 i.e., **M/s Shiraj Marketing Private Limited** was incorporated on 06.01.2009, under the provisions of the Companies Act, 1956 bearing CIN: U51100D2009PTC186445 having its registered office at L-7, Menz. Floor, Green Park Extension, South Delhi-110016. The Authorized Share Capital of the Petitioner Company No. 2/Transferor Company No. 2 is Rs. 1,10,00,000/- divided into 11,00,000 equity shares of Rs. 10/- each. The Issued, Subscribed and Paid-up Share Capital of the Petitioner Company No. 2/Transferor Company No. 2 is Rs. 1,07,00,000/- divided into 10,70,000 equity shares of Rs. 10/- each fully paid-up. The Transferor Company No. 2 is engaged in the business of general trader, merchant, transactions in nature of hedging, spot-trading, options market, investment and other related activities.

4. The Petitioner Company No. 3/Transferee Company i.e., **M/s Purshottam Investofin Limited** was incorporated on 04.11.1988, under the provisions of the Companies Act, 1956 bearing CIN: L65910DL1988PC033799 having its registered office at L-7, Menz. Floor, Green Park Extension, South



Delhi-110016. The Authorized Share Capital of the Petitioner Company No. 3/Transferee Company is Rs. 17,10,00,000/- divided into 1,71,00,000 equity shares of Rs. 10/- each. The Issued, Subscribed and Paid-up Share Capital of the Petitioner Company No. 3/Transferee Company is Rs. 6,28,35,750/- divided into 62,83,575 equity shares of Rs. 10/- each fully paid-up. The Transferee Company is held listed company and its shares are listed on BSE Limited. The Transferee Company is a Non-Banking Finance Company (NBFC) registered with the Reserve Bank of India. It is engaged in the business of providing loans and advance, investment in shares and other securities and other related activities.

5. The Petitioner Companies submit that the rationale for the scheme of amalgamation between the Transferor Companies and Transferee Company would have the following benefits: -

- i. The Transferor Company -1 and Transferor Company -2 were not engaged in any business activities however both the companies have surplus fund which were unutilized since long hence, the management of the Transferor Companies have decided to amalgamate Transferor Companies with Transferee Company and utilize the surplus fund of Transferor Companies in line of business activities of the Transferee Company. The proposed amalgamation of the Transferor Company 1 and Transferor Company 2 with Transferee Company will strengthening the financial business activity of Transferee Company as both the Transferor Companies



business activities are in line of the business activities of the Transferee Company. The scheme of arrangement shall provide a similar kind of business to the Transferee Company which has growth potential and shall also provide the shareholders of Transferor Companies liquidity through listing and hence there is significant synergy for consolidation of all the entities at one place.

- ii. The independent operations of the Transferor Companies and Transferee Company leads to incurrance of significant costs and the amalgamation would enable economies of scale by attaining critical mass and achieving cost saving. The amalgamation will thus eliminate a multi- layered structure and reduce managerial overlaps, which are necessarily involved in running multiple entities and also prevent cost duplication that can erode financial efficiencies of a holding structure and the resultant operations would be substantially cost-efficient. This Scheme would result in simplified corporate structure of the Transferee Company and its businesses, thereby leading to more efficient utilization of capital and creation of a consolidated base for future growth of the Transferee Company.
- iii. The amalgamation will contribute in furthering and fulfilling the objectives and business strategies of both the companies thereby accelerating growth, expansion and development of the respective businesses through the Transferee Company. The amalgamation



will thus enable further expansion of the Transferee Company and provide a strong and focused base to undertake the business more advantageously. Further, this arrangement would bring concentrated management focus, integration, streamlining of the management structure, seamless implementation of policy changes and shall also help enhance the efficiency and control of the Transferor Companies and Transferee Company.

- iv. The synergies created by scheme of arrangement would increase operational efficiency and integrate business functions.
- v. The proposed arrangement will provide greater integration and flexibility to the Transferee Company and strengthen its position in the industry, in terms of the asset base, revenues, product and service range.
- vi. Further This Scheme of Arrangement for Amalgamation of the Transferor Companies with the Transferee Company would result, inter-alia, in the following additional benefits to their respective members:
 - a. Optimum and efficient utilization of capital, resources, assets and facilities;
 - b. Enhancement of competitive strengths including financial resources;
 - c. Consolidation of businesses and enhancement of economic value addition and shareholder value;



- d. Obtaining synergy benefits;
 - e. Better management and focus on growing the businesses.
 - f. The amalgamation would result in reduction of overheads, administrative, managerial and other expenditure and bring about operational rationalization, efficiency and optimum utilization of various resources.
 - g. A larger growing company will mean enhanced financial and growth prospects for the
6. The appointed date as specified in the Scheme is 1st April 2021 or such other date as may be approved by the Tribunal or by such other competent authority having jurisdiction over the Transferor Companies and the Transferee Company.
7. From the records, it is seen that the First Motion joint application seeking direction for dispensation/convening the meeting of Shareholders, Secured Creditors and Unsecured Creditors was filed before this bench vide CA(CAA)14(ND)OF2023 and based on such application moved under Section 230-232 of the Companies Act, 2013, this Tribunal vide order dated 13.07.2023 (pronounced order) has passed the following directions:-
- I. The requirement of convening the meeting of equity shareholders and unsecured creditors of the Petitioner Company No. 1 and 2 were dispensed with.



- II. The requirement of convening the meeting of secured creditor and unsecured creditor of the Petitioner Company No. 3 was dispensed with.
- III. The requirement of convening meeting of Equity Shareholders of the Transferee Company was directed to be convened at such time and place mutually decided between the Petitioner Company No. 3 and their respective chairperson.
8. The Chairperson of the meeting of Shareholders of the Transferee Company/Petitioner Company No. 3 had placed on record Chairperson's report dated 09.09.2023. As per their report, scheme was approved with requisite majority i.e., by 99.99% of the Equity Shareholders as required under Section 230(6) of the Companies Act, 2013.
9. In the present second petition, vide order dated 10.10.2023 passed by this Tribunal, the Tribunal directed the Petitioner Companies to published notice of the hearing of the main Company Petition in two newspapers namely, "Business Standard" (English and Hindi) and in addition to the public notice, directed to issue notices to the Statutory Authorities as well as upon the RoC.
10. In compliance with the order dated 10.10.2023, the petitioner companies have filed an affidavit of service on 13.12.2023 affirming and disclosing that the petitioners have effected publication in "Business Standard" (English and Hindi, Delhi Edition) both dated on 05.12.2023. In addition to the public notice, notices were served on the Regional Director (Northern



Region), Registrar of Companies, NCT of Delhi and Haryana, Income Tax Department, Reserve Bank of India and Official Liquidator.

11. Pursuant to the notice issued, the Regional Director, Income Tax Department and Official Liquidator they have filed their response/reply in the matter.

12. The Regional Director (RD) in its report affidavit dated 15.04.2024 has made certain observations regarding the proposed scheme of Amalgamation among the Petitioner Companies. In response to the same, the Petitioner Companies had filed reply dated 06.11.2024 wherein the Petitioner Companies gave clarification to the observations made by the Regional Director. The details of the same are given below:

Observation	Observation by the Regional Director vide report affidavit dated 15.04.2024	Reply by the Petitioner Companies dated 06.11.2024
1.	As per MCA General Circular no. 9/2019 dated 21.08.2019, if the appointed date is significantly antedated 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 this case, the appointed date is 01.04.2021. However, the justification of the same is not clearly brought out.	A. That the Board of Directors of the respective Petitioner Companies had approved the Scheme of Arrangement for Amalgamation in their Board Meeting each held on 24th December, 2021, and at that time, 01st April, 2021 was considered as the Appointed Date for the said Scheme. B. That the Transferee Company is a listed company having its equity shares listed on BSE Limited ("BSE") and in accordance with the provisions of the SEBI Master Circular No. SEBI/HO/CFD/DIL 1 /CIR/P/2021/0000000665 dated 23rd November, 2021, the application before



		<p>this Hon'ble Tribunal could be filed only after the receipt of the prior written approval of the stock exchange. The BSE Limited had issued its observation letter in respect of the said Scheme only on 04.01.2023.</p> <p>C. Thereafter, the joint first motion application bearing Company Application (CAA) No. 14/ND/2022 was filed before this Hon'ble Tribunal on 20.02.2023.</p> <p>D. It is submitted that there is no significant ante-dating of the 'Appointed Date' as stated in the MCA General Circular No. 9/2019 dated 21.08.2019. The copy of the MCA's General Circular No. 9/2019 dated 21.08.2019 is annexed herewith and marked as ANNEXURE - 2.</p> <p>E. That a justification for ante-dating the 'Appointed Date' beyond one year would have been provided in the Scheme in the event the interest of the public were to be affected. However, in the instant case, the public interest is not affected in any manner. It is a matter of fact on record that, the said Scheme of Amalgamation had been duly approved by the equity shareholders of the Transferee Company at their meeting held on 09th September, 2023 duly convened in accordance with the directions of the Hon'ble Tribunal.</p> <p>F. It is most humbly submitted that there has been no wilful ante-dating of the Appointed Date as</p>
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		<p>stated by the Regional Director, and the delay in filing the application is attributable to the time consumed in obtaining the approval of the sectoral regulators.</p> <p>G. It is further submitted that the acceptance of the Appointed Date as 01.04.2021 will not be against public interest and/or policy and in fact would only be favourable to all the stakeholders.</p> <p>H. Hence, in view of the above submissions, there is no material breach/non-compliance of the conditions prescribed in the said Circular and the time gap are purely due to procedural reasons especially on account of obtaining the prior approval of the sectoral regulators.</p> <p>I. Hence, it is requested that the issue pertaining to the 'Appointed Date' be settled in favour of the Petitioner Companies.</p>
2.	As per Clause No. 3 of Part III of the Scheme, it is provided that upon the Scheme becoming effective and in accordance with the provisions of Rule 8A(J)(w) of the Companies (Incorporation) Rules, 2014, the name of the Transferee company shall change without any further act. This is opposed. The Transferee company will be required to file the relevant e-forms for change of name.	a. The Petitioner Companies submit that upon the effectiveness of the Scheme, the Transferee Company shall not be required to obtain any separate approval of its shareholders for the purpose of change in name of the Transferee Company, and the resolution passed by the Shareholders of the Transferee Company at its meeting held on 09th September, 2023 for approving the present Scheme of Amalgamation shall be sufficient for the change in the name of the Transferee Company.



		b. Further, in respect of the objection raised by the Regional Director regarding the filing of relevant e-forms, the Transferee Company accordingly undertakes to comply with the same.
3.	As per the audited financial statements of the Transferor Company 1 for the F. Y.2022-23, it is seen that the company has incurred cash losses in the current financial year and profit in the immediately preceding financial year.	That the observation of the Regional Director are factual in nature and require no response. However, the Petitioner Company I submits that it did not have any profit during the FY 2021-22 and had infact incurred losses to the tune of Rs. 2.07 Crores.
4.	It is stated that the Transferor Company 1 and Transferor Company 2 have Body Corporate shareholdings of more than 10%. However, form BEN-2 has not been filed in this regard.	It is submitted that no individual has any significant beneficial ownership in the Transferor Companies. No individua holds majority shareholding in the shareholders of the Transferor Companies. Hence, in view of the given circumstances, the compliance of Section 89 and 90 of the Companies Act are not applicable to the Transferor Companies. Accordingly, the Transferor Companies are not required to file form BEN-2.
5.	As per the audited financial statements of the Transferor Company 2 for the F. Y. 2022-23, it is seen that the company has incurred cash losses in the current financial year and profit in the immediately preceding financial year.	That the observation of the Regional Director are factual in nature and requires no response.
6.	In the rationale of the Scheme it is written that, "the Transferor Company 1 and Transferor Company 2 were not engaged in any business activities, however, both companies have surplus funds". On examination of the financial statements, the rationale is found to be incorrect, as both the companies have shown significant revenue from operations and both have negative surplus which is balanced out by the securities premium.	a. That the Regional Director has stated in its report that the rationale of the Scheme is incorrect as Transferor Company 1 and Transferor Company 2 have significant revenue from operations and have negative surplus balanced out by securities premium. b. It is most humbly submitted that the Petitioner Company 1 and Petitioner Company 2 both



		<p>were dormant since the year 2015. The Petitioner Company 1 and Petitioner Company 2 had obtained a dormant status from the Registrar of Companies which were granted vide certificate dated 28.04.2015 issued to Petitioner Company 1 and vide certificate dated 26.04.2015 issued to Petitioner Company 2. The copy of "Certificate of status of a Dormant Company" issued by the ROC to Petitioner Company 1 and Petitioner Company 2 are annexed herewith and marked as ANNEXURE - 3 (Colly).</p> <p>c. That the Petitioner Company 1 and Petitioner Company 2 did not carry out any operations during the aforesaid period from 2015-16 till the year 2019-20. A copy of the Profit and Loss Statement of Petitioner Company 1 and Petitioner Company 2 for the period 2015-16 to 2019-20 are annexed herewith and marked as ANNEXURE - 4 (Colly).</p> <p>d. Thereafter, during the financial year 2020-2021, the status of both Petitioner Company 1 and Petitioner Company 2 were changed to "Active".</p> <p>e. That the Petitioner Company 1 and Petitioner Company 2 were holding certain investments prior to obtaining their dormant status which were liquidated during the year 2020-2021, which consequently resulted in surplus funds being made</p>
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		<p>available to Petitioner Company 1 and Petitioner Company 2.</p> <p>f. That as the Petitioner Company 1 and Petitioner Company 2 were having idle funds available, the surplus/idle funds were utilized by Petitioner Company 1 and Petitioner Company 2 by investing in liquid assets.</p> <p>g. Further, the balancing of the negative surplus by the securities premium is only an accounting treatment. It is pertinent to mention here that the Scheme provides for the utilization of the surplus funds available with the Transferor Companies which shall be utilized in line of the business activities of the Transferee Company.</p> <p>h. Thus, in view of the aforesaid facts and circumstances, it is submitted that the rationale mentioned in the Scheme are correct as Petitioner Companies I and Companies 2 were not generating any revenue from operations during the financial years prior to the approval of the Scheme by the Board of Directors of the Petitioner Companies. Hence, it is most humbly prayed that this issue be decided in favor of the Petitioner Companies.</p>
7.	Refer to clause 1.2 (1.2 .2) of Part III of the scheme, the Transferee company may kindly be directed to comply with the provision of section 232(3)(i) of the Companies Act, 2013 in regard to fee payable on its revised	<p>a. That in respect of observation relating to fee payable on revised authorized share capital, it is submitted that the in view of the provisions of the Clause 1.2.2 of Part III of</p>



	authorized share capital, if applicable.	<p>the Scheme, the Transferee Company/Petitioner Company No. 3 shall comply with the provisions of Section 232(3)(i) of the Companies Act, 2013 in regard to the fee payable on its revised authorized share capital, if applicable.</p> <p>b. That the compliance of the aforesaid provisions of Section 232(3)(i) by the Transferee Company / Petitioner Company 3 is only required to be made subsequent to the sanction of the Scheme of Arrangement by the Hon'ble Tribunal and not prior to such sanction, which is per se evident from the provisions of Section 232 itself. The said provision is reproduced below for ready reference:</p> <p>"Section 232. Merger and amalgamation of companies</p> <p>(1)</p> <p>(3) The Tribunal, after satisfying itself that the procedure specified in sub-sections (1) and (2) has been complied with, may, by order, sanction the compromise or arrangement or by a subsequent order, make provision for the following matters, namely:-</p> <p>(a)</p> <p>(i) where the transferor company is dissolved, the fee, if any, paid by the transferor company on its authorised capital shall be set-off against any fees payable by the transferee company on its authorised capital subsequent to the amalgamation; and</p> <p>...."</p> <p>(Emphasis supplied)</p>
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		Thus, the Transferee Company/Petitioner Company 3 shall be required to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013 only subsequent to the sanction of Scheme of Arrangement for Amalgamation by this Hon'ble Tribunal; and; the fee and duty paid on the Authorized Share Capital of the Transferor Companies shall be set off against the fee payable on the Authorized Share Capital of the Transferee Company, if any.
8.	The shares of the Transferee Company (Purshottam Investofin Limited) are held by Transferor Company no. 2 (Shiraj Marketing Private Limited)."	That the observation of the Regional Director is factual in nature. It is a matter of fact on record that the Transferor Company 2 holds share in the Transferee Company and as per the provisions of Clause 1.1.4 of Part-III of the Scheme of Amalgamation, such shares shall get cancelled at the time of allotment of shares.

13. Thus, the Petitioner Companies vide reply affidavit dated 06.11.2024 duly replied to queries raised by the Regional Director and the Regional Director has not made any adverse remarks or observations thereafter.

14. The Income Tax Department in its report dated 19.12.2023 with respect to the Transferor Company No. 1/Petitioner Company No.1 i.e., M/s Middle Path Trading Private Limited stated that which is reproduced hereunder: -



1. The Report of the Assessing Officer of Middle Path Trading Private Limited (**Transferor Company No.1**), Shiraj Marketing Private Limited (**Transferor Company No.2**) with Purshottam Marketing Private Limited (**Transferee Company**) has been annexed hereto and marked as **Annexure 'A'**, **Annexure 'B'** and **Annexure 'C'**.
2. It is submitted that there is a total outstanding Income-tax demand of Rs. 1,37,038/- against the Middle Path Trading Private Limited (**Transferor Company No.1**). Below are the details of the outstanding demand of each Assessment Year:

Assessment Year	Demand under Section of the Income Tax Act, 1961	Outstanding (Rs.)
2012-13	271(1)(c)	73,850
2012-13	220(2)	63,188

3. Further, it is submitted that there is an outstanding Income-tax demand of **Rs.4,00,668/-** along with Interest of **Rs.1,69,448/-** against the Shiraj Marketing Private Limited (**Transferor Company No.2**)

4. Further, it is submitted that there is an outstanding Income-tax demand of **Rs. 50,92,428/-** against the Purshottam Investofin Private Limited (**Transferee Company**)
5. Given the facts as narrated above, and the Report of the Assessing Officer (annexed herewith), it is humbly submitted that the Income Tax Department has no objection to the merger of Middle Path Trading Private Limited and Shiraj Marketing Private Limited and Purshottam Investofin Private Limited.

15. The Deputy Commissioner of Tax Circle 22(2) in its report dated 02.05.2024 with respect to the Transferor Company No. 2/Petitioner Company No. 2 stated that which is reproduced hereunder: -

The observations/report in respect of Shiraj Marketing Private Limited (Transferor Company) is as under :-

M/s Shiraj Marketing Private Limited (AAMCS6619N)	
1. Whether there is any Income Tax demand pending against the company? If yes, the quantum thereof may kindly be communicated. In view of the above, it is requested that the concerned Assessing Officers for each of the above Companies prepare their respective para-wise comments or instructions with respect to the present Company Petition and the Scheme of Arrangement therein, including the following information:	Demand of Rs. 4,00,668/-+ interest of Rs. 1,69,448/- u/s 220(2) of the Income Tax Act ,1961 is pending against this assessee.
2 The details of any proceeding under the Income Tax Act pending against the above Company, if any	As per the ITBA system of Circle- 22(2). New Delhi, no proceeding is pending.
3. Whether the Income Tax Department would have any objection to the said Scheme Arrangement being approved by	Department/Revenue reserves its right to initiate and/or continue proceedings under the IT Act, 1961.

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the Hon'ble NCLT? If yes, the detailed reasoning behind such objection may kindly be provided	Department/Revenue reserves its right behind to recover any demand payable by the company, if it comes to the knowledge of the department
4. Any other details or instructions which may have a bearing on the case in order to safeguard the interest of the Revenue	N.A.



16. The Income Tax Officer, Ward-20(1) in its report dated 07.02.2024 with respect to Transferee Company i.e., M/s Purshottam Investofin Limited stated which is reproduced hereunder:-

Whether any of the returns were selected for manual scrutiny/Scrutiny, and if yes the result thereof	No
Whether there is any income Tax Demand pending against the company? If yes the quantum thereof	Total outstanding demand amounting to Rs. 50,92,428/- is pending.
The details of any proceedings under the I.T. Act, 1961 pending against the company, if any	As per record, no such income tax proceedings are pending as on date in this Ward, however, proceeding may be pending before the faceless assessment unit which cannot be ascertained by this office.
Whether the Income Tax Department would have any objection to the restoration of amalgamation of the above named company	No
Any details or instructions which may have a bearing on the case to safeguard the interest of the revenue	No

17. The Official Liquidator in its report dated 22.08.2024 wherein it is stated that on the basis of information submitted by the Petitioner Companies is of the view that the affairs of the aforesaid Transferor Companies do not appear to have been conducted in a manner prejudicial to the interest of its members or to public interest in terms of the provisions of the Companies Act, 2013.

18. It is submitted that the shares of the Transferee Company Petitioner Company No. 3 are listed on BSE Limited("BSE"). The BSE Limited vide its observation letter dated 04.01.2023 has provided its observation letter containing no objection to the proposed Scheme of Arrangement for Amalgamation. The same is placed on record.

19. The Petitioner Company No. 3 has filed an affidavit dated 18.11.2024 wherein it is submitted that:-



- a. The prior approval of the RBI as per Circular No. DNBR (PD) CC.No. 065/03 .10.001/2015-16 dated July 09, 2015 (RBI Circular) is not required in the present Scheme of Amalgamation. Nevertheless, the Petitioner Company 3 has already filed an application before the Reserve Bank of India 5. in respect of this Scheme of Amalgamation vide its letter dated 08.03.2022. The copy of the RBI's Circular No. DNBR (PD) CC.No. 065/03.10.001/2015-16 dated July 09, 2015 and the letter of the Petitioner Company 3 are annexed herewith and marked as ANNEXURE- 1 (Colly).
- b. Further in its affidavit it is submitted that the RBI Circular dated July 09, 2015 provides that a prior approval of the RBI is required only in the following cases. The relevant portion of the circular is reproduced below for ready reference:

"2. Requirement of prior approval of Reserve Bank

- (i) Henceforth, prior written permission of the Reserve Bank shall be required for
- a) any takeover or acquisition of control of an NBFC, which may or may not result in change of management;
 - b) any change in the shareholding of an NBFC, including progressive increases over time, which would result in acquisition/ transfer of shareholding of 26 per cent or more of the paid-up equity capital of the NBFC. Prior approval would, however, not be required in case of any shareholding



going beyond 26% due to buyback of shares/ reduction in capital where it has approval of a competent Court. The same is however required to be reported to the Reserve Bank not later than one month from its occurrence;

- c) any change in the management of the NBFC which would result in change in more than 30 per cent of the directors, excluding independent directors. Prior approval would not be required for those directors who get re-elected on retirement by rotation."

That in the instant case of the Petitioner Companies, none of the criteria as mentioned in the RBI Circular are applicable on the Petitioner Company No. 3 i.e., there is no takeover or acquisition of control of any NBFC, there is no change in the shareholding of the Transferee Company, including progressive increases over time, which would result in acquisition/transfer of shareholding of 26% or more of the paid up equity capital of the Transferee Company, and, there is no change in the management of the Transferee Company which would result in change in more than 30 percent of the directors, excluding independent directors. Accordingly, in view of the fact of the present case of the Petitioner Companies, the prior approval of the RBI is not required.



- c. That the Petitioner Companies had also served a notice to the RBI in the prescribed Form CAA-3 on 07.08.2023 through hand delivery. Simultaneously, a notice was also sent through email on 07.08.2023 inviting their representation, if any, in connection with the proposed Scheme of Amalgamation. Further, in compliance of the order of this Hon'ble Tribunal dated 10.10.2023, a notice was also served upon RBI on 20.10.2023 by hand delivery and marked as **ANNEXURE- 2 (Colly)**.
- d. That it is most humbly submitted that regular correspondence was made by Petitioner Company No. 3 with the RBI seeking their representation/observation, if any, with respect to the proposed Scheme. However, till date the RBI has not filed any report before this Hon'ble Tribunal.
- e. That the Petitioner Company No. 3 has submitted all information and documents as sought by the RBI from time to time. The copy of the correspondence made with the RBI are annexed herewith and marked as **ANNEXURE - 3 (Colly)**.
- f. That the Petitioner Company No. 3 most humbly submits that the provisions of Section 230 (5) of the Companies Act, 2013 provide that if no representation is made by any sectoral regulator or authority within a period of 30 (Thirty) days from the date of receipt of the notice, it shall be presumed that they have no representations to make on the proposals.



20. The Petitioner Companies have placed on record respective certificate from statutory auditors of the Petitioner Companies certifying that accounting treatment provided in the Scheme is being compliant with the applicable Accounting Standards as specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other generally accepted accounting principles.

21. In the first motion petition, the Transferor Company No. 1 and 2 in its affidavit dated 16.02.2023 affirming that there is no investigation or proceeding pending against the Transferor Companies under any law for the time being in force. If there arises any legal or other proceeding against the Transferor Companies from the date of execution of this affidavit, the same shall be continued, prosecuted and enforced against the Transferee Company/Applicant Company No. 3 pursuant to the abovementioned Scheme.

22. The Transferee Company/Petitioner Company No. 3 submitted the details of pendency of any investigation or proceedings against the company which is reproduced hereunder: -

DETAILS OF PENDENCY OF ANY INVESTIGATION OR PROCEEDINGS AGAINST THE COMPANY

1. An assessment order dated 30.03.2023 has been passed by the Income Tax Department under Section 147 read with Section 144B of the Income Tax Act, 1961 ("Act") pursuant to which a demand of Rs. 60,27,158/- has been raised for the assessment year 2018-19. The Company has filed an appeal against the said assessment order before the National Faceless Appeal Centre on 25.04.2023. The Company has deposited a sum of Rs. 12,05,500/- on 27.04.2023 being 20% of the demand raised. The Company has submitted an application dated 27.04.2023 to Income Tax Department for granting stay on the demand under Section 220(6) of the Act till the disposal of the first appeal. The matter is currently pending before the Commission of Income Tax (Appeals).
2. A Scrutiny Assessment Proceeding has been initiated by the Income Tax Department for assessment year 2022-23 under Section 143(3) of the Income Tax Act, 1961 ("Act"). The matter is currently pending before the Income Tax Authorities.

Notes:

The above mentioned details of pendency of any Investigation or Proceedings against the Company as on 21.09.2023



23. The shareholders of the petitioner companies are the best judges of their interest, being fully conversant with market trends. Therefore, their decisions are not supposed to be interfered with by the Tribunal for the reason that it is not proper on the part of the judicial function of the Tribunal to examine and evaluate entrepreneurial activities and their commercial decisions. It is well settled that the Tribunal evaluating the Scheme, of which sanction is sought under Section 230-232 of the Companies Act of 2013, will do not ordinarily go into the merits of the corporate decisions of companies as approved by their respective shareholders and creditors.

24. It has also been affirmed in the petition that the Scheme is in the interest of the Petitioner Companies including their shareholders, creditors, employees and all concerned. In view of the foregoing, upon considering the approval accorded by the members and creditors of the Petitioner companies to the proposed Scheme, there appears to be no impediment in sanctioning the present Scheme.

25. Consequently, sanction is hereby granted to the Scheme under Section 230 to 232 of the Companies Act, 2013 with the following directions: -

- i. The Petitioners shall always remain bound to comply with the statutory requirements in accordance with law.
- ii. Notwithstanding the sanction, if there is any deficiency found or, violation committed, qua any enactment, statutory rule or regulation, the sanction granted by this court to the scheme will not



come in the way of action being taken in accordance with the law, against the concerned persons, directors and officials of the petitioners.

- iii. While approving the Scheme as above, we further clarify that this order should not be construed as an order in any way granting exemption from payment of stamp duty, taxes or any other charges if any, and payment in accordance with law or in respect to any permission/compliance with any other requirement which may be specifically required under any law.

26. This Tribunal further directs with respect to the Transferor Companies and the Transferee Company, that: -

- i. The appointed date for the proposed scheme of amalgamation is 01.04.2021 or such other date as directed by this Tribunal. Having considered the time already elapsed and the fact that Accounts must have already been drawn for intervening period, we prescribe 01.04.2024 as the “Appointed Date”.
- ii. Upon the sanction becoming effective from the appointed date i.e., 01.04.2024 as prescribed by this Tribunal, the Transferor Companies shall stand dissolved without undergoing the process of winding up.
- iii. All contracts of the Transferor Companies which are subsisting or having effect immediately before the Effective Date, 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 as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or obliged thereto;

- iv. All the employees of the Transferor Companies shall be deemed to have become the employees and the staff of the Transferee Company with effect from the Appointed Date, and shall stand transferred to the Transferee Company without any interruption of service and on the terms and conditions no less favorable than those on which they are engaged by the Transferor Companies, as on the Effective Date, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans and any other retirement benefits;
- v. All liabilities of the Transferor Companies, shall, pursuant to the provisions of section 232(4) and other applicable provisions of the Companies Act, 2013, to the extent they are outstanding as on the Effective Date, without any further act, instrument or deed stand transferred to and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations etc. as the case may be, of the Transferee Company and shall be exercised by or against the Transferee Company, as if it had incurred such liabilities.
- vi. All proceedings now pending by or against the Transferor Companies be continued by or against the Transferee Company.



vii. Any person interested or affected shall be at liberty to apply to this Tribunal in the above matter for any directions that may be necessary.

27. Further, the Petitioner Companies shall within thirty days of the date of the receipt of this order, cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the Transferor Companies shall be dissolved and the Registrar of Companies shall place all documents relating to the Transferor Companies on the file kept by him in relation to the Transferee Company and the files relating to all the Petitioner Companies shall be consolidated accordingly.

28. In compliance with the requirement of Section 232 (7) of the Act, the Transferee Company shall until the full implementation of the Scheme of Amalgamation shall file a statement every year in the Form CAA 8 along with the required fees with the Registrar of Companies as prescribed in the Companies (Registration offices and fees) Rules 2014 within 210 days from the end of each financial year.

29. The petition stands allowed on the above terms.

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

Sd/-

**DR. SANJEEV RANJAN
MEMBER (TECHNICAL)**

Sd/-

**MANNI SANKARIAH SHANMUGA SUNDARAM
MEMBER (JUDICIAL)**