



**3M India Limited**  
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Tel: +91 80 22231414  
www.3M.com/in

Corporate Relationship Department  
BSE Limited  
1st Floor, New Trading Ring, Rotunda Building  
P.J. Towers, Dalal Street, Fort  
Mumbai - 400 001

August 9, 2024

The Secretary  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra – Kurla Complex  
Bandra (E), Mumbai – 400 051

Scrip Code - 523395

Scrip Code – 3MINDIA

Dear Sirs,

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

**Ref: Receipt of Order from National Company Law Tribunal, Bengaluru Bench, in relation to the Scheme of Amalgamation of a wholly owned subsidiary, 3M Electro & Communication India Private Limited with its holding company, 3M India Limited ('the Company').**

Pursuant to Regulation 30 read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Hon'ble National Company Law Tribunal, Bengaluru Bench, vide its order dated August 8, 2024, received by the Company on August 9, 2024, has approved the Scheme of Amalgamation of 3M Electro & Communication India Private Limited with 3M India Limited under Sections 230-232 and other relevant provisions of the Companies Act, 2013 ('the Scheme').

The copy of the Order passed by NCLT Bengaluru Bench is enclosed herewith.

The Scheme shall come into effect, upon the filing of a certified true copy of the order with the Registrar of Companies, Karnataka in due course.

In relation to this announcement, please also refer to our earlier announcements dated September 17, 2021 and September 12, 2023.

Please take the above on record.

Thanking you  
Yours faithfully  
**For 3M India Limited**

**Pratap Rudra Bhuvanagiri**  
**Company Secretary and**  
**Compliance Officer**



**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**BENGALURU BENCH, BENGALURU**  
*(Through Physical Hearing/VC Mode (Hybrid))*

**C.P. (CAA) No.34/BB/2023**

Application U/ss 230 to 232 of the Companies Act, 2013  
R/w the Companies (Compromises, Arrangements  
and Amalgamations) Rules, 2016

**IN THE MATTER OF:**

**3M India Ltd.**

Plot Nos.48-51,  
Electronics City,  
Hosur Road  
Bengaluru – 560 100.

... **Petitioner Company/  
Transferee Company**

**3M Electro & Communication India Pvt. Ltd.**

No.95, (Plot Nos.95-97), Sanniyasikuppam,  
Udhaya Nagar, Thirubhuvanai Main Road,  
Thirubhuvanai,  
Puducherry – 605 107.

... **Non-Petitioner Company/  
Transferor Company**

**Order delivered on: 08.08.2024**

**CORAM:** Hon'ble Shri K. Biswal Member (Judicial)

Hon'ble Shri Manoj Kumar Dubey, Member (Technical)

**Parties/Counsels Present:**

For the Petitioner Companies : Shri A. Murali with  
Shri K.M. Vishakh  
For the ROC : Shri Vaibhav  
For the IT Dept. : Shri Ganesh R. Ghale

**ORDER**

**Per: Manoj Kumar Dubey, Member (Technical)**

1. This is a Second Motion Petition filed by 3M India Limited (for brevity, the "Petitioner Company/Transferee Company") on 20.02.2023 under Sections 230 to 232 of the Companies Act, 2013 (hereinafter referred to as the said Act) R/w the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, *inter alia* seeking



for the sanction of Scheme of Amalgamation of 3M Electro & Communication India Pvt. Ltd. with 3M India Limited and their respective Shareholders.

2. The Petitioner Companies filed First Motion Application under Sections 230 to 232 of the said Act, 2013 bearing C.A. (CAA) No.16/BB/2022 before this Tribunal. This Tribunal, vide order dated 01.12.2022 dispensed with the meetings of the Equity Shareholders & Unsecured Creditors of the Applicant Company. Since there were no Secured Creditor in the Applicant Company, there was nothing to convene the meeting.

3. On 08.09.2023, this Tribunal issued the following directions:

*“...3. The Petition be listed for hearing on 16.11.2023. At least 10 days before the date fixed for final hearing, the Petitioner Companies shall publish the notice of final hearing of the Company Petition in two local newspapers viz. “Business Standard” in English Edition and translation thereof in “Udayavani” in Kannada Edition, as per Rule 16 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.*

*4. Notice be also served upon the Objector(s) or their representative as contemplated under sub-section (4) of Section 230 of the Companies Act, 2013 who may have made representation and who have desired to be heard in their representation along with a copy of the Petition and the Annexures filed therewith at least 15 days before the date fixed for hearing. It is to be specified in the notices that the objections, if any, to the Scheme may be filed within thirty days from the date of the receipt of the notice, failing which it will be considered that there is no objection to the approval of the Scheme on the part of the objectors.*

*5. In addition to the above public notice, the Petitioner Company shall serve the notice of the Petition on the following Authorities namely, (a) Regional Director (South East Region), Hyderabad; (b) Registrar of Companies, Karnataka, Bengaluru; (c) jurisdictional Income Tax Authorities by disclosing the PAN numbers of the Applicant Companies along with the copy of this Petition by speed post immediately and to such other Sectoral Regulator(s) who may govern the working of the respective Companies involved in the Scheme as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, with a direction that they may submit their representation, if any, within 30 (thirty) days from the date of receipt of such notice, failing which it will be presumed that the said Authority has no representation*


*to make to the Scheme.....”*

4. In pursuant to the aforesaid direction, the Authorized Signatory of the Petitioner Company has filed proof of service of notice vide diary No.5144 dated 06.10.2023 along with copies of newspaper publication in “*Business Standard*” (English), and “*Udayavani*” (Kannada). Further, in another Affidavit filed by the Authorized Signatory of the Petitioner Company, vide diary no.6566 dated 29.12.2023, wherein it is stated that the Petitioner Company has not received any objections from any Objector to the proposed Scheme of Amalgamation of the Transferor Company with the Transferee Company.
5. The main objects, dates of Incorporation, authorized, issued and paid-up share capital, rationale of the Scheme and interest of employees have been discussed in detail in First Motion Order dated 01.12.2022.
6. The Board Resolution of Transferor and Transferee Companies approving the Scheme of Amalgamation is annexed as Annexures-F & G to the Petition.
7. It is further submitted that the Certificate of Statutory Auditors of the Petitioner Company has been filed stating that the Transferee Company shall follow the Accounting Standard Ind AS 103 and it shall make adjustments in its books of accounts as per such Accounting Standards or other Accounting Standards as applicable as notified by the Ministry of Corporate Affairs of the Government of India from time to time. The said Certificate is attached as Annexure-L to the Petition.
8. The Audited Financial Statement as on 31.03.2022 of the Petitioner Company and the Unaudited Financial Statements as on 31.12.2022 of the Petitioner Company are attached as Annexures – C & D to the Petition.
9. In pursuant to the direction dated 08.09.2023, the Regional Director and the Registrar of Companies have filed their Common




Report vide Diary No.1058 dated 16.02.2024, *inter alia*, observing as under:

- 1) **Para II(1) of the Common Report of RD & ROC:** 3M Electro & Communication India Pvt. Ltd. (Transferor Company) is registered under the jurisdiction of Registrar of Companies, Pondicherry, whereas 3M India Ltd. (Transferee Company) is registered under the jurisdiction of ROC, Karnataka. Hence, the observations henceforth are restricted to Transferee Company.
- 2) **Para II(2) of the Common Report of RD & ROC:** As per the latest Annual Return filed by Transferee Company as on 31.03.2022, 3M Company, USA is the holding Company of the Transferee Company and 3M electro, and Communication India Pvt. Ltd. (Transferor Company) is the wholly owned subsidiary of the Transferee Company.
- 3) **Para II(3) of the Common Report of RD & ROC:** As per clause 1.1.2 of the Part I of the Scheme, the Appointed Date is 01<sup>st</sup> April 2021. As per Company Master Data both the companies have filed Annual Returns and Balance Sheets for the year ended 31.03.2022. Since the Appointed Date is ante-dated beyond a year, the Tribunal may direct the Company to change the appointed date from 01.04.2021 to 01.04.2023 or any other date as deem fit and proper by the Tribunal.
- 4) **Para II(4) of the Common Report of RD & ROC:** The Transferee Company is a listed Company. The equity shares of the Transferee Company are listed on both BSE Ltd. and National Stock Exchange of India Ltd. Hence, the Transferee Company is required to show the compliance of SEBI (Listing Obligations and Disclosure Requirements), 2015 and other applicable regulations.
- 5) **Para II(5) of the Common Report of RD & ROC:** The Transferee Company has changed its name from Birla 3M Ltd. to 3M India Ltd. with effect from 18.12.2002.
- 6) **Para II(6) of the Common Report of RD & ROC:** As per MCA



Records, the Transferee Company has shifted its registered office from the state of Maharashtra to the State of Karnataka with effect from 17.09.1992.

- 7) **Para II(7) of the Common Report of RD & ROC:** As per MCA records, Transferee Company has one open charge. The Tribunal may be pleased to direct the Transferee Company to furnish No Objection Certificate from the concerned charge holder and to furnish the same before the Scheme is allowed.
- 8) **Para II(8) of the Common Report of RD & ROC:** Clause 9 of Part II of the scheme provided that all the employees of Transferor Company shall be absorbed into the Transferee Company. As the Transferor Company is situated in Pondicherry and the Transferee Company in Bangalore, Karnataka. The Tribunal may be pleased to direct the Petitioner Company to explain as to what measures are being taken to safeguard the interest of the employees of Transferor Company and steps taken for implementation of this clause.
- 9) **Para II(9) of the Common Report of RD & ROC:** As per the Independent Auditor's Report of Transferee Company for the Financial Year ending 31.03.2022, the Company has outstanding disputed dues to the tune of Rs.5.77 crores. The Tribunal may be pleased to direct the Transferee Company to furnish an undertaking to the effect that it will settle the due as and when the claim is crystallized.
- 10) **Para II(10) of the Common Report of RD & ROC:** As per note no.18 of the Financial Statement of the FY ending 31.03.2022, Transferee Company has undisputed statutory due to the tune of Rs.31.97 crores. The Tribunal may be pleased to direct the Transferee Company to furnish and an undertaking to NCLT to the effect that it will settle the statutory dues immediately, if not settled so far.
- 11) **Para II(11) of the Common Report of RD & ROC:** According to note no.16 of the Audited Financial Statement for the year ended 31<sup>st</sup>



March 2022 of the Transferee Company, outstanding undisputed dues to Micro and Small Enterprises to the tune of Rs.39.91 crores exists. The Tribunal may be pleased to direct the Petitioner Company to state as to how it has complied with Micro, Small and Medium Enterprises Development Act, 2006 and also to furnish an undertaking to the Tribunal to the effect that it will settle the dues as per the said Act.

- 12) **Para II(12) of the Common Report of RD & ROC:** Clause 6 of the Part II of the Scheme provides for Clubbing of Authorized Capital wherein it is stated that the authorized share capital of the Transferee Company shall automatically stand increased without any payment of stamp duty and fees. This term in the Scheme is not in line with the provision of Section 232(3)(i) of the Companies Act, 2013. The Tribunal may be pleased to direct the Transferee Company to comply with the provisions of the Section and pay the difference of fee, after setting off the fee already paid by the Transferor Company on its respective capital.
- 13) **Para II(13) of the Common Report of RD & ROC:** As per Section 240 of the Companies Act, 2013 the liability in respect of offences committed under the Companies Act by the Officers in default of the Transferor Company prior to merger, amalgamation or acquisition shall continue after such merger, amalgamation, or acquisition.
- 14) **Para II(14) of the Common Report of RD & ROC:** With reference to this Directorate's letter dated 05.10.2023 issue to Pr. Commissioner of Income Tax, Bengaluru-4 and the Assessing Officer Karnataka, till date no comments/observations has been received from the concerned Income Tax Departments. The Tribunal may be pleased to direct the Petitioner Company to furnish an undertaking that as and when any demand raised from the Income Tax Department, Petitioner Company is ready to pay the said dues.



15) **Para II(15) of the Common Report of RD & ROC:** With reference to this Directorate's letter dated 05.10.2023, issued to the Secretary, National Stock Exchange of India Ltd., a reply vide email dated 26.10.2023 has been received wherein it is stated that as per the master circulars on Schemes the provision of the circular shall not apply to schemes which solely provide for merger of a wholly owned subsidiary or its division with the parent company and further stated that they have no comments on the scheme. Further no report/comments of BSE and SEBI has been received, may kindly be seen.

16) **Para II(16) of the Common Report of RD & ROC:** With reference to this Directorate's letter dated 05.10.2023, issued to the RBI and its reply vide email dated 22.11.2023 enclosing a copy of their letter dated 10.11.2023 addressed to NCLT has pointed out the following observations:

“In terms of para A2 of RBI Master Direction – Export of Goods and services, it is obligatory on the part of the exporter to realize and repatriate the full value of goods/software/services to India, within a stipulated period of 09 months from the date of export. Further, in terms of para c2, where an exporter receives advances payment (with or without interest), from a buyer outside India, the exporter shall be under an obligation to ensure that the shipment of goods in made within one year from the date of receipt of advance payment. In this regard, it is observed from out available records that the companies have the outstanding dues beyond the stipulated time period as per the EDPMS report, the details are as under:

Company Name	Outstanding SB for more than 9 months		Outstanding IRM for more than one year	
	Count	Amt. (In Rs.)	Count	Amt. (In Rs.)
3M Electro & Communication India Pvt. Ltd.	78	3,34,04,111	73	6,48,98,847
3M India Ltd.	681	77,80,29,849	49	7,41,55,497

Hence, the opinion of RBI may be called for before considering



the proposal of the Scheme.

17) **Para II(17) of the Common Report of RD & ROC:** From the list of shareholding pattern furnished by the Transferee Company as on 01.04.2021, there are foreign shareholders, NRIs etc. The Tribunal may be pleased to direct the Transferee Company to comply with the provisions of RBI/FEMA by providing supporting documentation, before the Tribunal, duly certified before the scheme is allowed.

18) **Para II(18) of the Common Report of RD & ROC:** The Transferee Company namely 3M Electro & Communication India Pvt. Ltd. (having registered office at Pondicherry)] falls under the jurisdiction of Tribunal Chennai Bench. The Tribunal may be pleased to direct the Transferee Company to furnish the outcome of the hearing held before the Chennai Bench with respect to Transferor Company with supporting document/orders, duly certified, before the scheme is allowed.


10. The reply to the common report of RD & ROC has been filed by the Petitioner Company vide Diary No.1442 dated 04.03.2024, *inter alia* stating as under: -


- 1) **Reply to para II (3) of the ROC & RD report:** It is submitted that the Petitioner Company agree and undertake to change the appointed date from 01.04.2021 to 01.04.2023 or any other date as deem fit by this Tribunal
- 2) **Reply to para II (4) of the ROC & RD report:** It is submitted that as per 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 20.06.2023 bearing Master Circular No.SEBI/HO/CFD/POD-2/P/CIR/2023/93 (“Master Circular”), merges of a wholly owned subsidiary with the parent company have been exempted from the application of the provision of the Master circular. Therefore, the requirement from NOC from the stock exchanges be dispensed with.



- 3) **Reply to para II (5) of the ROC & RD report:** It is submitted that the same is matter of fact and the Petitioner Company have no further remarks.
- 4) **Reply to para II (6) of the ROC & RD report:** It is submitted that the Company Law Board passed an order dated 25<sup>th</sup> August 1992 and certificate of Registration was issued 27<sup>th</sup> August 1992 and not 17<sup>th</sup> September 1992.
- 5) **Reply to para II (7) of the ROC & RD report:** It is submitted that the open charge reflecting in the books of MCA is a duplication entry. The Transferee Company has satisfied the charge. The banker i.e. State Bank of India and the Company has written letters to the ROC to delete the duplication entry of charge.
- 6) **Reply to para II (8) of the ROC & RD report:** It is submitted that in terms of Clause 9 of Part II of the Scheme of Arrangement comprehensively provides for the treatment of the employees of the Transferor Company. The employee of the Transferor Company shall stand transferred to the Transferee Company on the same terms and conditions of their service as applicable to them in the Transferor Company.
- 7) **Reply to para II (9) of the ROC & RD report:** It is submitted that the Transferee Company will settle the dues as and when the respective claims are crystallized. It is also submitted that any dues of the Transferee Company will have no bearing to the current Scheme of Amalgamation since the Transferee Company will continue as a going concern.
- 8) **Reply to para II (10) of the ROC & RD report:** It is submitted that the statutory dues of Rs.31.97 crores was payable for the year ending 31.03.2022. The Transferee Company has paid the same and will pay the statutory dues as and when the same fall due or become payable. It is also submitted that any statutory dues of the Transferee Company will have no begin to the current Scheme of Amalgamation since the Transferee

Company will continue as a going concern.

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- 9) **Reply to para II (11) of the ROC & RD report:** It is submitted that the Transferee Company is not in default of payment to any MSME. The dues of Rs.39.91 crores has been reflected in the Balance Sheet for the year ending 31.032022 and the same has been paid in the normal course and will be paid as when such dues become payable. It is also submitted that any dues of the Transferee Company will have no bearing to the current Scheme of Amalgamation since he Transferee Company will continue as a going concern.
  - 10) **Reply to para II (12) of the ROC & RD report:** It is submitted that the Transferee Company undertakes to pay the difference if any in the Stamp Duty payable for increase in the authorized share capital by clubbing the authorized capital of the Transferor Company.
  - 11) **Reply to para II (13) of the ROC & RD report:** It is submitted that the Transferee Company has no further comments on the same.
  - 12) **Reply to para II (14) of the ROC & RD report:** It is submitted that the Income Tax Department has filed report dated 16.11.2023 on 21.11.2023 vide Diary No.5859 and the Transferee Company has replied to it by way of Reply Affidavit dated 28.12.2023 filed on 29.12.2023 vide Diary No.6568. The Transferee Company shall pay the legitimate and undisputed tax demands made by the Income Tax Department upon conclusion of tax appeals.
  - 13) **Reply to para II (15) of the ROC & RD report:** It is submitted that the Petitioner Company has no further comments.
  - 14) **Reply to para II (16) of the ROC & RD report:** It is submitted that the export sales as a percentage of revenue form operation for both the Transferor Company and the Transferee Company is minimal at 0.59% and 0.07% respectively and the export is mainly to the fellow subsidiaries of the Transferee Company.



The Transferee Company as a matter of principle never receives money in advance for export sales. It is also submitted that submission of the documents to the authorized dealers for inward remittances with reference to the export sales made is work-in-progress as the physical submission of documents during COVID period was delayed and consequently accumulated. The Petitioner Companies are working with their bank to reconcile the remittance details to close the records in EDPMS. The Petitioner Companies in the regular course submit the export documents to AD bank at the time of exports and when the remittances are received and in certain instances wherever the bank was unable to cross reference the remittances to the documents submitted at the time of export, the bank will categorize the such remittances as advance pending cross-referencing and closure of EDPMS and the Petitioner Companies are working the banks to ensure the EDPMS which are open for closure where collection are completed. In any case as per the Scheme the obligation and liabilities of the Transferor Company will be taken over and discharged by the Transferee Company.

- 15) **Reply to para II (17) of the ROC & RD report:** It is submitted that the instant scheme is a Scheme of Amalgamation between the holding company with its wholly owned subsidiary whereunder the wholly owned subsidiary is being merged. Accordingly, no shares are issued pursuant to the Scheme of Amalgamation. It is further submitted that is no change in the shareholding pattern of the Transferee Company and as such no additional requirement with respect to compliance with FEMA provisions.

11. The Income Tax Department has filed its report vide diary no.5859 dated 22.11.2023 by *inter alia* observing as under:

- 1) Outstanding dues

Sl. No.	Assessment Year	Demand U/s.	Date of Order	Demand Outstanding (In Rs.)
01	2010-11	154	12.02.2019	20,56,73,430
02	2011-12	154	29.08.2019	2,01,95,080
03	2012-13	154	29.08.2019	12,14,46,220
04	2013-14	143(3)	06.01.2017	25,55,71,097
05	2014-15	143(3)	12.02.2018	23,10,25,670
06	2015-16	143(3)	04.02.2019	23,86,53,770
07	2015-16	220(2)	08.04.2019	4,37,927
08	2016-17	143(3)	03.12.2019	26,61,20,615
09	2017-18	143(3)	08.06.2021	45,93,51,256
10	2018-19	143(3)	21.10.2021	45,16,31,744
11	2020-21	143(3)	06.11.2023	8,79,66,020

- 2) Proceedings pending: N/A
- 3) Objection for merger or demerger: The outstanding demands needs to be settled prior to any demerger.
- 4) Unlawful tax planning or tax avoidance: None
- 5) Details of return of income filed: As per e-filing portal, latest ITR has been filed up to AY 2022-23 declaring gross total income of NIL. All tax assessment proceedings and appeals of whatsoever nature, by or against the Transferor Company, pending or arising as at the effective date shall be continued and/or enforced against the Transferee Company. The department reserves its right to determine the tax implications of the Transferor Company contemplated under the scheme in accordance with the provisions of the IT Act, 1961 and the provisions under the Act shall prevail over anything contrary provided under the scheme.

**12.** The reply affidavit to the report filed by the Income Tax Department has been filed by the Petitioner Company vide diary No.6568 dated 29.12.2023 *inter alia* stating as under:-

- 1) It is submitted that in as much as the demand for Assessment Year 2010-11 is concerned, the same is not collectible by virtue of stay order dated 04<sup>th</sup> February, 2020 passed by the office of the Assistant commissioner of Income Tax, LTU Circle 1, Bangalore. It is further stated that the demand for the Assessment Year 2010-11 made by the Department would be reduced in terms of order dated 24<sup>th</sup> August, 2021 passed by the Hon'ble Income Tax Appellate

Tribunal, Bengaluru Bench in ITA No.657/2017.

- 2) It is also submitted that as much as demand for the AYs 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19 and 2020-21 are concerned, the demands for the respective assessment years have been stayed by order dated 04<sup>th</sup> February, 2020 passed by the office of the Assistant Commissioner of Income Tax, LTU Circle 1, Bangalore.
- 3) It is submitted that IT Dept. has issued a letter dated 27<sup>th</sup> September, 2023 to the Petitioner Company seeking reply to queries raised therein for submitting the report to this Tribunal. The Petitioner Company has issued a reply to the said letter vide letter dated 15<sup>th</sup> November, 2023.
- 4) It is also submitted that the Transferee Company will comply with the orders and pay the taxes if adjudicated in the aforesaid proceedings, without prejudice to any rights and remedies available to the Transferee Company under law.
- 5) As per clause 7 of the Scheme any legal proceedings pending as on the appointed date shall not abate or be discontinued or in any way be prejudicially affected by reasons of the arrangement and shall be continued and enforced by or against the Transferee Company. The Petitioner Company which is a public listed company is the Transferee Company in the Scheme of Arrangement, whose legal existence is in no manner affected or altered by the scheme and the current demand and proceedings by the Income Tax Dept. can continue against the Petitioner Company in accordance with law.

**13.** The Competition Commission of India (CCI) vide letter dated 27.09.2023 has *inter alia* stated that before passing an appropriate order, the NCLT may seek an undertaking from the company involved that approval of Commission is not required for the said matter(s). In this regard that the Petitioner Company undertakes that approval of the Commission is not required in the instant matter.

**14.** The Reserve Bank of India has filed its report vide letter dated 10.11.2023 by *inter alia* observing as under:

“In terms of para A2 of RBI Master Direction – Export of Goods and services, it is obligatory on the part of the exporter to realize and repatriate the full value of goods/software/services to India, within a stipulated period of 09 months from the date of export. Further, in terms of para c2, where an exporter receives advances payment (with or without interest), from a buyer outside India, the exporter shall be under an obligation to ensure that the shipment of goods is made within one year from the date of receipt of advance payment. In this regard, it is observed from our available records that the companies have the outstanding dues beyond the stipulated time period as per the EDPMS report, the details are as under:

Company Name	Outstanding SB for more than 9 months		Outstanding IRM for more than one year	
	Count	Amt. (In Rs.)	Count	Amt. (In Rs.)
3M Electro & Communication India Pvt. Ltd.	78	3,34,04,111	73	6,48,98,847
3M India Ltd.	681	77,80,29,849	49	7,41,55,497


15. In respect of the RBI letter dated 10.11.2023, it is submitted by the Transferee Company that the export sales as a percentage of revenue form operation for both the Transferor Company and the Transferee Company is minimal at 0.59% and 0.07% respectively and the export is mainly to the fellow subsidiaries of the Transferee Company. The Transferee Company as a matter of principle never receives money in advance for export sales. It is also submitted that submission of the documents to the authorized dealers for inward remittances with reference to the export sales made is work-in-progress as the physical submission of documents during COVID period was delayed and consequently accumulated. The Petitioner Companies are working with their bank to reconcile the remittance details to close the records in EDPMS. The Petitioner Companies in the regular course submit the export documents to AD bank at the time of exports and when the remittances are received and in



certain instances wherever the bank was unable to cross reference the remittances to the documents submitted at the time of export, the bank will categorize the such remittances as advance pending cross-referencing and closure of EDPMS and the Petitioner Companies are working the banks to ensure the EDPMS which are open for closure where collection are completed. In any case as per the Scheme the obligation and liabilities of the Transferor Company will be taken over and discharged by the Transferee Company.

- 16.** Intimation of Scheme of Amalgamation was sent to all relevant statutory authorities/regulators. Since no response has been received from the said authorities/regulators, it is deemed that they have no objection to the proposed Scheme.
- 17.** It is submitted that the Affidavits of the Authorized Representatives of the Petitioner Companies have been filed stating that there are no investigation proceedings pending against the Petitioner Companies or its Directors under the Companies Act, 1956 & 2013 and IBC, 2016 or under any other statutes.
- 18.** It is also submitted that the Affidavits of the Authorized Representative of the Petitioner Companies have been filed stating that the present Scheme of Amalgamation is filed under Sections 230 to 232 of the Companies Act, 2013 and thus the Scheme does not contemplate Corporate Debt Restructuring nor envisage any buy back of shares under Section 68 of the Companies Act, 2013.
- 19.** It is also submitted that the Affidavit of the Authorized Representative of the Petitioner Company has been filed stating that it is not regulated by any other regulatory authorities other than (i) the Registrar of Company, Karnataka; (ii) The Office of the Regional Director, South-East Region; (iii) Principal Chief Commissioner of the Income Tax; (iv) The Assessing Officer; and (v) the Reserve Bank of India. It is also stated that as per Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 an exemption is granted to companies from applicability of the said Regulation in case of merger of a





wholly owned subsidiary with its holding Company. Therefore, there is no requirement to issue notices to the stock exchanges.

- 20.** Heard the learned Counsels for the parties. We have carefully perused the pleadings of the parties and entire materials available on record.
- 21.** It is noticed that the ROC/RD in its report filed vide diary no.1058 dated 16.02.2024 at para II(3) has observed that both the companies have filed Annual Returns and Balance Sheets for the year ended 31.03.2022 and since the Appointed Date is ante-dated beyond a year, the Tribunal may direct the Company to change the Appointed Date from 01.04.2021 to 01.04.2023. In response to the same, the Petitioner Companies have filed reply vide diary no.1442 dated 04.03.2024 stating that they agree and undertake to change the Appointed Date from 01.04.2021 to 01.04.2023. Therefore, this Tribunal hereby directs that the **Appointed Date to be treated as 01.04.2023** in respect of this Scheme of Amalgamation. The copy of the amended Scheme may be served on all Authorities and to file an Affidavit of Service in the Registry within a period of two weeks' from the date of receipt of a copy of this Order.
- 22.** In view of the above discussion, we conclude that the objections/observations to the Scheme received from ROC, RD, RBI, CCI & Income Tax Department have been adequately explained by the Petitioner Companies and hence there is no impediment in approval of the Scheme.
- 23.** The Scheme of Amalgamation in question as annexed at **Annexure – H is approved** and we hereby declare that the same is to be binding on all the shareholders and creditors of the Transferor as well as Transferee Companies. While approving the Scheme, it is clarified that this order should not be construed as an order in anyway granting exemption from payment of any stamp duty, taxes, or any other charges, if any, and payment in accordance with law or in respect of any permission/compliance with any other requirement which may be specifically required under any law.



**AND THIS TRIBUNAL DOES FURTHER ORDER:**

- (i) That the concerned Petitioner Company do, within 30 days after the date of receipt of this Order, cause a certified copy of this Order to be delivered to the Registrar of Companies, Karnataka for registration, and on such certified copy being so delivered Transferor Company shall be dissolved without undergoing the process of winding up. The concerned Registrar of Companies shall place all documents relating to Transferor Company registered with him on the file relating to the said Transferor Company and the files relating to Transferor Company and Transferee Company shall be consolidated accordingly, as the case may be; and
  - (ii) That the Transferee Company shall deposit an amount of Rs.75,000/- in favour of "Pay and Accounts Officer, Chennai in respect of the Regional Director, South East Region, Ministry of Corporate Affairs, Hyderabad" and Rs.25,000/- in favour of 'The Prime Minister's National Relief Fund', within a period of four weeks from the date of receipt of certified copy of this Order; and
  - (iii) The Petitioner Company is directed to make compliance to the provisions of Section 170A of the Income Tax Act, 1961 within the stipulated period of time; and
  - (iv) That the Petitioner Company is directed to comply with all the undertakings given by them in their reply filed to the ROC/RD, OL & IT report including pending demands of Income Tax Dept., if any.
  - (v) That any person interested shall be at liberty to apply to this Tribunal in the above matter for any directions that may be necessary;
  - (vi) The approval/sanctioning of the Scheme shall not be construed as an exemption from any of the provisions under the Income Tax Act, 1961 or the Companies Act, 2013 and that the authorities under both the Acts, are at liberty to take appropriate action, in accordance with law, if so advised.
- 24.** As per the directions, Form No.CAA-7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, formal orders be issued on the petitioner company on filing of the Schedule Property i.e., (i)



freehold property of the Transferor Company; and (ii) leasehold property of the Transferor Company by way of affidavit of the Transferor Company.

**25. Accordingly, C.P. (CAA) No.34/BB/2023 is disposed of.**

**26.** Copy of this Order be communicated to the Counsel for the Petitioner Company.

**27.** The learned Counsel for the Petitioner Company is directed to serve a copy of this Order to all the Statutory Authorities within ten days from the date of receipt of copy of this order.

**Sd/-  
(MANOJ KUMAR DUBEY)  
MEMBER (TECHNICAL)**

**Sd/-  
(K. BISWAL)  
MEMBER (JUDICIAL)**