

**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**AHMEDABAD**  
**SPECIAL BENCH**  
**COURT - I**

ITEM No.1

C.P.(CAA)/6(AHM)2025 in  
C.A.(CAA)/49(AHM)2024

**Order under Sections 230-232 of the Companies Act, 2013**

**IN THE MATTER OF:**

Aditya Birla Finance Limited  
Aditya Birla Capital Limited

.....Applicants

**Order delivered on 24.03.2025**

**Coram:**

Mr. Shammi Khan, Hon'ble Member(Judicial)  
Mr. Sameer Kakar, Hon'ble Member(Technical)

**ORDER**

(Hybrid Mode)

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

-sd-

**SAMEER KAKAR**  
**MEMBER (TECHNICAL)**

-sd-

**SHAMMI KHAN**  
**MEMBER (JUDICIAL)**

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
SPECIAL BENCH, COURT-1, AHMEDABAD**

**CP(CAA)/6(AHM)2025  
in  
CA(CAA)/49(AHM)2024**

[Company Application under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Rule 3 of the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016].

In the matter of **Scheme of Amalgamation**

**Memo of Parties**

**Aditya Birla Finance Ltd.**

CIN:U65990GJ1991PLC064603

A company incorporated under the provisions of the Companies Act, 1956, having its registered office at Indian Rayon Compound, Veraval-362 266, Gujarat, India.

..... Petitioner Company No.1/  
Amalgamating Company

**WITH**

**Aditya Birla Capital Ltd.**

CIN:L67120GJ2007PLC058890

A company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Indian Rayon Compound, Veraval-362 266, Gujarat, India.

..... Petitioner Company No.2/  
Amalgamated Company

**Order Pronounced on 24.03.2025**

**CORAM:**

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

**MR. SAMEER KAKAR, HON'BLE MEMBER (TECHNICAL)**

**APPEARANCE:**

For the Petitioner Companies : Mr. Sandeep Singhi,  
Advocate

For the Regional Director : Mr. Shiv Pal Singh, Deputy  
Director

For the Official Liquidator : Mr. Pushpendar Meena,  
STA

For the Income Tax Department : Ms. Kinjal Vyas, Proxy  
Adv. for Ms. Maithili D.  
Mehta, Adv.

**ORDER**  
**Per Bench**

1. This joint Company Petition has been filed by the Petitioner Companies viz., Aditya Birla Finance Ltd. (Petitioner Company No.1/Amalgamating Company) and Aditya Birla Capital Ltd. (Petitioner Company No.2/Amalgamated Company) under Sections 230 to 232 and other applicable provisions of the Companies Act and read with Rule 3 of the Companies (Compromise, Arrangement and Amalgamations) Rules, 2016, seeking approval of the proposed Scheme of Amalgamation in the nature of Merger with effect from the Appointed Date, i.e. **01.04.2024**. The said Scheme is annexed as "**Annexure-I**" to the Company Petition.
2. Affidavits both dated **08.01.2025**, in support of the company petition, were sworn by Mr. Ankur Shah, Company Secretary of

Petitioner Company No.1 and the authorized signatory of Petitioner Company No.1/ Amalgamating Company and Mr. Santosh Haldankar, the authorized signatory of Petitioner Company No.2/ Amalgamated Company duly authorized vide Board Resolutions dated 11.03.2024 of the petitioner companies. The aforesaid affidavits and board resolutions are placed on record along with the company petition. The Board Resolutions are annexed at **Annexure-M & Annexure-P** of the company petition.

3. It is submitted that the Applicant Company No.2/Amalgamated Company, being a listed public limited company, in compliance with the applicable SEBI Circulars, the proposed Scheme along with all requisite information and documents was presented to the concerned Stock Exchanges, i.e. National Stock Exchange of India and BSE Limited, for obtaining necessary approval from the securities and Exchange Board of India (SEBI) through the stock exchanges. The observation letters of BSE Limited dated 28.06.2024 and NSE dated 01.07.2024, are placed on record as **Annexure (Colly)**.

**4. 1<sup>ST</sup> MOTION APPLICATION – IN BRIEF**

- 4.1 The Petitioner Companies had filed the First Motion Application vide CA(CAA)/49(AHM)2024 sought reliefs as follows: -

<b>PARTICULARS</b>	<b>EQUITY SHAREHOLDERS MEETING</b>	<b>PREFERENCE SHAREHOLDERS MEETING</b>	<b>SECURED CREDITORS MEETING</b>	<b>UNSECURED CREDITORS MEETING</b>
<b>AMALGAMATING COMPANY</b>	Dispensation of meeting	N/A	Dispensation of meeting	Dispensation of meeting
<b>AMALGAMATED COMPANY</b>	Directions to convene meeting	N/A	N/A	Dispensation of meeting

4.2 Based on such application moved under Sections 230-232 of the Companies Act, 2013, this Tribunal vide order dated 29.11.2024 had passed the following order:-

- i) The meetings of the equity shareholders, secured creditors and unsecured creditors of the Amalgamating Company were dispensed with. There were no preference shareholders in the Amalgamating Company.
- ii) Directed to convene and hold meeting of the equity shareholders of the Amalgamated Company on 07.01.2025, through Video Conferencing (VC(/ Other Video Visual Means (OVAM), and directed for filing of report/result of the aforesaid meeting within 7 (seven) days after the conclusion of the meeting.
- iii) There were no preference shareholders and secured creditors in the Amalgamated Company.
- iv) The meeting of the unsecured creditors of the Amalgamated Company was dispensed with.

v) This Tribunal had also directed for issuance of notice to (i) the Central Government through the Regional Director, MCA, (ii) the Registrar of Companies, Gujarat, (iii) the Official Liquidator, (iv) BSE, (v) RBI and (vi) Insurance Regulatory and Development Authority of India as well as directed for issuance of notice to (i) the Central Government through the Regional Director, MCA, (ii) the Registrar of Companies, Gujarat, (iii) SEBI, (iv) BSE and (v) NSE. Further directed to the applicant companies for issuance of notice to the concerned Income Tax Authorities along with full details of assessing officer and PAN numbers with copy also to the Principal Chief Commissioner of Income Tax Office as well as other Sectoral Regulators, if any, who may have significant bearing on the operation of the applicant companies.

4.3 In compliance of the order dated 29.11.2024 the applicant companies have filed affidavit of service dated **12.12.2024**, vide Inward Diary No.**D8983** along with proof of notices sent upon the aforesaid Statutory/Regulatory Authorities.

4.4 The Chairman, namely Hon'ble Mr. Justice Akil Kureshi, former Chief Justice of Hon'ble High Court of Rajasthan and Tripura, was appointed for the meeting of the Equity Shareholders of the Amalgamated Company, filed report dated **08.01.2025** in respect of result of the aforesaid meeting along

with the report of Scrutinizer namely Mr. Dilip Bharadiya. As per the Chairman's report, the Equity Shareholders of the Amalgamated Company who attended the meeting unanimously approved the proposed Scheme.

5. After complying with all the directions given in the order dated 29.11.2024, the Second Motion Petition was filed before this Tribunal by the Petitioner Companies on **09.01.2025**, vide Inward Diary No. **E74**, for sanction of the proposed Scheme by this Tribunal.
6. This Tribunal vide order dated 23.01.2025 directed the Petitioner Companies to issue notice to the Statutory/Regulatory Authorities namely (a) Central Government through the office of the Regional Director (North-Western Region), Ministry of Corporate Affairs (MCA) (b) Registrar of Companies, Gujarat, MCA (c) Office of the Official Liquidator (Petitioner Company No. 1) (d) the Principal Chief Commissioner of Income Tax (e) Reserve Bank of India (f) SEBI, NSE, BSE (Petitioner Company No. 2) and (g) the Jurisdictional Income Tax office having jurisdiction over the respective companies indicating specifically their Permanent Account Number (PAN) in the communication as well as the other Sectoral Regulators, Insurance Regulatory and Development Authority of India, in respect of Petitioner Company No.

1/Amalgamating Company, who may govern the working of the respective companies involved in the Scheme at least 30 days before the date fixed for hearing of the above Petition. This Tribunal had also directed the Petitioner Companies for paper publication to be made in “Indian Express” in English (All editions) and in “Sandesh” in Vernacular Language in Rajkot edition.

7. In compliance of order dated 23.01.2025, Petitioner Companies filed affidavit of service on **12.02.2025** vide Inward Diary No. **D907**, in respect of service of notice upon the statutory/regulatory authorities along with proof of service as well as proof of publication of notice of hearing of the petition in ‘Indian Express’ in English all editions and in “Sandesh” in Vernacular language in Rajkot edition on 29.01.2025.

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

8. **The Regional Director, North-Western Region, Gujarat and the Registrar of Companies, Gujarat.**

In response to the notice served upon the Regional Director (RD), a representation/report dated 04.02.2025 was filed by the RD, North-Western Region, on **06.02.2025**, vide Inward Diary No. **R31**, along with report of the Registrar of Companies (RoC) dated 26.12.2024. They have made some observations in their reports. The petitioner companies filed an affidavit on



12.02.2025, vide Inward Diary No.D909, in response to the representation/reports of RD.

**RD's Observation**

- i) In compliance with the provisions of Section 232(3)(i) of the Companies Act, 2013, the petitioner Transferee Company is under statutory obligation to pay the difference of amount of fees and stamp duty, if any, on the enhanced Authorized Share Capital after set-off the fee/stamp duty paid by the Transferor Company on its authorized capital prior to amalgamation.
- ii) The Transferee Company namely Aditya Birla Capital Limited is listed with BSE and NSE. In this regard, the NOCs from the stock exchanges are not required in the matter since all the shares of the Transferor Company are held by the Transferee Company, pursuant to the SEBI Circular No. SEBI/ HO/ CFD/ DIL1/ CIR/ P/ 2021/0000000665 dated 23.11.2021. However, as per SEBI above circular, such draft scheme shall be filed with the Stock Exchange for the purpose of disclosures and the Stock Exchange shall disseminate the scheme documents on their website. In this regard, the Transferee Company vide letter dated 12.12.2024 informed that they have

already submitted draft scheme with Stock Exchange for the purpose of disclosures vide letter/email dated 22.03.2024. Moreover, the transferee company may comply the direction, if any, issued by SEBI from time to time as listed entity.

- iii) The non-convertible debentures of the Transferor Company Aditya Birla Finance Limited are listed on the Stock Exchanges BSE and NSE and Transferor Company has submitted with the office of the Regional Director, the copy of observations letters received from BSE and NSE vide both letters dated 28.06.2024 and 01.07.2024 respectively in pursuant to the SEBI Master circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated 23.11.2021 along with SEBI Circular No. SEBI/HO/DDHS-RACPOD1/P/CIR/2022/156 dated 17.11.2022 and SEBI operational Circular ref. SEBI/ HO/ DDHS/ DDHS\_Div1/ P/CIR/2022/0000000103 dated 29.07.2022 for necessary compliance. The SEBI's circulars are intended to ensure compliances by Transferor Companies in the interest of shareholders at large. Hence, the SEBI circulars which are applicable and the Transferor Company should comply with the requirements of the circulars. Therefore, this Tribunal may be pleased to direct Transferor Company to

place confirmation/undertaking before this Tribunal that company has complied with the observations of aforesaid letter of stock exchanges.

- iv) The Transferor Company and Transferee Company are as NBFC Company and regulated by Reserve Bank of India (RBI). The RBI vide letter dated 18.09.2024 has issued NOC to the proposed merger and also issued certain instruction to be complied with post-merger. Hence, this Tribunal may be pleased to direct both Petitioner Companies to ensure compliance of RBI instructions, in the matter, from time to time.
- v) To direct the petitioner companies to file an affidavit to the extent that the Scheme enclosed to the company application and company petition is one and same and there is no discrepancy or change is made.
- vi) To direct the petitioner companies to file an affidavit to the extent that no CIRP proceedings under IBC and/or winding up petition against applicant companies are pending.
- vii) To direct the petitioner companies to preserve its books of accounts, papers and records and shall not be disposed of without prior permission of Central Government as per the provisions of Section 239 of the Companies Act, 2013.

- viii) To ensure statutory compliance of all applicable laws and on sanctioning of the present scheme, the petitioner companies shall not be absolved from any of its statutory liabilities, in any manner.
- ix) Necessary Stamp Duty on transfer of property/assets, if any, is to be paid to the respective authorities before implementation of the Scheme.
- x) The petitioner companies to comply with the provisions of Section 232(5) of the Act with respect to filing certified copy of the order sanctioning the scheme with Registrar of Companies within 30 days from the date of passing order.
- xi) The petitioner companies shall undertake to comply with the Income Tax/GST law and any demand/taxes payable on implementation of the said scheme as per law.

**RoC's Observation**

- i) The business activities of both the companies are related to NBFC. Therefore, both the Companies seem to be registered as NBFCs. The RBI vide letter dated 18.09.2024 has issued NOC to the proposed Amalgamation of both the Applicant Companies.

- ii) The Amalgamating Company and Amalgamated Company have filed Balance Sheet as at 31.03.2022, 31.03.2023 and 31.03.2024 and relevant Annual Returns. Both the Applicant Companies have attached Balance Sheet, Director's Report and Auditor's Report with prescribed e-form AOC-4-NBFC(Ind AS) for the aforesaid financial years.
- iii) No show cause notice has been issued to both the Applicant companies. As per record, no court case is pending in the court against both the Companies.
- iv) No Technical Scrutiny/Inquiry is pending against both the Applicant Companies.
- v) As per the MCA portal record, no complaint received against both the Companies in recent past.
- vi) No Inspection/ Investigation proceedings under section 209A/206(5) of the Companies Act, 1956/2013 is pending against both the companies.
- vii) To direct the applicant companies to comply with the directive/Circular issued by SEBI from time to time.
- viii) As per the financial statement for the Financial year as at 31.03.2024 of the Amalgamating Company and Amalgamated Company, the following body corporate

shareholders holding 10% or more of total shareholding of both the Applicant companies :-

Sr. No.	Petitioner Company	Name of Shareholder	% of shares held	Remark												
1	Aditya Birla Finance Limited (Amalgamating Company)	Aditya Birla Capital Limited (Amalgamated Company)	100%	BEN-2 filed vide SRN H78752375 dated 26.07.2019 regarding filing of declaration of Holding Reporting Company (Aditya Birla Capital Limited)												
2	Aditya Birla Capital Limited (Amalgamated Company)	Grasim Industries Ltd	52.68%	Details of BEN-2 filed are as under: <table border="1" data-bbox="1098 819 1485 1227"> <tbody> <tr> <td>H80031008</td> <td>07/31/2019</td> </tr> <tr> <td>R28528065</td> <td>12/31/2019</td> </tr> <tr> <td>T20968038</td> <td>06/01/2021</td> </tr> <tr> <td>T62806542</td> <td>12/09/2021</td> </tr> <tr> <td>T78234119</td> <td>02/10/2022</td> </tr> <tr> <td>F63332175</td> <td>08/21/2023</td> </tr> </tbody> </table>	H80031008	07/31/2019	R28528065	12/31/2019	T20968038	06/01/2021	T62806542	12/09/2021	T78234119	02/10/2022	F63332175	08/21/2023
H80031008	07/31/2019															
R28528065	12/31/2019															
T20968038	06/01/2021															
T62806542	12/09/2021															
T78234119	02/10/2022															
F63332175	08/21/2023															

ix) On perusal of the Scheme, it is observed that Paid-up Share capital of the Amalgamating Company is mentioned as Rs.689,39,69,300/- divided into equity Shares of Rs.10/- each at para 2.1 of the proposed Scheme. The company has increased its paid-up Capital from Rs.6,89,39,69,300/- to Rs.6,96,28,49,310/- by allotment of 68,88,001 Equity Shares of Rs.10 each on 26.09.2024. In this regard, the Amalgamating company has filed prescribed e-Form PAS-3

vide SRN AB0992022 on 26.09.2024 under MCA21 V3 portal and same were taken on record through STP mode.

- x) On perusal of para 11(ii) of the order dated 29.11.2024 passed by this Tribunal in C.A. (CAA)/49 (AHM) 2024, it is observed that Paid-up Share capital of the Amalgamated Company is mentioned as Rs. 26,04,64,22,740/- divided into 260,46,42,274 equity Shares of Rs. 10/- each at 2.1 of the proposed Scheme. The company has increased its paid-up Capital from Rs. 26,04,64,22,740 to Rs.26,05,36,21,000/- during the period 01.09.2024 to 12.12.2024. In this regard, the Amalgamated company has filed prescribed e-Form PAS-3 (08 counts) under MCA21 V3 portal and same were taken on record through STP mode.
- xi) Clause 11.2 of the proposed scheme provides for change/alteration in Main Object under clause 3A on MOA of the Amalgamated Company. In this regard, the Amalgamated company shall follow the procedure laid down under section 13 of the Companies Act 2013 and Rules made thereunder and file the relevant E-Form i.e. MGT-14 for alteration of Main Objects of the Amalgamated Company with the Ministry of Corporate Affairs along with requisite fees /additional fees subject to in-principal approval of respective Regulators such as IRDA, RBI, SEBI, MCA, etc.

- xii) Clause 11.4 of the proposed scheme provides for change/alteration in Article of Association of Amalgamated Company. In this regard, the Amalgamated company shall follow the procedure laid down under section 14 read with Section 117(3) of the Companies Act 2013 and Rules made thereunder and file the relevant E-Form i.e. MGT-14 for alteration of Article of Association of the Amalgamated Company with the Ministry of Corporate Affairs along with requisite fees /additional fees.
- xiii) Clause 12 of the proposed scheme provides provisions for validity of existing resolutions regarding increase the borrowing limit of the Amalgamated Company under Section 180(1)(c) of the Companies Act, 2013 upto One Lakh Thirty Five Thousand Crore only. In this regard, the Amalgamated company shall follow the procedure laid down under section 180(1)(c) read with Section 117(3) of the Companies Act 2013 and Rules made thereunder and file the relevant E-Form i.e. MGT-14 with the Ministry of Corporate Affairs along with requisite fees/additional fees.
- xiv) As per the provisions of the Companies Act, 2013 wherein it is mandated certain statutory responsibilities on the part of the public companies and its KMP/BoD. A public company so long as remain as public company shall ensure that such



statutory requirements of law are duly complied with at relevant time in prescribed manner. Therefore, onus of the due compliance of the applicable provisions of the Companies Act, 2013 is vested with the Applicant Public Companies and its KMP/BoDs.

xv) This Tribunal may be pleased to direct the Petitioner Companies to preserve its books of accounts, papers and records and shall not be disposed of without prior permission of Central Government as per the Provision Section 239 of the Companies Act, 2013.

xvi) 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 Amalgamating Company prior to Merger, Amalgamation or Acquisition shall continue after such Merger, Amalgamation or Acquisition.

xvii) This Tribunal may be pleased to direct the Petitioner Companies to ensure Statutory compliance of all applicable Laws and also on sanctioning of the present Scheme, the Amalgamating Company shall not be absolved from any of its Statutory liabilities, in any manner.

xviii) Necessary Stamp Duty on transfer of property/Assets, if any is to be paid to the respective Authorities before implementation of the Scheme.

xix) This Tribunal may direct the Petitioner Companies involved in the scheme to comply with the provisions of Section 232(5) of the Companies Act, 2013 with respect to filing of certified copy of order sanctioning the scheme with Registrar of Companies within 30 days from date of passing order.

**The Petitioner Companies' response to the observation of RD**

- i) It is submitted that no fees would be payable on the enhanced authorised share capital of the Petitioner No. 2/Amalgamated Company. However, the Petitioner No. 2/Amalgamated Company shall comply with the provisions of Section 232 (3) (i) of the Companies Act, 2013 and undertakes to pay necessary fees, if so required, in accordance with law.
- ii) It is submitted that the Petitioner No. 2/Amalgamated Company shall comply with the directions as may be issued by SEBI, if any.
- iii) It is submitted that the Petitioner No. 1/Amalgamating Company has complied with and shall continue to comply with the SEBI Circulars. Further, the Petitioner No. 1/Amalgamating Company has complied with the observations made by the Stock Exchanges in their observation letters dated June 28, 2024 and July 1, 2024, respectively.

- iv) It is submitted that the Petitioner Companies have complied with and shall continue to comply with the instructions issued by the Reserve Bank of India in the respective no-objection letters.
- v) It is submitted that the Scheme enclosed with the joint Company Application and with the joint Company Petition are one and the same and that there is no discrepancy or any change.
- vi) It is submitted that no CIRP proceeding under the Insolvency and Bankruptcy Code, 2016, and/or winding up petition against the Petitioner No. 1/ Amalgamating Company and Petitioner No. 2/Amalgamated Company are pending.
- vii) It is submitted that the Petitioner No. 2/Amalgamated Company, upon the Scheme becoming effective, undertakes to preserve the books of accounts, papers and records of the Petitioner No. 1/Amalgamating Company and the same would not be disposed of without prior permission of the Central Government under the provisions of Section 239 of the Act.
- viii) It is submitted that the Scheme nowhere seeks to absolve any of the Petitioner Companies from any of the statutory liabilities, if any.

- ix) It is submitted that the Petitioner No. 2/Amalgamated Company shall make necessary application, within the prescribed time, to the concerned stamp authority for payment of stamp duty, if any, once the Scheme is sanctioned by this Tribunal and the same is made effective.
- x) It is submitted that submit that the Petitioner Companies shall comply with the provisions of Section 232(5) of the Act and shall file the copy of the order sanctioning the Scheme with the Registrar of Companies within the prescribed time.
- xi) The Petitioner Companies undertake that they shall comply with Income Tax/GST law including any demand, in accordance with law.

**The Petitioner Companies' response to the observation of RoC**

- i) It is submitted that petitioner companies have complied with the directives/circulars issued by SEBI and undertakes to comply with such further directives, if any.
- ii) The Petitioner No. 2/Amalgamated Company shall file requisite form with the Ministry of Corporate Affairs, upon the Scheme becoming effective, for alteration of

the Main Objects of the Petitioner No. 2/Amalgamated Company.

- iii) The Petitioner No. 2/Amalgamated Company shall file requisite form with the Ministry of Corporate Affairs, upon the Scheme becoming effective, for alteration of the Articles of Association of the Petitioner No. 2/Amalgamated Company.
- iv) Petitioner Company No.2/Amalgamated Company shall file requisite form with the Ministry of Corporate Affairs, upon the Scheme becoming effective, for increasing the borrowing limit of the Petitioner No. 2/Amalgamated Company.
- v) The Petitioner No. 2/Amalgamated Company, upon the Scheme becoming effective, undertakes to preserve the books of accounts, papers and records of the Petitioner No. 1/Amalgamating Company and the same would not be disposed of without prior permission of the Central Government under the provisions of Section 239 of the Act.
- vi) It is submitted that the Scheme nowhere seeks to absolve any of the Petitioner Companies from any of the statutory liabilities, if any.

vii) It is submitted that the Petitioner No. 2/Amalgamated Company shall make necessary application, within the prescribed time, to the concerned stamp authority for payment of stamp duty, if any, once the Scheme is sanctioned by this Tribunal and the same is made effective.

viii) It is submitted that the Petitioner Companies shall comply with the provisions of Section 232(5) of the Act and shall file the copy of the order sanctioning the Scheme with the Registrar of Companies within the prescribed time.

9. Some of the observations of the RoC are already mentioned in the observations of the RD.

**10. The Official Liquidator**

In response to the notice served upon the Official Liquidator (RD), a representation/report dated 30.01.2025 was filed by the OL on **06.02.2025** vide Inward Diary No. **R26**, in respect of the Amalgamating Company. The Amalgamating Company filed an affidavit on **12.02.2025**, vide Inward Diary No. **D908**, in response to the representation of the OL.

**OL's Observation**

i) The Amalgamating Company has filed its Audited Annual Accounts (Balance Sheet) with the Registrar of Companies

up to 31.03.2023. The Amalgamating Company has not accepted any Deposits u/s 73 of the Companies Act, 2013 and maintaining of cost record is not applicable to the company. It is further stated that the Amalgamating Company is required to register with RBI as a NBFC and has obtained approval/no objection for the Scheme of Amalgamation from RBI.

- ii) Income Tax Assessment has been completed till Assessment Year 2022-23. For the AY 2023-24 scrutiny assessments is on-going. Matters under dispute are as follows:-

Particulars	As at March 31, 2024 (Rs. in Lakhs)
Disputed Income Tax Liability	4081.05

- iii) To direct the Amalgamating Company to preserve its book of accounts, papers and records and shall not be disposed of without prior permission of the Central Government as per the provisions of Section 239 of the Act.
- iv) To direct the Amalgamating Company to ensure Statutory compliance of all applicable laws and on sanctioning of the present Scheme, the Amalgamating Company shall

not be absolved from any of its Statutory liabilities, in any manner.

- v) The Amalgamating Company may be dissolved without following the process of winding-up in terms of Sub-Section 3(d) of Section 232 of the Act. Further, the Amalgamating Company being dissolved, the fee, if any paid by the Amalgamating Company on its authorized share capital shall be set-off against any fees payable by the Amalgamated Company on its authorized share capital subsequent to the amalgamation in terms of sub-section 3(i) of Section 232 of the Act, 2013.
- vi) To direct the Petitioner Company to lodge a certified copy of the order along with the Scheme, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable.
- vii) To direct the companies involved in the Scheme to comply with the provisions of Section 232(5) of the Companies Act, 2013 with respect to file certified copy of order sanctioning the scheme with Registrar of Companies within 30 days from the date of passing order.



**The Petitioner Companies' response to the observation of OL**

The petitioner companies filed an affidavit on **12.02.2025**, vide Inward Diary No.**D908**, in response to the representation/reports of OL.

- i) It is submitted that Petitioner Company No.2/ Amalgamated Company undertakes to preserve the books of accounts, papers and records of Petitioner No.1/Amalgamating Company and the same shall not be disposed of without prior permission of the Central Government as per the provisions of Section 239 of the Companies Act, 2013.
- ii) It is submitted that the Scheme nowhere proposes absolving Petitioner No.1/Amalgamating Company from any of its statutory liabilities, if any.
- iii) It is submitted that Petitioner No.2/Amalgamated Company shall make an application, as per provisions of law, with the concerned Collector of Stamps seeking opinion/adjudication in respect of proper stamp duty payable on the order passed by this Tribunal sanctioning the Scheme.
- iv) It is submitted that the Petitioner Companies shall file the certified copy of the order sanctioning the Scheme with the

Registrar of Companies within 30 days from the date of receipt of certified copy of the order.

### **Income Tax Department Observations**

In response to the notice served upon the Income Tax Department, a letter dated 18.12.2024 of the Deputy CIT-2(1)(1), Mumbai along with Report dated 10.02.2025 of the Deputy Commissioner of Income Tax, Circle-(5)(2)(1), Mumbai, received on **17.02.2025**, vide Inward Diary No.**RR61**. In the aforesaid letter dated 18.12.2024, it is stated as under:-

- “2. It is seen from the demand analysis and recoverability status report in ITBA portal, the demand is Rs.28,44,05,123/-. The stay of demand order has been issued under section 220(6) of Income Tax Act, 1961 dated 17.05.2024. As per the said order the demand is Rs.2,03,02,024/-.*
- 4. In view of the above, the claim in prescribed Form B is attached herewith. Further, this is to inform you that there is no objection of Amalgamation of Aditya Birla Finance Limited (PAN: AABCB5769M) with Aditya Birla Capital Limited (PAN: AAGCA59363).”*

The aforesaid Report dated 10.02.2025 are reproduced hereinbelow:-

"I, Priyank Jain, Deputy Commissioner of Income Tax, Circle - (5)(2)(1), Mumbai, the Reporting Authority above named having office at Room No. 571, 5th Floor, Aaykar Bhavan, M.K. Road, New Marine Lines, Mumbai-400020, do hereby state as under:-

1. That at present, I am the Deputy Commissioner of Income Tax Circle (5)(2)(1), Mumbai, and by virtue of the powers conferred under Section 230(5) of the Companies Act, 2013 to the Income Tax Department on behalf of the Central Government, I am authorised to file this Report.
2. That the copy of the captioned Company Scheme Application and Petition was served upon the Reporting Authority as the PAN of the Applicant Company No. 2/Amalgamated Company - Aditya Birla Capital Limited (AAGCA5936J) lies in the Jurisdiction of this charge.
3. On perusal of the Company Petition, it is learnt that the scheme provides for Scheme of Arrangement amongst Aditya Birla Finance Limited ("Amalgamating Company") And Aditya Birla Capital Limited ("Amalgamated Company") and their respective shareholders (the "Scheme").

4. That I have considered the Company Scheme Application and Petition and the comments of the Reporting Authority are provided as under.
5. It is submitted that the Tax Neutrality of a scheme of amalgamation of companies is subject to satisfaction of certain conditions stipulated in the Income-tax Act, 1961. The benefits of section 72A of the Income Tax Act are available only if the statutory conditions are strictly met. It has been held that the amalgamation should be bona fide and in the public interest to qualify for the benefits of Section 72A and mere book entries without actual business continuity cannot entitle the assessee to claim the benefits of section 72A. It is submitted that the Right of the Revenue to determine the Tax Liabilities remain intact even on approval of any scheme of arrangement by the Hon'ble Tribunal.
6. Accordingly, in case the amalgamation is found to be not tax neutral then taxability would be considered under different provisions of the Income-tax Act and the tax liability arising from corporate restructuring contemplated under the proposed scheme would be determined in any suitable proceedings under Income Tax Act including assessment proceedings. Therefore, the Revenue protects

its right to determine any tax liability arising out of this scheme of Amalgamation by conducting a suitable proceeding under the Income Tax Act including assessment proceeding.

7. Further, it is stated that in future if any part of the scheme is found to be repugnant to the provisions of the Income Tax Act 1961 and Income Tax Rules 1962, the same cannot be said to override the provisions of the law and the factum of the approval of the Hon'ble NCLT cannot be used as a ground by the applicant companies to avoid due taxes.
8. Further, it is stated that the Amalgamated Company - Aditya Birla Capital Limited (AAGCA5936J) shall discharge all responsibilities and liabilities emanating in respect of the proceedings completed/ pending/ likely to arise in respect of the amalgamating company. Aditya Birla Finance Limited apart from discharging its own tax liabilities.
9. Further, it is stated that it shall be the duty of the Amalgamated Company to bring to the notice of the department, approval or disapproval of the scheme by the Hon'ble Tribunal.

10. Further, it is stated that the continuation of the proceedings of assessment or recovery or any other statutory action will be subject to the provisions of the Income Tax Act and the Amalgamated Company should not oppose such continuation of proceedings on the ground of merger.
11. The amalgamated company shall ensure that no technical glitches arise due to any name mismatch between accounts of the Amalgamating and Amalgamated companies. The Amalgamated Company should take suitable steps to change the name in the bank accounts or closure of the bank accounts of the amalgamating company. The department is not liable to pay any interest due to the delay attributable to the assessee in informing such changes to different authorities including banks.
12. A credit in respect of which tax at source was deducted/collected on inter-company transactions will be dealt with under the extant provisions of the Income Tax Act and the date of remittance of such TDS/TCS remitted into the government account will be considered.
13. Subject to the discussion above, this office has no objection to the proposed scheme of arrangement. The

Hon'ble NCLT is requested to kindly take this report on the record.

**Petitioner Companies' response to the Report of Income Tax Department**

The Petitioner Companies filed joint affidavit in reply dated 13.02.2025 on **14.02.2025**, vide Inward Diary No. **D959**, in response to the report of Income Tax Department wherein it is submitted as follows:-

1. We are the (i) Company Secretary of the Petitioner No. 1/Amalgamating Company; and (ii) Authorised Signatory of the Petitioner No. 2/Amalgamated Company, respectively, in the above matter and we are duly authorised by the respective Petitioner Companies to make this joint affidavit on their behalf.
2. We have perused the (i) Letter dated December 18, 2024, addressed by the Office of the Deputy Commissioner of Income Tax, Circle 2 (1) (1), Mumbai to the Hon'ble Tribunal and a copy thereof received by the Petitioner No. 1/Amalgamating Company (hereinafter referred to as "Representation 1"); and (ii) Letter dated February 10, 2025, addressed by the Deputy Commissioner of Income Tax, Circle-5 (2) (1), to the Hon'ble Tribunal and a copy thereof received by the

Petitioner No. 2/Amalgamated Company (hereinafter referred to as "Representation 2"). Being conversant with the facts of the present case, we are filing the present joint affidavit in reply. Copy of the Representation 1 and the copy of the Representation 2, as received by the concerned Petitioners, are annexed hereto and marked as Annexure-A and Annexure-B, respectively.

3. In respect of Representation 1, we state and submit that against the demand raised pursuant to the assessment proceedings, the Petitioner No. 1/Amalgamating Company has filed an appeal before the Commissioner of Income Tax (Appeals) ("CIT(A)") and the same is pending. Pending the appeal, the Petitioner No. 1/Amalgamating Company has made a payment of more than 93% of the total demand. By order dated May 17, 2024, passed under Section 220(6) of the Income Tax Act, 1961, the Assessing Officer has kept the balance demand of Rs.2,03,02,024/- in abeyance for a period of one year, i.e., upto April 14, 2025, or till the date of receipt of the order passed by CIT(A) whichever is earlier. Copy of the order dated May 17, 2024, passed by the Assessing Officer is annexed hereto and marked as Annexure - C. We state and submit that under the



Scheme, there is no arrangement or compromise with any creditors including in respect of the demand of the Income Tax Department. The Petitioner No. 2/Amalgamated Company shall abide by the orders that may be passed by CIT(A) or in the appeals subsequent thereto. Even otherwise, as per the said Representation 1, the Income Tax Department has no objection to the present Scheme.

4. Contents of paragraph nos. 1 to 4 of Representation 2 are matter of record, and we do not offer any comments.
5. Contents of paragraph no. 5 of the Representation 2 are general. There is no quarrel to the proposition that the right of the Revenue to determine the tax liabilities remain intact even on the approval of any scheme of arrangement by the Hon'ble Tribunal.
6. Contents of paragraph nos. 6 and 7 of the Representation 2 are general legal submissions, and we do not offer any comments.
7. With reference to the contents of paragraph no. 8 of the Representation 2, we state and submit that the Petitioner No. 2/Amalgamated Company shall discharge all responsibilities and liabilities, in accordance with law, emanating in respect of the proceedings which are

completed or pending or likely to arise in respect of the Petitioner No. 1/Amalgamating Company, apart from discharging Petitioner No. 2's/Amalgamated Company's tax liabilities, in accordance with law.

8. With reference to the contents of paragraph no. 9 of the Representation 2, we state and submit that the Petitioner No. 2/Amalgamated Company shall bring to the notice of the Income Tax Department once the order sanctioning the Scheme is considered and passed by this Hon'ble Tribunal.
9. With reference to the contents of paragraph no. 10 of the Representation 2, we state and submit that the Petitioner No. 2/Amalgamated Company shall not oppose the continuation of the proceedings on the ground of sanctioning of the Scheme by this Hon'ble Tribunal.
10. With reference to the contents of paragraph no. 11 of the Representation 2, we state and submit that the Petitioner No. 2/Amalgamated Company shall take necessary steps to ensure that there are no technical glitches, to the best of its ability.
11. Contents of paragraph no. 12 of the Representation 2 are general and we not offer any comments.

12. We do not offer any comments to the contents of paragraph no.13 of the Representation 2.

**11.** The Petitioner Companies annexed a copy of the letter of the Reserve Bank of India vide Ref. No. DOR.RSG.AMD. No.S1031/01.12.173/2024-25 dated 18.09.2024 addressed to Aditya Birla Finance Ltd./Amalgamating Company, to the present company petition. In the aforesaid letter, it is submitted as under:-

1. Please refer to your letter dated March 20, 2024 on the captioned subject. In this connection, we advise that the Bank does not have any objection to the proposed amalgamation of Aditya Birla Finance Limited (ABFL) with Aditya Birla Capital Limited (ABCL).
2. It is also advised that the Bank does not have any objection for continuation of the ABFL's business as Corporate Agent under IRDAI CA Regulations by ABCL post proposed amalgamation.
3. Further, the bank does not have any objection with respect to following:-
  - i) Continuation of ABFL's business by ABCL as NBFC-ICC post amalgamation till the issuance of new CoR as an NBFC-ICC to ABCL and subject to compliance with guidelines applicable to

- NBFC-ICC. ABCL shall be required to apply for conversion to NBFC-ICC at the earliest after effective date of amalgamation
- ii) Continuation of ABFL's factoring business by ABCL post amalgamation. ABCL shall be required to apply for additional CoR as NBFC-Factor post its conversion to NBFC-ICC immediately.
  - iii) Holding 51% of paid-up capital in Aditya Birla Sun Life Insurance Company Limited by ABCL consequent to the proposed amalgamation subject to necessary clearance from IRDAI, if any, and, compliance with all the conditions as applicable to ABFL for the business.
4. The request for conversion of CoR from CIC to ICC (post-merger of ABFL into ABCL) shall be considered subject to the following:
- i) CoRs of three group companies viz. Birla Group Holdings Limited, IGH Holdings Private Limited and Pilani Investment and Industries Corporation Limited, have been converted from ICC to CIC.
  - ii) CoRs of two group companies, viz. Naman Finance & Investment Private Limited and Padmavati Investment Private Limited, have been converted from Type II to Type I NBFC-ND.
5. The applications for conversion of CoR may be submitted to Department of Regulation (DoR), Central Office directly.

6. The resultant entity shall file the following documents to the Bank within 15 days of Effective date of the Scheme:
- i) Applicable returns in CIMS portal
  - ii) Application to DoR for conversion from NBFC-CIC to NBFC-ICC within 15 days of receipt of approval of amalgamation from NCLT;
  - iii) Application to DoR for additional CoR as NBFC-Factor immediately on conversion of CoR from CIC to ICC;
  - iv) Surrender of CoR of Aditya Birla Finance Ltd. (ICC and Factor) for cancellation upon merger in terms of our Press Release dated December 01, 2022;
  - v) Surrender of CoR of Aditya Birla Capital Ltd. (CIC) for cancellation upon merger
  - vi) Post-merger audited financials of resultant entity;
  - vii) Compliance to pending inspection observations of ABFL post amalgamation.
7. 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 the scheme of amalgamation 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 and 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 company, to the exclusion of the transferor company. The Scheme of Amalgamation shall include this clause.

- 12.** No other representations or reports have been received from other statutory/regulatory authorities, despite service of notice.
- 13.** During the hearing on 20.02.2025, Ld. Representatives from the office of the Regional Director, office of the Official Liquidator as well as Proxy Advocate for the Income Tax Department submitted that they have **no objection** to the approval of the scheme.

**14. Rationale and benefits of the Scheme:**

The Amalgamating Company and the Amalgamated Company form part of the Aditya Birla group. The Amalgamating Company, a wholly owned subsidiary of the Amalgamated Company, is engaged in the business of lending and distribution of financial products. With the objective of simplifying the group structure, it is proposed to consolidate the

Amalgamating Company with the Amalgamated Company, its holding company.

The rationale for, and benefits of the amalgamation of the Amalgamating Company into and with the Amalgamated Company are, inter alia, as follows:-

- (i) Rationalization and simplification of structure by reducing the number of legal entities;
- (ii) To achieve optimal and efficient utilization of capital, enhance operational and management efficiencies;
- (iii) The Amalgamated Company, being an operating company would have direct access to capital, thereby creating a unified larger entity with greater financial strength and flexibility;
- (iv) Consolidation of the business, leading to synergies of operations and resulting in the expansion and long-term sustainable growth, which will enhance value for various stakeholders of the Amalgamated Company.
- (v) Seamless implementation of policy changes, reduction in the multiplicity of legal and regulatory compliances and costs rationalisation resulting in improvement in shareholder returns.

- (vi) Poling of knowledge and expertise of both the Parties and align with the business plans to meet long-term objectives; and
- (vii) Ensuring on-going compliance with the Scale Based Regulations applicable to NBFCs, as notified by RBI.

Upon the effectiveness of the amalgamation, the Amalgamated Company would, inter alia, be engaged into the following businesses (i) lending business (NBFC business of erstwhile Amalgamating Company and housing finance business through its 100% subsidiary); and (ii) various non-lending financial services and ancillary businesses, directly and indirectly, through subsidiaries/associates.

Accordingly, the Scheme is in the interest of both the companies involved and their respective shareholders.

## **15. ACCOUNTING TREATMENT**

The Petitioner Companies submitted that the accounting treatment specified in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013. The certificates issued by the Statutory Auditors certifying the Accounting Treatment of the Petitioner Companies are annexed to the Company Petition as **Annexure-AB and Annexure-AC**, respectively.



## 16. OBSERVATION OF THIS TRIBUNAL

- A. We have gone through the Company Petition, the Chairman's report in respect of the meeting of the stakeholders of the Amalgamated Company, representation/report of the Regional Director, the Registrar of Companies, the Official Liquidator and the Income Tax Department as well as the response of the Petitioner Companies in respect of the observation/report of the Regional Director, the Official Liquidator, the Income Tax Department, letters dated 28.06.2024 and 01.07.2024 of BSE and NSE.
- B. After analysing the Scheme in detail, this Tribunal is of the considered view that the Scheme as contemplated between the Companies seems to be *prima facie* beneficial to the Companies and will not be in any way detrimental to the interest of the shareholders and creditors of the Companies. Considering the record placed before this Tribunal and since all the requisite statutory compliances have been fulfilled by the Petitioner Companies, this Tribunal sanctions the proposed Scheme of Amalgamation appended at "**Annexure I**" to the typed set filed along with the Company Petition as well as the prayer made therein.
- C. The Learned Counsel for the Petitioner Companies submitted that no investigation proceedings are pending against the

Petitioner Companies under the provisions of the Companies Act, 1956 or the Companies Act, 2013 and no proceedings against the Petitioner Companies for Oppression or Mismanagement have been filed before this Tribunal or erstwhile Company Law Board.

- D. Notwithstanding the above, if there is any deficiency found or, violation committed qua any enactment, statutory rule or regulation, the sanction granted by this Tribunal will not come in the way of action being taken, albeit, in accordance with law, against the concerned persons, directors and officials of the petitioner companies.
- E. While approving the Scheme as above, it is clarified that this order should not be construed as an order in any way granting approval of the said loan assignments and exemption from payment of stamp duty, taxes or any other charges, if any, payment is due or required in accordance with law or in respect to any permission/compliance with any other requirement which may be specifically required under any law.
- F. Further, it becomes relevant to discuss that in Company Petition CAA-284/ND/2018 vide Order dated 12.11.2018, the NCLT New Delhi has made the following observations

with regard to the right of the IT Department in the Scheme of Amalgamation:

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

**17. THIS TRIBUNAL DO FURTHER ORDER:**

- i) The Scheme of Amalgamation which is annexed as **“Annexure- I”** of the Petition is hereby sanctioned and it is declared that same shall be binding on the Petitioner Companies and their Shareholders and Creditors and all concerned under the scheme;
- ii) The applicant companies are directed to comply with the directions given by the Reserve Bank of India vide its Ref. No. DOR.RSG.AMD. No.S1031/ 01.12.173/ 2024-25 dated 18.09.2024.
- iii) The applicant companies are directed to comply with the

observations of the Regional Directors and the Registrar of Companies in their representations/ reports.

- iv) The approval of the Scheme does not affect the authorities' right to proceed with pending cases, if any, against the Petitioner Companies.
- v) All the properties, rights and powers of Amalgamating Company be transferred without further act or deed to the Amalgamated Company and accordingly the same shall pursuant to Section 232 of the Act, stand transferred to and vest in the Amalgamated Company for all the estate and interest of the Amalgamating Company.
- vi) All licenses, permissions, permits, approvals, certificates, clearances, authorities, leases, tenancy, assignments, rights, claims, liberties, special status, other benefits or privileges and any power of attorney relating to the Amalgamating Company shall stand transferred to and vested in the Amalgamated Company, without any further act or deed. The Amalgamated Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Amalgamated Company.
- vii) All the liabilities and duties of the Amalgamating Company be transferred, without further act or deed, to the

Amalgamated Company and accordingly the same shall pursuant to Sections 230 & 232 of the Companies Act, 2013, be transferred to and become the liabilities and duties of the Amalgamated Company.

- viii) All contracts, agreements, insurance policies, bonds and all other instruments of whatsoever nature or description, of the Amalgamating Company, shall stand transferred to and vested in the Amalgamated Company and be in full force and effect in favour of the Amalgamated Company and may be enforced by or against it as fully and effectually against the Amalgamated Company.
- ix) All taxes paid or payable by the Amalgamating Company including existing and future incentives, un-availed credits and exemptions, the benefit of carried forward losses and other statutory benefits, which shall be available to and vest in the Amalgamated Company. The Tax liability of the Transferor Company shall become a liability of the Amalgamated Company and any proceedings against the Amalgamating Company shall continue against the Amalgamated Company.
- x) All proceedings now pending by or against the Amalgamating Company shall be continued by or against the Amalgamated Company.

- xi) The Appointed Date for the Scheme shall be **01.04.2024**.
- xii) **Consideration/ Issue of Shares:**
- a) *Since the Amalgamating Company is wholly owned subsidiary of the Amalgamated Company, upon amalgamation of the Amalgamating Company with the Amalgamated Company, no consideration shall be issued by the Amalgamated Company. Accordingly, upon effectiveness of the Scheme, there will be no change in the equity shareholding pattern of the Amalgamated Company.*
- b) *Upon the Scheme becoming effective, the entire share capital of the Amalgamating Company held by the Amalgamated Company along with its nominees, shall stand cancelled without any further application, act, or deed.*
- xiii) All employees in the service of the Amalgamating Company shall be deemed to have become the employees of the Amalgamated Company on a date on which the Scheme finally takes effect on the basis that their services shall be deemed to have been continuous and not have been interrupted by reasons of the said transfer than those on which they were/are engaged, as on the Effective Date.
- xiv) The Petitioner Companies within thirty days of the date of the receipt of this order, cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the entire Undertaking of the Amalgamating Company shall stand transferred to the Amalgamated Company and the Registrar of Companies shall place all documents relating to the

Petitioner Companies to the file kept by him in relation to the Amalgamated Company and the files relating to the said two companies shall be treated accordingly;

- xv) All concerned Authorities to act on the copy of this order along with the Scheme which is annexed at “**Annexure I**” of the Petition, The Registrar of this Tribunal shall issue the certified copy of this order immediately;
- xvi) The Petitioner Companies are directed to lodge a copy of this Order and the approved Scheme as annexed at “**Annexure I**”, duly Certified by the Registrar of this Tribunal, with the concerned Superintendent of Stamps, for adjudication of stamp duty, and pay requisite stamp duty payable, if any, within 60 days from the date of this Order.
- xvii) The Petitioner Companies are further directed to file a copy of this order along with a copy of the Scheme with the concerned Registrar of Companies, electronically, along with e-form INC-28 in addition to a physical copy within 30 days from the date of issuance of the certified copy of the Order by the Registry as per relevant provisions of the Act.
- xviii) The legal fees and expenses of the office of the Regional Director are quantified at Rs.20,000/- in respect of the Petitioner Companies. The said fees to the Regional Director shall be paid by the Amalgamated Company.

- xix) The legal fees and expenses of the office of the Official Liquidator are quantified at Rs.20,000/- in respect of the Amalgamating Company. The said fees of the Official Liquidator shall be paid by the Amalgamated Company.
- xx) The Statutory Auditors of the Petitioner Companies are hereby directed to ensure that the Accounting Treatment as a result of this order is carried out in accordance with the provisions of Section 133 of the Companies Act, 2013 and as per the draft treatment as proposed in the Scheme. They are further directed to disclose their observations in this regard in the next Annual Audit Report/Audit Report of the Petitioner Companies.
- xxi) The Income Tax Department will be free to examine the aspect of any tax payable as a result of the sanction of the Scheme and if it is found that the Scheme of Arrangement ultimately results in tax avoidance or is not in accordance with the applicable provisions of Income Tax Act, then the Income Tax Department shall be at liberty to initiate appropriate course of action as per law. Any sanction of the Scheme of Arrangement under Sections 230-232 of the Income Tax Act, 2013 shall not adversely affect the rights of Income Tax Department or any past, present or future proceedings and the sanction of the scheme shall not come



in its way for the appropriate course of action as per law for the tax liabilities, if any.

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

18. Accordingly, Company Petition i.e. **CP(CAA)/6(AHM)2025** in **CA(CAA)/49(AHM)2024**, stands allowed and disposed of in terms of the aforementioned terms.

- Sd -

**SAMEER KAKAR**  
**MEMBER (TECHNICAL)**  
GS/RS

- Sd -

**SHAMMI KHAN**  
**MEMBER (JUDICIAL)**