



Ref: CEL/NSEBSE/07112025

November 7, 2025

To,

Listing Department, National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	Department of Corporate Services – Listing, BSE Limited, P. J. Towers, Dalal Street, Mumbai – 400 001
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Re: Scrip Symbol: CENTUM/ Scrip Code: 517544

Dear Sir/ Madam,

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Hon'ble NCLT, Bengaluru Bench order w.r.t Approval of Scheme of Amalgamation of Centum T&S Private Limited (wholly-owned subsidiary) with the Company.

This is in furtherance to our intimations dated August 09, 2024 and November 24, 2024 w.r.t Scheme of Amalgamation of Centum T&S Private Limited ('Transferor Company'), a wholly-owned subsidiary of the company, with Centum Electronics Limited ('Transferee Company') pursuant to Sections 230 and 232 of the Companies Act, 2013 and the rules framed thereunder ("the Scheme").

In accordance with Regulation 30 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 ("Hon'ble NCLT"), vide its Order pronounced on, October 29, 2025 has approved the Scheme. The said Order has been uploaded on the NCLT website on November 7, 2025. A copy of the Order is enclosed herewith for your information.

We are in the process of obtaining certified copies of the said Order from the Hon'ble NCLT. The Scheme shall become effective upon filing of the certified copy of the Order with the Registrar of Companies.

Kindly take the same on your records.

Centum Electronics Limited

44, KHB Industrial Area, Yelahanka New Town, Bangalore - 560 106, Karnataka, India

Tel +91-(0)80-4143-6000 Fax +91-(0)80-4143-6005 Website www.centumelectronics.com

E-mail info@centumelectronics.com CIN - L85110KA1993PLC013869



Yours faithfully,
For **Centum Electronics Limited**

Indu H S
Company Secretary & Compliance Officer

Encl: as above

Centum Electronics Limited

44, KHB Industrial Area, Yelahanka New Town, Bangalore - 560 106, Karnataka, India

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IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH

[Through Physical hearing/ VC Mode (Hybrid)]

ITEM No.17
C P (CAA) No. 14/BB/2025

IN THE MATTER OF:

Centum T & S Pvt Ltd

... Petitioner

Petition under Section 230-232 of Companies Act, 2013

Order delivered on: 29.10.2025

CORAM:

SHRI. SUNIL KUMAR AGGARWAL
HON'BLE MEMBER (JUDICIAL)

SHRI. RADHAKRISHNA SREEPADA
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Petitioner : Shri Saji.P.John

ORDER

1. Heard Ld. Counsel for the Petitioner.
2. **C.P (CAA) no.14/BB/2025 is allowed by separate order.** File
consigned to records.

-Sd-

RADHAKRISHNA SREEPADA
MEMBER (TECHNICAL)

-Sd-

SUNIL KUMAR AGGARWAL
MEMBER (JUDICIAL)

Gy

IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU

C.P.(CAA) No.14/BB/2025

U/s. 230 and 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

IN THE MATTER OF:

M/s. Centum T & S Private Limited

R/o. at No.44, KHB Industrial Area,

Yelahanka New Town,

Bengaluru – 560 106

...Petitioner No.1/Transferor Company

M/s. Centum Electronics Limited

R/o. at No.44, KHB Industrial Area,

Yelahanka New Town,

Bengaluru – 560 106

... Petitioner No.2/Transferee Company

Order delivered on: 29.10.2025

CORAM: 1. Shri Sunil Kumar Aggarwal, Hon'ble Member (Judicial)
2. Shri Radhakrishna Sreepada, Hon'ble Member (Technical)

COUNSELS PRESENT:

For the Petitioners : Shri Saji P. John

ORDER

1. This is a second motion Petition filed on 14.03.2025 for sanction of Scheme of Amalgamation (for brevity 'Scheme') of Centum T&S Private Limited (the "Transferor Company/Petitioner No.1") and Centum Electronics Limited (the "Transferee Company/Petitioner No.2") and their respective Shareholders. **The Petition is maintainable in terms of Rule 3 (2) of the Rules.**
2. The Petitioner Companies had filed First Motion Application bearing CA (CAA) No.52/BB/2024 wherein vide order dated 26.02.2025 meetings of the C.P.(CAA) No.14/BB/2025

Equity Shareholders, Secured Creditors and Unsecured Creditors of the Petitioner Companies were dispensed with. There are no Secured Creditors in Petitioner No.1 therefore does not call for convening their meeting.

3. When the Petition was listed on 20.03.2025, through Physical Hearing, the following directions were issued: -

“...5(a) The Petitioner(s) are directed to take steps for issuance of notice in Form CAA3 and to the Central Government, through Ministry of Corporate Affairs to the Jurisdictional Regional Director (s), Ministry of Corporate Affairs.

5(b) Notices to the Regional Director(s) to be sent on rd.ser@mca.gov.in.

5(c). Notice to the RoC to be sent on roc.bangalore@mca.gov.in.

5(d). Notice to the Official Liquidator to be sent on ol.bangalore@mca.gov.in.

5(e). Notice to the Income Tax Authorities to be sent on bangalore.pccit@incometax.gov.in

5(f). Notice to the Statutory Regulators/Sectoral Regulators, if applicable, be issued.

6. Notice is also directed to be published in two prominently circulating national daily newspapers namely “Business Standard” in English Edition and “Kannada Prabha” in Kannada Edition. In terms of Rule 7 of the Companies (Companies Arrangements and Amalgamation) Rules, 2016.

7. All the authorities on receipt of the notice, are directed to file their representation, if any, within 30 days from the date of receipt of the notice. In case, no representation is received, it will be presumed that they have no objection to the proposal”.

4. Pursuant to the aforesaid, the Petitioner companies have filed copies of proof of service of notices to the authorities and also copies of Newspapers carrying public notice of hearing. The Petitioner Companies state that there are no objectors to the scheme and hence separate notice to objectors are not required to be issued.

4. The main objects, dates of Incorporation, authorized, issued and paid-up share capital, rationale of the scheme and interest of employees have already been considered in the first motion proceedings.
5. The Board Resolution of the Petitioner Companies approving the Scheme is annexed as **Annexure – F** series of the Petition.
6. It is further submitted that the Certificate of Statutory Auditors of the Transferee Company, stating that the accounting treatment contained in Clause 12 of draft Scheme is in compliance with the Applicable Indian Accounting Standards and other Generally Accepted Accounting Principles. The copy of Certificate is **Annexures-M** to the Petition.
7. The audited financial statement as on 31.03.2024 of the Petitioner Companies and Unaudited financial statements as on 31.12.2024 are attached as **Annexures-C, E, C1 & E1** to the Petition. **The Valuation Report for Amalgamation of the Petitioner Companies is at Annexure – B.**
8. As per the Scheme, the “**Appointed Date**” means **01.04.2024** or such other date as may be fixed by the Tribunal or any other appropriate authority.
9. Pursuant to the notice, the Regional Director (RD) has filed its common report capturing and endorsing the observations of ROC along with additional observations as follows:
 - a) That as per the latest shareholders list attached to the last Annual Return filed as on 31/03/2024 of the Transferor Company, CENTUM ELECTRONICS LIMITED (Transferee Company), a Body Corporate, holds entire Equity Shares of 100% in the Transferor Company and as per the latest shareholders list attached to the last Annual Return filed as on 31/03/2024 of the Transferee Company, *Shri Apparao V Mallavarapu*, an individual holds the major Equity Shares of 45.76% in the Transferee Company.

- b) That as per Clause 1.2 of Part A of the Scheme, the Appointed date is 01st April, 2024.
- c) That as per MCA records, Transferee Company has many open charges. Hence, the Company has to obtain and furnish No Objection Certificate/s from the concerned charge holder/s to the Tribunal before the Scheme is allowed.
- d) That as per MCA records, there are Common Directors in the Petitioner Companies.
- e) That as per MCA records, the Transferor Company, originally incorporated on 06.12.2016 as a Private Limited Company with the name CENTUM ADENEO INDIA PRIVTAE LIMITED under the jurisdiction of Registrar of Companies, Karnataka. subsequently changed its name to CENTUM T&S PRIVATE LIMITED with effect from 07.12.2022. Further. as per MCA records, the Transferee Company, originally incorporated on 08.01.1993 as a Public Limited Company with the name CENTUM ELECTRONICS LIMITED and subsequently changed its name to C-MAC CENTUM ELECTRONICS LIMITED with effect from 23.09.1998. Thereafter, changed its name to SOLECTRON CENTUM ELECTRONICS LIMITED with effect from 13.09.2002. Thereafter, changed its name to CENTUM ELECTRONICS LIMITED with effect from 10.12.2007.
- f) That the Transferee is a Listed Company and the Equity Shares of the Company are listed both on National Stock Exchange of India Limited and Bombay Stock Exchange Limited. Hence Transferee Company is required to show the compliances of SEBI (Listing Obligations and Disclosure Requirements), 2015. Further, No Objection Certificates from Securities and Exchange Board of India, National Stock Exchange and Bombay Stock Exchange may be asked to submit for merging of Unlisted Transferor Companies with a Listed Transferee Company.

- g) That the Transferee Company, being a public company, has passed the Board Resolution for approval of the Scheme of Amalgamation and filed the same in e-form MGT-14 vide SRN AA9837088.
- h) That as per NCLT, Bengaluru Bench order dated 26.02.2025, the meetings of the Equity Shareholders, unsecured creditors of the Transferor and Transferee Companies have been dispensed with. Since there are no Secured Creditors in the Transferor Company, no meeting was convened.
- i) That as per Clause 10.1 of Part C of the Scheme, the entire share capital of the Transferor Company is held by the Transferee Company and its nominees), as the Transferee Company being the holding company of the Transferor Company, there shall not be any issue of shares as consideration to the shareholders of the Transferor Company.
- j) That as per the scheme the Transferor Company have authorised capital of Rs. 10,00,000/- and Paid-up capital of Rs. 10,00,000/- and the Transferee Company have authorised capital of Rs. 15,50,00,000/- and Paid-up capital of Rs. 12,88,84,340/-. As per the MCA records the Paid-up capital of Transferee Company does not match with the amount mentioned in scheme. The Petitioner Companies to clarify the same before the Tribunal and ensure that the interest of all Stakeholders is protected.
- k) That as per the latest Audited Financial Statements for the year ending 31/03/2024, both the Transferor and Transferee Companies are profit-making entities.
- l) That as per Note no. 19 of the Financial Statements for the year ending 31.03.2024, the Transferor Company have undisputed statutory due to the tune of Rs. 120.46 lakhs. The Petitioner Companies may be directed to furnish an undertaking to Tribunal to the effect that it will settle the statutory dues immediately, if not settled so far.

- m) That as per Note no. vii(b) of Annexure - I of the Independent Auditor's Report of the Transferee Company for the financial year ending 31/03/2024, the Transferee Company has total outstanding disputed dues towards Income Tax, Central Excise Tax, Goods and Services Tax to the tune of Rs. 17.06 Crores. The Petitioner Company may be directed to furnish an undertaking to the Tribunal to the effect that it will settle the dues as and when the claim is crystallized.
- n) That as per Note no. 18.1 and 24 of the Audited Financial Statements for the year ending 31.03.2024, both the Transferor and Transferee Companies have total outstanding dues to Micro, Small and Medium Enterprises to the tune of Rs.27.27 lakhs and Rs.737.80 lakhs respectively. The Companies may be asked to show as to how they have complied with Micro, Small and Medium Enterprises Development Act, 2006 and may be directed to furnish an undertaking to the Tribunal to the effect that it will settle the dues as per the said Act immediately, if not settled so far.
- o) That as per the Financial Statements for the year ending 31.03.2024, the Transferor and Transferee Companies have Foreign Exchange Transactions. The company may be asked to submit the relevant approvals and compliances made under FEMA/RBI regulations before the Scheme is allowed.
- p) That as per Clause 11.1 of Part C of the Scheme provides for Clubbing of Authorized Share 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 provisions of Section 232(3)(i) of the Companies Act, 2013. In this regard, the Transferee Company shall 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.

- q) That as per Clause 6.1 of Part B of the Scheme, all employees of the Transferor Company shall be absorbed into the Transferee Company. The Petitioner Companies are required to explain before the Tribunal as to what measures are being taken to safeguard the interests of the employees of the Transferor Company and steps taken for implementation of this Clause.
- r) That the object clauses of the Transferee Company need to be suitably altered so as to enable it to carry out the objects carried out by the Transferor Companies post sanction of the Scheme by complying with the applicable provisions of the Companies Act, 2013 and also by filing relevant e-forms.
- s) That the Accounting Treatment as mentioned in the Scheme needs to be as per the prescribed Accounting Treatment in the Companies Act, 2013 and the applicable Accounting Standards issued from time to time.
- t) That the Petitioner Companies are required to comply with the provisions of Section 239 of the Companies Act, 2013 with respect to preservation of books and papers of Amalgamated Company. The Tribunal may direct the Petitioner Companies to furnish an undertaking in this regard.
- u) 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.
- v) that there are no open Complaint, Prosecution, Technical Scrutiny/ Inquiry, Inspection, and Investigation pending in this office against the Transferor and Transferee companies.
- w) With reference to the Directorate's letter dated 16.04.2025 issued to the Principal Commissioner of Income Tax, Bengaluru, no report/ comments in the matter have been received from Income Tax

Department till date with respect to the Petitioner Transferor Company. The Tribunal obtain consent/NOC from the Income Tax Department with respect to the Petitioner Company, before the scheme is allowed.

- x) Report of Official Liquidator, Karnataka dated 26-05-2025 is filed before the NCLT(BB) and copy of the same has been furnished to this Directorate vide e-mail dated 26-05-2025 with respect to CP(CAA) 13/230/BB/2025. Official Liquidator in his report has pointed out certain observations which may be considered by the Tribunal and direct the Petitioner Companies to comply with the observations made by the Official Liquidator before the Scheme is allowed.
- y) On examination of the contents of the scheme, the replies of the Petitioner Companies, the Regional Director endorsed the observations of the Registrar of Companies and further made the following additional observations: -
 - a) The Appointed Date mentioned in the Scheme is 01-04-2024 and the Petitioner Companies have filed Statutory Returns up to 31-03-2024.
 - b) That the equity shares of the Transferee Company are listed with BSE and NSE and the Petitioner No.2 has given intimation as required under Regulation 30 and Regulation 37 of SEBI (Listing obligation and disclosure requirement) Regulations, 2015 on 9-8-2024 and furnished proof of intimation of the same.
 - c) That as per Clause 6.1 of the Scheme, upon the scheme becoming effective, all staff, workmen and employees of the Transferor Company in services shall be deemed to have become staff, workmen and employees of the Transferee Company. In this regard, the Transferee Company may be directed to furnish an undertaking stating that the interests of the employees are being protected by the Transferee Company.
 - d) That as per the Balance Sheet as at 31.03.2024, the Transferor

Company owes a sum of Rs.27,28,000/- towards MSME dues. In this regard, the Transferor Company may be directed to state whether the dues have been paid or pending as on the date. If the dues are payable, the Transferee Company shall furnish an undertaking stating that the dues will be settled by the Transferee Company. Further, Transferee Company also owes Rs.73.78 million towards MSME dues which shall be paid by the Transferee Company immediately.

- e) As per the Balance Sheet as at 31-03-2024, the Transferor Company has granted a loan of Rs. 100,00,000/- to the Transferee Company i.e. Centum Electronics Limited. The Petitioner Companies may be directed to show the compliance of the provisions of section 185/186 of the Companies Act, 2013 and furnish an undertaking before the Tribunal in this regard.
- f) The Petitioner Companies have related party transactions during the last two years. In this regard, the Petitioner Companies may be directed to show the compliance of the provisions of Section 188 of the Companies Act, 2013.
- g) That as seen from the Balance Sheet of the Transferee Company as at 31-03-2024, it is stated that certain land at Bengaluru is not in the name of the Transferee Company. In this regard, the Transferee Company may be directed to furnish information with regard to the transferor of the title deeds in the name of the company since the lease has expired on 17-12-2023.
- h) That the Transferee Company owes certain disputed statutory dues towards Income Tax, GST and Central Excise pertaining to the earlier years. In this regard, the Transferee Company may be directed to pay and settle the dues as and when the same are crystalized and demand is made by the said Statutory Authorities.
- i) That as per Clause 10.1 of the Scheme, the entire share capital of

the Transferor Company is held by the Transferee Company and hence, there shall not be any issue of shares as consideration to the shareholders of the Transferor Company.

- j) That as per Clause 12.1 of the Scheme, the amalgamation of the Transferor Company with the Transferee Company shall be accounted for in accordance with pooling of interest method of accounting i.e. IND AS-103 read with Section 133 of the Companies Act, 2013.
- k) That as per Clause 11.1 of the Scheme, the authorized share capital of the Transferee Company shall automatically stand enhanced with that of the Transferor Company without any further act or deed. In this regard, the Transferee Company may be directed to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013 and pay the differential fee after setting of the fee already paid by the Transferor Company and furnish an undertaking before the Tribunal.

10. Subsequently, reply affidavit to the report of RD/ROC has been filed by the Petitioner Companies. The reply to contentious parts of the reports are following:

- i. **Regarding observation in Para No. 3 (a) of the Common Report**, the said observation is correct and not required to be traversed. However, it is submitted that the current shareholding of *Mr. Apparao V Mallavarapu* as on the date of affidavit is 35.57%.
- ii. **Regarding observation in Para No. 3 (b) of the Common Report**, the said observation is correct and not required to be traversed.
- iii. **Regarding observation in Para No. 3 (c) of the Common Report**, it is submitted that the meeting of the Secured Creditors of the Petitioner Companies was dispensed by this Tribunal vide Order dated 26.02.2025. The copy of the order is produced along with Annexure G of the Petition.

- iv. **Regarding observation in Para No. 3 (d) of the Common Report,** there are common directors in the Petitioner Companies as per the MCA records. As on the date of the affidavit, *Mr. Nikhil Mallavarapu* is the Common Director in both the Petitioner Companies.
- v. **Regarding observation in Para No. 3 (e) of the Common Report,** the said observation is correct and is not required to be traversed.
- vi. **Regarding observation in Para No. 3 (f) of the Common Report,** the instant merger is between Parent and its wholly-owned subsidiary. Transferor Company is a wholly owned subsidiary of Transferee Company. Accordingly, Transferee Company has filed the scheme and intimation as required under Regulation 30 and Regulation 37 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 on 09.08.2024 and 24.11.2024 respectively with the Stock exchanges. A copy of the said intimation under Regulation 37 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, is produced at **Annexure-H** Series of the Petition.
- vii. **Regarding observation in Para No. 3 (g) of the Common Report,** the SRN of the MGT-14 e-form filed for the resolution for approval of the Scheme of Amalgamation is AB0196256.
- viii. **Regarding observation in Para No. 3 (h) of the Common Report,** the said observation is correct and is not required to be traversed.
- ix. **Regarding observation in Para No. 3 (i) of the Common Report,** the said observation is correct and is not required to be traversed.
- x. **Regarding observation in Para No. 3 (j) of the Common Report,** the observation is true. The Transferee Company approved the allotment of 18,18,718 equity shares of ₹10 each after March 31, 2024, pursuant to allotments made under the Employee Stock Option Plan (ESOP) to eligible employees and through a Qualified Institutional Placement (QIP). As a result, the current paid-up share capital of the Company stands at Rs.14,70,71,520.

- xi. **Regarding observation in Para No.3 (k) of the Common Report,** the said observation is correct and is not required to be traversed.
- xii. **Regarding observation in Para No.3 (l) of the Common Report,** Transferor Company has already settled the undisputed statutory dues.
- xiii. **Regarding observation in Para No. 3(m) and 6 (h) of the Common Report,** the Transferee Company undertakes to settle the disputed statutory dues, if any, as and when the dues are crystalized in accordance with law.
- xiv. **Regarding observation in Para No. 3 (n) and 6 (d) of the Common Report,** the dues towards MSME Creditors have been settled as per the provisions of MSME Act, 2006 and in the ordinary course of business. Further, the Petitioner Companies undertake to settle the dues towards MSME Creditors in the ordinary course of business as and when the dues become payable.
- xv. **Regarding observation in Para No. 3 (o) of the Common Report,** the foreign transactions of Petitioner Companies are in compliance with the FEMA/RBI Regulations and is completed through their respective AD Banks with relevant approvals, as may be necessary. Further the said transactions arise in the ordinary course of business.
- xvi. **Regarding observation in Para No. 3 (p) and 6 (f) of the Common Report,** the Transferee Company undertakes to comply with the provisions of Section 232 (3) (i) and pay differential fee, if any, after setting off the fees already paid by the Transferor Company on its authorized Capital.
- xvii. **Regarding observation in Para No.3 (q) and 6 (c) of the Common Report,** Clause 6 of the Scheme safeguards the interest of the Employees of Transferor Company. Further, pursuant to the merger, the Transferee Company undertakes to take necessary steps to implement Clause 6 of the Scheme and protect the interest of the Employees.

- xviii. **Regarding observation in Para No.3 (r) of the Common Report**, the Transferee Company undertakes to amend its objects if it intends to carry on the activities of Transferor Company post-merger by filing necessary e-forms with ROC.
- xix. **Regarding observation in Para No. 3(s) of the Common Report**, the Accounting Standards prescribed in the Scheme is in compliance with the accounting standards notified by Central Government. A copy of the certificates issued by the statutory auditors of the Petitioner Companies to the effect that the accounting treatment specified in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013 is produced as **Annexure M Series** in the Company Petition.
- xx. **Regarding observation in Para No. 3(t) of the Common Report**, the Transferee undertakes to preserve the Books and Accounts of Transferor Company pursuant to the merger in accordance with law.
- xxi. **Regarding observation in Para No. 3 (u) of the Common Report**, the observation is not required to be traversed as the same is provided under Section 240 of the Companies Act, 2013.
- xxii. **Regarding observation in Para No. 3 (v) of the Common Report**, the observations are correct and not required to be traversed.
- xxiii. **Regarding observation in Para No. 4 of the Common Report** the IT Department has filed its Report for Transferor Company and the Petitioner Companies filed Reply Affidavit to the said Report vide DY.No.2903111004932025/4 on 23.07.2025.
- xxiv. **Regarding observation in Para No. 5 of the Common Report** the Reply to the observation of the Official Liquidator's Report has been submitted. It is pointed out that the Petition was numbered as C.P.(CAA) No.14/BB/2025 which is wrongly mentioned in the Common Report.
- xxv. **Regarding observation in Para No. 6(a) of the Common Report**, the said observation is correct and not required to be traversed.

- xxvi. **Regarding observation in Para No. 6 (b) of the Common Report,** the said observation is correct and is not required to be traversed.
- xxvii. **With reference to the observation in Para No. 6(e) of the Common Report,** the loan was granted by the Transferee Company to the Transferor Company, and not the other way around, as stated in the Common Report. The Transferee Company has extended a loan of ₹1,00,00,000 to the Transferor Company. The Petitioner Companies confirm that all applicable provisions of Sections 185 and 186 of the Companies Act have been duly complied with and undertake to furnish any further information or documentation as may be required by the Tribunal in this regard.
- xxviii. **Regarding observation in Para No.6 (f) of the Common Report,** the Related Party Transactions of the Petitioner Companies' are on arm's length basis and in the ordinary course of business. All the Related Party transactions are disclosed in the Financial Statements. Further the Petitioner Companies submit that the Related Party Transactions are in compliance with the provisions of Section 188 of the Companies Act, 2013.
- xxix. **With reference to the observation in Para No. 6(g) of the Common Report,** the observation is correct. The land located at Bengaluru Aerospace Park, Industrial Area, was allotted by the Karnataka Industrial Areas Development Board (KIADB) on 18.12.2013 under a lease-cum-sale agreement for a period of 10 years, which expired on 17.12.2023. The Transferee Company has applied for registration of the land with KIADB, and the process is currently underway. The construction of the building on the said land has been completed, and possession certificates have been duly issued.
- xxx. **Regarding observation in Para No. 6 (d) of the Common Report,** the said observation is correct and not required to be traversed.

xxxi. **Regarding observation in Para No. 6 (e) of the Common Report**, the said observation is correct and not required to be traversed.

11. The Official Liquidator has filed report dated 26.05.2025 making following observations:

- a) That as per Auditor' Certificate dated 25.11.2024, there are no secured creditors in the Transferor Company and there are 74 Unsecured Creditors amounting to Rs.5,91,97,390/- as on 30.06.2024. Out of the above, 21 Unsecured Creditors have given their consent Affidavits consisting of 90.06% of the total unsecured debt and there are 2 Equity Shareholders as on 30.06.2024 and have given their consent.
- b) The Board of Directors of Transferor Company approved the scheme on 29.08.2024. The NCLT, Bengaluru vide order dated 26.02.2025 has dispensed the meeting of Equity Shareholders & Unsecured Creditors of the Transferor company.
- c) As per the Financial Statements of the Transferor company as at 31.03.2024, Rs.23,31,04,140/- is shown towards employee benefit expenses. That as per Part B, Clause No.6.1 of the proposed Scheme deals with Staff, Workmen & Employees.

"On the Scheme becoming effective, all staff, workmen and employees of the Transferor Company in service shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from Appointed Date or the date of joining whichever is later, without any break or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company (i.e. cost-to-company basis, in monetary terms) shall not be less favorable than those applicable to them with reference to their employment with the Transferor Company on the Appointed Date."

- d) From the Financial Statement of the Transferor Company for the FY ending 31.03.2023 & 31.03.2024 it is observed that the company is a going concern and has Revenue from operations to

the extent of Rs.38,08,02,390/- & Rs.58,12,42,610/-respectively.

12. The Petitioner Companies have filed following reply to OL report on 09.06.2025:

- i. **Regarding observation in Para No. 1 and 2 of the report of the Official Liquidator**, the same pertains to the formal part of the Report that does not require response.
- ii. **Regarding observation in Para No. 3 to 11 of the report of the Official Liquidator**, the said observations are correct and not required to be traversed.
- iii. **Regarding observations in Para No. 12 (a) to 12 (d) of the report of the Official Liquidator**, there are no adverse observations and there is nothing to be traversed as such.

13. The **Assistant Commissioner of Income Tax**, Circle-2 (2) (1), Bengaluru has filed its report for the Transferor Company, stating that no I.T. demand is outstanding and there are no proceedings pending against the Transferor Company. Further it is stated that the Transferee Company shall be held responsible for any demand or liability which may arise in the name of Transferor Company. In this regard, indemnity bond shall be sought from Transferee Company.

14. The reply to the IT Report has been filed by the Petitioner Companies on 24.07.2025, inter alia stating as under:

- 1) Regarding para 3 of the Income Tax Report, the Transferee Company undertakes to settle all demands or liability of the Transferor Company, should any such liability arise in the future in accordance with law. In view of this undertaking, the requirements of an indemnity bond, as suggested by the Department, be dispensed with.
- 2) Further, Petitioner Company No.1 undertakes to surrender the PAN numbers of Transferor Companies post-merger approval order and

undertakes to comply with all requirements under Sections 178 & 179 of the Companies Act, 1961 as well as all relevant provisions of the Companies Act, 2013.

15. Vide Order dated 28.08.2025, the Ld. Counsel for the ROC stated that Department has no further observations to make. The Petitioners were directed to file payment proof of undisputed statutory dues in respect of the Transferor Company.
16. Heard **Shri Saji P. John, Advocate**, Learned Counsel for the Petitioner Companies, **Shri Ganesh R. Ghale, Advocate**, Ld. Counsel for the Income Tax Department and **Shri Hemanth Rao, Advocate**, Ld. Counsel for the Registrar of Companies/Regional Director and carefully perused the file.
17. The reports of Statutory Authorities and their replies by the Petitioner companies have been reproduced above in detail pursuant whereof the departments have not raised further concerns or queries. The requisite undertakings have been furnished and certification completed. Perceptibly the concerned Govt departments are satisfied by the responses on behalf of the petitioners that take care of their concerns including regarding future treatment. There thus remains no impediment to the approval of Scheme.
18. Accordingly, the **Scheme of Amalgamation** as annexed at **Annexure-A in respect of the Petitioner Companies is hereby approved with the Appointed date being 01.04.2024** and it is directed that the Scheme is binding on all the directors, shareholders, and creditors of the Petitioner 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 and payment in accordance with law or in respect of any permission/compliance or anything to be done in legal

compliance. With the sanction of the Scheme, the Transferor Company shall stand dissolved without being wound-up, without any further act or deed.

AND THIS TRIBUNAL DOES FURTHER ORDER:

- (i) That the Transferee Company shall, within 30 days of receipt of this Order, cause a certified copy to be delivered to the Registrar of Companies, Karnataka for registration. The concerned Registrar of Companies shall place all documents relating to the Transferor Company registered with him on the file relating to the Transferee Company and be consolidated,
- (ii) That the Transferee Company shall deposit an amount of **Rs.75,000/- (Rupees Seventy Five Thousand Only)** with the “Pay & Accounts Officer”, Chennai in favour of Ministry of Corporate Affairs, GoI through the Regional Director, South East Region and **Rs.25,000/- (Rupees Twenty Five Thousand Only)** in favour of “*The Prime Minister National Relief Fund*”, within a period of *four weeks* of this Order and produce receipt therefor;
- (iii) The Petitioner Company is directed to comply with the provisions of Section 170A of the Income Tax Act, 1961 within the stipulated period. The records of dissolved transferor company shall be preserved in the manner and for the duration as prescribed in law.
- (iv) That any person interested shall be at liberty to apply to this Tribunal in the above matter for any directions that may be necessary.
- (v) 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 concerned statutes, are at liberty to take appropriate action, in accordance with law.
- (vi) The Petitioner Companies have given various undertakings in response to observations made by the Statutory Authorities, which are all accepted.

They shall remain bound by the terms thereof and committed to ensure meticulous compliance in letter & spirit.

19. Registry to issue formal Orders in Form No. CAA-7 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, on the Transferee Company filing Schedule of the Properties i.e. (i) freehold properties of the Transferor Company and (ii) leasehold properties of the Transferor Company, by way of an affidavit.
20. Accordingly, **C.P. (CAA) No.14/BB/2025 is allowed and disposed of.**
21. Copy of this Order be communicated to the Petitioner Companies through their representing Counsel.

-Sd-

**RADHAKRISHNA SREEPADA
MEMBER (TECHNICAL)**

-Sd-

**SUNIL KUMAR AGGARWAL
MEMBER (JUDICIAL)**