

April 01, 2025

Listing Compliance & Legal Regulatory
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400 001
Stock Code: 543227, 974820 & 975101

Listing & Compliance
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra East, Mumbai 400 051
Stock Code: HAPSTMNDS

Dear Sir/Madam,

Subject: Receipt of Certified True Copy of First Motion Order by the Hon'ble National Company Law Tribunal, Bengaluru Bench in the matter of the Scheme of Amalgamation of Happiest Minds Edutech Private Limited and Happiest Minds Technologies Limited and their respective Shareholders and Creditors.

This is with reference to our earlier disclosure dated March 29, 2025 and October 17, 2024, regarding the Scheme of Amalgamation of Happiest Minds Edutech Private Limited (Wholly Owned Subsidiary – Transferor Company) and Happiest Minds Technologies Limited (Holding Company – Transferee Company)(Collectively called as “**Companies**”) and their respective Shareholders and Creditors, under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder.

We hereby inform you that the Hon'ble National Company Law Tribunal, Bengaluru Bench vide its order dated March 25, 2025, has approved the dispensation of holding Meetings of the Equity Shareholders and Unsecured Trade Creditors of the Companies and Secured Creditors and Unsecured Loan Creditors of the Transferee Company and the Certified True Copy of the said order has been received by the Company on April 01, 2025, which is enclosed herewith.

This is for your information and records.

Thanking you,
Yours faithfully,
For **Happiest Minds Technologies Limited**

Praveen Kumar Darshankar
Company Secretary & Compliance Officer
Membership No. F6706





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

C.A. (CAA) No.48/BB/2024

[Application under sections 230, 231 and 232 and other applicable provisions of the Companies Act, 2013 r/w the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

IN THE MATTER OF:

Happiest Minds Edutech Private Limited

SJR Equinox, Sy. No. 47/8, Doddathogur Village,
Begur Hobli, Electronic City Phase 1, Hosur Road,
Bengaluru 560100, Karnataka,India

- Applicant Company No.1/
Transferor Company

Happiest Minds Technologies Limited

53/1-4, Hosur Main road,
Madivala (Next to Madivala Police Station),
Bengaluru-560068, Karnataka,India

- Applicant Company No.2/
Transferee Company

Order delivered on: 25.03.2025

CORAM:

Hon'ble Shri Sunil Kumar Aggarwal , Member (Judicial)

Hon'ble Shri Radhakrishna Sreepada, Member (Technical)

PRESENT:

For the Applicant Companies : Shri R. Inbaraju

ORDER

1. The present First Motion Application has been filed on 07.07.2024 by **Happiest Minds Edutech Private Limited** (described in short as "Applicant Company No.1/Transferor Company") and **Happiest Minds Technologies Limited** (described in short as "Applicant



C.A. (CAA) No.48/BB/2024
(First Motion)



Company No.2/Transferee Company”) under sections 230, 231 & 232 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the said Act) r/w the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 *inter alia*, seeking order for:

- i) Dispensation of requirement of convening and holding of meeting of the Equity shareholders and Unsecured Trade Creditors of the Applicant Companies and Secured Creditors, Unsecured Loan Creditors of Applicant No.2/Transferee Company.

Brief facts of the case with reference to the Applicant Companies as mentioned in the Application which are relevant to the issue in question, are mentioned under respective Companies below:

1. **The Applicant Company No.1 /Transferor Company:**

- a) The Applicant Company No.1/Transferor Company is a Private Limited Company incorporated under the erstwhile Companies Act, 1956 on 22.09.2015 under the name and style of “**Happiest Minds Edutech Private Limited**” bearing CIN: U72200KA2015FTC082947 and having its registered office at SJR Equinox, Sy. No. 47/8, Doddathogur Village, Begur Hobli, Electronic City Phase 1, Hosur Road, Bengaluru 560100, Karnataka, India. The Applicant Company No.1/Transferor Company had been incorporated before the Registrar of Companies, Karnataka.
- b) The main object of the Applicant Company No.1 , *inter alia*, is to undertake the business of designing and development of systems and applications software either for its own use or for sale in India or for export outside India and to design and develop such systems and application software for or on behalf of manufacturers, owners and users of computer systems and digital or electronic equipment in India or elsewhere in the world; and to carry on in India and abroad, the business of software development activities like implementation, upgrade, maintenances, support and to provide





information technology enabled services, software and technical support, software sales and consulting services, software distribution, training, Internet, data processing, knowledge processing, business processing, call centre services, data conversion and communication services and to provide consultancy and advisory services in related areas. The copy of Articles of Association and Memorandum of Association is attached as **Annexure 2** to the Application.

- c) The Authorized, Issued, Subscribed and Paid-up Share Capital of the Applicant Company No.1/Transferor Company is as under:

| Authorized Share Capital | Amount (Rs.) |
|--|---------------------|
| 10,00,000 Equity Shares of Rs.1/- each | 10,00,000 |
| Total | 10,00,000 |
| Issued, Subscribed, and Paid-up Share Capital | Amount (Rs.) |
| 1,00,000 Equity Shares of Rs.1/- each | 1,00,000 |

2. The Applicant Company No.2/Transferee Company:

- a) The Applicant Company No. 2/Transferee Company, **Happiest Minds Technologies Limited**, was initially incorporated as a Private Limited Company under the erstwhile, Companies Act, 1956, on 30.03.2011, bearing CIN: U72900KA2011PTC057931 was later changed to a Public Company w.e.f 20.05.2020. The company's registered office is located on 53/1-4, Hosur Main road, Madivala (Next to Madivala Police Station), Bengaluru-560068, Karnataka, India ."
- b) The main objects of the Applicant Company, inter alia, includes carrying out businesses of business and technology consulting of all types providing information management, installation & implementation, maintenance and supply of solutions, software





services and technologies; further to carry on business of developing, manufacture, selling and marketing. deployment, management and support of software, solutions, services and technologies and to carry on the business of data processing, training, research and development activities in the areas of software, computer graphics, computer aided designing and analysis, designing, developing, improving, modifying, customizing, contracting, marketing, selling, distributing, representing, import and export of all and every kind of hardware product, software program, software data and software solutions. The copy of Articles of Association and Memorandum of Association is attached as **Annexure 7** to the Application.

- c) The Authorized, Subscribed, Issued and Paid-up Share Capital of the Applicant Company No.2/Transferee Company is as under:

| Authorized Share Capital | Amount (Rs.) |
|--|-----------------------|
| 22,93,00,000 Equity Shares of Rs.2/- each | 45,86,00,000/- |
| 2,00,000 Non-Cumulative Compulsorily Convertible Preference Shares of Rs. 652/- each | 13,04,00,000/- |
| Total | 58,90,00,000/- |
| Issued, Subscribed, and Paid-up Share Capital | Amount (Rs.) |
| 15,22,74,811 Equity Shares of Rs.2/- each | 30,45,49,622/- |

- The Board of Directors of the Applicant Companies have approved and adopted the Scheme of Amalgamation in their meetings held on 17.10.2024 respectively. Certified copies of Board Resolution passed in the Board meeting of the Applicant Companies are annexed to the Application and marked as **Annexures 11 and 12** respectively. The Appointed Date fixed under the Scheme is **18.04.2024**.
- It is submitted that the rationale for Scheme of Amalgamation of the Transferor Company with the Transferee Company is, inter alia, as follows:





"(a) Simplify management structure, leading to better administration and reduction in costs from more focused operational efforts, rationalisation, standardisation and simplification of business processes, and the elimination of duplication and rationalisation of administrative expenses.

(b) Greater integration and financial strength for the amalgamated entity. which would result in maximising overall shareholder value, and will improve the financial position of the amalgamated entity.

(c) Pooling of resources (including manpower, management and administration and marketing resources) of the aforesaid companies resulting in synergies of operations and optimisation of logistics, resulting in more productive utilisation of said resources, savings in cost and operational efficiencies.

(d) The amalgamation would lead to greater and efficient use of infrastructure facilities and optimum utilisation of the available resources resulting in substantial reduction in statutory compliances.

(e) Simplification of group structure by eliminating multiple companies having similar objectives in relation to software solutions."

4. As per the Certificate dated 18.10.2024 issued by Adithya and Vishwas Chartered Accountants, there are 02 (Two) Shareholders in the Applicant Company No.1/Transferor Company as on 29.02.2024. The details are given below:

| Sr. No. | Name of the equity shareholders | Number of equity shares of Rs.1/- each | Percentage |
|---------|-------------------------------------|--|------------|
| 1. | Happiest Minds Technologies Limited | 99,999 | 99.99% |





| | | | |
|----|--|----------------|-------------|
| 2. | Mr Nuggehalli Krishmacharya Sriranganaraynan | 1 | 0.01% |
| | Total | 100,000 | 100% |

Both the Equity Shareholders holding an aggregate 100% shareholding in the Applicant Company No.1/Transferor Company have given their consent by way of affidavits to the Scheme. Certificate by Adithya and Vishwas Chartered Accountants confirming 100% consent is attached as **Annexure 18** to the Application.

5. It is stated that as per the Certificate dated 28.10.2024 issued by, Adithya and Vishwas Chartered Accountants, there are "NIL" Secured Creditors in the Applicant Company No.1/Transferor Company as on 31.08.2024. Certificate by Adithya and Vishwas Chartered Accountants, Chartered Accountants confirming NIL secured creditors is attached as **Annexure 19** to the Application.
6. It is stated that as per the Certificate dated 28.10.2024 issued by, Adithya and Vishwas Chartered Accountants, there are "NIL" Unsecured Loan Creditors in the Applicant Company No.1/Transferor Company as on 31.08.2024. Certificate by Adithya and Vishwas Chartered Accountants, Chartered Accountants confirming NIL unsecured loan creditors is attached as **Annexure 20** to the Application.
7. It is stated that as per the Certificate dated 18.10.2024 issued by, Adithya and Vishwas Chartered Accountants, there are 1 Unsecured Trade Creditor for a total outstanding unsecured debt of Rs. 1,40,400/- in the Applicant Company No.1/Transferor Company as on 31.08.2024. List of Unsecured Trade Creditors certified by Adithya and Vishwas Chartered Accountants is attached as **Annexure 21** to the Application.
8. As per the Certificate dated 10.10.2024 issued by CA Suresh DM, Chartered Accountants, there are 7,64,351 Equity Shareholders in





the Applicant Company No.2/Transferee Company as on 31.08.2024. The Equity Shareholders holding an aggregate 100% shareholding in the Applicant Company No.2/Transferee Company have given their consent by way of affidavits to the Scheme. Certificate by CA Suresh DM Chartered Accountants confirming 100% consent is attached as **Annexure 23** to the Application.

9. It is stated that as per the Certificate dated 10.10.2024 issued by CA Suresh DM Chartered Accountants, there are 6 Secured Creditors in the Applicant Company No.2/Transferee Company as on 31.08.2024 with an outstanding value of Rs. 4,46,36,02,164/- attached as **Annexure 24** to the Application. The Secured Creditors aggregate to 100% value of Secured Creditors in the Applicant Company No.2/Transferee Company have given their consent by way of affidavits to the Scheme. Certificate by CA Suresh DM Chartered Accountants confirming 100% consent is attached as **Annexure 25** to the Application.
10. It is stated that as per the Certificate dated 10.10.2024 issued by CA Suresh DM Chartered Accountants, as on 31.08.2024 there is 1 Unsecured Loan Creditor in the Applicant Company No.2/Transferee Company being Citibank NA with an outstanding value of Rs 1,25,00,00,000/- of non convertible debentures. List of Unsecured Loan Creditors certified by CA Suresh Co. Chartered Accountants is attached as **Annexure 26** to the Application.
11. It is stated that as per the Certificate dated 10.10.2024 issued by CA Suresh DM Chartered Accountants, as on 31.08.2024 there are 104 Unsecured Trade Creditors in the Applicant Company No.2/Transferee Company with an outstanding value of Rs 33,75,38,484/-. List of Unsecured Trade Creditors certified by CA Suresh Co. Chartered Accountants is attached as **Annexure 27** to the Application.
12. The Learned Counsel for the Applicant Companies submitted that the Affidavits dated 29.10.2024 of the Authorized Representatives of the





Applicant Companies have been filed that no material investigations are pending against the Applicant Companies under Companies Act, 2013 and Companies Act, 1956 or under any other statutes. Copy of the same is attached as **Annexure 30 & 31** respectively to the Application.

13. It is stated that the Affidavits dated 29.10.2024 of the Authorised Representatives of the Applicant Companies have been filed stating that they are not governed by any specific sectoral regulator. However, the Applicant company will serve a notice along with a copy of Scheme of Amalgamation to the Sectoral Regulators post directions received by the Hon'ble NCLT. Copy of the same is attached as **Annexures 34 and 35** respectively to the Application.
14. It is also stated that the Affidavits dated 29.10.2024 of the Authorised Representatives of the Applicant Companies have been filed stating that the Scheme does not envisage for Corporate Debt Restructuring. Copy of the same is attached as **Annexure 32 & 33** to the Application.
15. As per the Statutory Auditors of the Applicant Companies i.e., Adithya and Vishwas Chartered Accountants, and Deloitte Haskins & Sells Chartered Accountant vide Certificates dated 28.10.2024 and 17.10.2024 respectively, have, *inter alia*, opined that the proposed accounting treatment contained in Clause 13 and 12 respectively of Scheme is in compliance with the relevant provisions of the Companies Act 2013, and the rules made thereunder with reference to the applicable Accounting Standards notified under Section 133 of the Companies Act 2013 and other generally accepted Accounting Principles, as applicable. Copy of the same is attached as **Annexures 28 & 29** respectively to the Application.
16. The Applicant Companies have filed audited financial statements for the year ending as on 31.03.2024, copy of the same are attached as **Annexure 4 & 9** and the unaudited financial statements as on





30.06.2024, copy of the same are attached as **Annexure 5 and 10** respectively to the Application.

17. Clause 6.1 of the Scheme of Amalgamation states that upon the Scheme becoming effective, all staff, workmen and Employees of the Transferor Company, if any, in service on the Effective Date shall be deemed to have become staff, workmen and Employees of the Transferee Company with effect from the 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 favourable than those applicable to them with reference to their employment with the Transferor Company on the Effective Date.
18. Clause 11 of the Amalgamation Scheme states that, upon the Scheme coming into effect, the authorized share capital of the Transferor Company shall stand combined with and be deemed to be added to the authorized share capital of the Transferee Company Filing fees and stamp duty, if any, paid by Transferor Company on its authorized share capital, as applicable, shall be deemed to have been so paid by the Transferee Company on the combined authorized share capital and accordingly, the Transferee Company shall not be required to pay any fee stamp duty for its increased authorized share capital. Consequently, existing Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument, or deed, be and stand altered, modified and amended pursuant to Sections 61 to 64 and other applicable provisions of the Companies Act, 2013 by substituting the existing Clause with the following:

"V. The Authorised Share Capital of the Company is Rs. 59,10,00,000/- (Rupees Fifty-Nine Crores Ten lakhs only) divided into 23,03,00,000 (Twenty-Three Crores Three Lakhs) Equity Shares of



face value of Rs.2 (Rupees Two Only) each and 2,00,000 (Two Lakhs) Non-Cumulative Compulsorily Convertible Preference Shares (Series A Preference Shares) of face value of Rs. 652/- (Rupees Six Hundred and Fifty-Two Only) each".

The approval of the Scheme by the shareholders of the Transferee Company under Sections 230 to 232 of the Act, shall be deemed to have the approval under Section 13, 61 and other applicable provisions of the Act and any other consents and approvals also required in this regard.

19. The applicant company has prayed to dispense with the meetings of the Shareholders and Unsecured Creditors of the Transferee Company. In this regard, there is a judgment passed by the Hon'ble NCLAT in Company Appeal (AT) No.19 of 2021 in the matter of 'Ambuja Cements Limited' inter alia had held that:

"In a scheme of amalgamation of a wholly owned subsidiary with its parent Company, the meetings of equity shareholders, secured and unsecured creditors of the Transferee Company may be dispensed with."

Further in the order passed by this Bench, in C.A. (CAA)No.38/BB/2021 in the matter of Yuflow Engineering Private Limited (Transferor Company) and Yuke India Limited (Transferee Company), Bengaluru Bench, in which it was observed that:

"we are convinced with the reasons, case laws submitted by the Applicant Companies and since the Transferee Company hold 100% of beneficial interest in the Transferor Company, therefore we are inclined to dispense with the meeting of the Equity Shareholders, Secured and/or Unsecured Creditor of the Applicant No.2/Transferee Company and dispense with the meeting of Equity Shareholders of Applicant No.1/Transferor Company". Page 15 of 17 C.A(CAA)No.04/BB/2024 (First Motion) Further, the Transferor Company does not proposed to hold the meeting of the Unsecured Creditors as held by the Hon'ble National Company Law Tribunal, Mumbai Bench IV in the case of Booker





Satnam Wholesale Limited and Booker India Limited in C.A(CAA)No.212/MBIV/2021.

It is noticed from the above mentioned judgments that when it was a case of amalgamation of a wholly owned subsidiary (the Transferor Company) with the parent Company (being the Transferee Company), the meetings of Secured and Unsecured Creditors of the Transferee Company were dispensed.

20. It is also noticed that the Transferee Company being a listed entity is required to comply with Regulation 37(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
21. We have heard the learned Counsel for the Applicant Companies and have perused the records. In view of the aforesaid discussion, the following directions are issued:
 - (i) Convening the meeting of the Equity Shareholders of the Applicant Company No. 1/ Transferor Company is hereby dispensed with, in view of the Affidavits provided;
 - (ii) Convening the meeting of the Equity Shareholders of the Applicant Company No. 2/ Transferee Company is hereby dispensed with, in view of the Affidavits provided;
 - (iii) Convening the meeting of the Secured Creditors of the Applicant Company No. 2/ Transferee Company is hereby dispensed with, in view of the Affidavits provided;
 - (iv) Convening the meeting of the Unsecured Loan Creditors of the Applicant Company No. 2/ Transferee Company are hereby dispensed with, in view of the Affidavits provided .
 - (v) Convening the meeting of the Unsecured Trade Creditors of the Applicant Companies are hereby dispensed with, in view of the Affidavits provided .





(vi) The Applicant Companies shall individually send notice along with a copy of the Scheme, the Explanatory Statement and the disclosures to;

(a) Central Government through the office of the Regional Director (South East Region);

(b) Concerned Registrar of Companies;

(c) Official Liquidator;

(d) Principal Chief Commissioner of Income Tax, Karnataka & Goa - Nodal Officer of Income Tax Department

(e) Jurisdictional Income Tax Authorities by disclosing the PAN numbers of the Applicant Companies in the title of the Second Motion Petition;

(f) Reserve Bank of India, Bengaluru;

(g) Securities and Exchange Board of India and

(h) Other relevant statutory authorities/ sectoral regulators, if any, stating that representations, if any, to be made by them shall be sent to the Tribunal within a period of 30 days from the date of receipt of such notice and copy of such representation shall simultaneously be sent to the concerned Companies, failing which it shall be presumed that they have no objection to the proposed Scheme;

(vii) Further the Applicant Companies are directed to issue paper publication in both Vernacular language and another in English Edition about the dispensation of meetings by this tribunal, in regards to this amalgamation, within the period of 10 (Ten) days from the date of receipt of copy of this order.

22. The aforementioned directions shall be strictly complied with in accordance with applicable laws, including the forms and formats





prescribed under the Companies Act, 2013, and Rules made thereunder, by the Applicant Companies.

23. In view of the above, the First Motion Application bearing **C.A.(CAA) No. 48/BB/2024 stands allowed**, giving liberty to the Applicant Companies to file Second Motion Petition with the direction that the Applicant Companies shall make specific prayer for sending notice to
- (a) Central Government through the office of the Regional Director (South East Region);
 - (b) Concerned Registrar of Companies;
 - (c) Official Liquidator;
 - (d) Principal Chief Commissioner of Income Tax, Karnataka & Goa - Nodal Officer of Income Tax Department
 - (e) Jurisdictional Income Tax Authorities by disclosing the PAN numbers of the Applicant Companies in the title of the Second Motion Petition; and
 - (f) other relevant statutory authorities/sectoral regulators applicable.
24. A copy of this order be supplied to the learned Counsel for the Applicant Companies.

-sd/-

(RADHAKRISHNA SREEPADA)
MEMBER (TECHNICAL)

-sd/-

(SUNIL KUMAR AGGARWAL)
MEMBER (JUDICIAL)



CERTIFIED TO BE TRUE COPY
OF THE ORIGINAL


11/04/2025
DEPUTY/ASST. REGISTRAR
NATIONAL COMPANY LAW TRIBUNAL
Bengaluru Bench