

# Anant Raj Limited

(Formerly Anant Raj Industries Limited)

CIN : L45400HR1985PLC021622

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25<sup>th</sup> August, 2020

The Manager  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai 400001

The Manager  
National Stock Exchange of India Ltd  
Exchange Plaza, 3rd Floor  
Plot No.3-1. "G" Block, I.F.B. Centre  
Bandra-Kurla-Complex, Bandra(East),  
Mumbai- 400051

**Subject: Intimation of Pronouncement of Order for sanction of Composite Scheme of Arrangement among Anant Raj Agencies Private Limited, Anant Raj Limited and Anant Raj Global Limited by the Hon'ble National Company Law Tribunal, Chandigarh Bench under Sections 230 -232 and Sections 52 - 66 of the Companies Act, 2013.**

Dear Sir,

We wish to inform you that the Hon'ble Chandigarh Bench of the National Company Law Tribunal at Chandigarh *vide* its order dated and pronounced on 24<sup>th</sup> August, 2020 ("**Order**") has sanctioned the Composite Scheme for Arrangement for amalgamation and demerger among Anant Raj Agencies Private Limited ("**Amalgamating Company**"), Anant Raj Limited ("**Amalgamated Company/ Demerged Company**") and Anant Raj Global Limited ("**Resulting Company**") and their respective shareholders and creditors under Sections 230 to 232 read with Sections 52 and 66 of the Companies Act, 2013, for the amalgamation of the Amalgamating Company with and into the Amalgamated Company/ Demerged Company and immediately thereupon, demerger of the Project Division (Demerged Undertaking) of the Amalgamated Company/ Demerged Company into its wholly owned subsidiary i.e., the Resulting Company. The copy of the aforesaid Order is enclosed in the form of Annexure.

We are awaiting receipt of the formal order in terms of Form No. CAA.7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the same will be submitted to your good office upon receipt.

This is for your information and record.

Thanking you  
For Anant Raj Limited

*Manoj Pahwa*



Manoj Pahwa  
(Company Secretary)  
A7812  
Encl: As above

**THE NATIONAL COMPANY LAW TRIBUNAL  
CHANDIGARH BENCH, CHANDIGARH  
(through web-based video conferencing platform)**

**CP (CAA) NO.19/Chd/Hry/2019**

**Under Sections 230 to 232  
read with Section 66 of the  
Companies Act, 2013**

**IN THE MATTER OF THE COMPOSITE SCHEME OF ARRANGEMENT FOR  
AMALGAMATION and DEMERGER BETWEEN:**

**Anant Raj Agencies Private Limited,**  
having its registered office at  
Plot No. CP-1, Sector-8, IMT Manesar,  
Gurgaon, Haryana – 122051, India  
CIN: U74899HR1979PTC065952  
PAN: AAACA0087E

...Amalgamating / Petitioner Company 1

And

**Anant Raj Limited,**  
having its registered office at  
Plot No. CP-1, Sector-8, IMT Manesar,  
Gurgaon, Haryana – 122051, India  
CIN: L45400HR1985PLC021622 /  
PAN: AABCA3972B

...Amalgamated /Demerged Company/Petitioner Company 2

With

**Anant Raj Global Limited,**  
having its registered office at  
Plot No CP-1, Sector -8, IMT, Manesar,  
Gurgaon, Haryana-122051, India  
CIN: U70100HR2016PLC065615  
PAN: AAOCA7650B

...Resulting Company/Petitioner Company 3

**Judgment delivered on: 24.08.2020**

**Coram: HON'BLE MR AJAY KUMAR VATSAVAYI, MEMBER (JUDICIAL)  
HON'BLE MR. RAGHU NAYYAR, MEMBER (TECHNICAL)**

**Present through Video Conferencing : -**

For the Petitioner Companies : 1. Mr. Sanjeev Puri, Senior Advocate  
2. Mr. Atul V Sood, Advocate  
3. Mr. Bharat Apte, Advocate  
4. Mr. Suman Kumar, Advocate  
5. Mr. Akshay Sachtey, Advocate

For the Income Tax Department : Mr. Yogesh Putney, Senior Standing Counsel

For Regional Director and Official Liquidator : Mr. Vibhor Sharma, Advocate

**Per: Mr. Ajay Kumar Vatsavayi, Member (Judicial)**

**JUDGMENT**

This is a joint Second Motion Petition under Sections 230 to 232 of the Companies Act, 2013 (for short, the 'Act') filed by the Petitioner Companies in terms of Rule 15 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (for brevity, 'Rules') for the sanction of the Composite Scheme of Arrangement for Amalgamation and Demerger (for brevity the 'Scheme') between (1) Anant Raj Agencies Private Limited (Amalgamating Company/Petitioner Company; (2) Anant Raj Limited (Amalgamated Company/ Demerged Company/ Petitioner Company; and (3) Anant Raj Global Limited (Resulting Company/Petitioner Company 3). The joint petition is maintainable in terms of Rule 3(2) of the Rules.

2. The Petitioner Companies filed joint First Motion Application bearing CA (CAA) No.08/Chd/Hry/2019 before this Tribunal for seeking directions to dispense with the meetings of the equity shareholders, secured

and unsecured creditors of Petitioner Company 1 and Petitioner Company 3 and for convening the meetings of equity shareholders, secured and unsecured creditors of Petitioner Company 2.

3. The First Motion Application was disposed of vide order dated 17.05.2019 with directions to dispense with the meetings of the equity shareholders of Petitioner Company 1 and Petitioner Company 3. Since there were no secured and unsecured creditors of the Petitioner Company 1 and Petitioner Company 3, there was nothing to convene their meetings. Directions were also passed for convening the meetings of equity shareholders, secured and unsecured creditors of Petitioner Company 2 as mentioned in the order dated 17.05.2019 attached at Annexure P-16 of the Petition.

4. The affidavits, both dated 25.06.2019 of Mr. Aman Sarin and Mr. Amar Sarin, Authorized Signatories of the Petitioner Companies, with regard to compliance of all the directions given in the order dated 17.05.2019 were filed vide Diary No. 3115 dated 28.06.2019 along with newspaper publications in 'Indian Express' (English), Delhi NCR Edition and 'Jansatta' (Hindi) Delhi NCR Edition. Notices are also stated to have been sent to Income Tax (IT) Authorities, Regional Director (Northern Region), Ministry of Corporate Affairs (RD), Registrar of Companies, NCT of Delhi and Haryana (ROC), Official Liquidator attached to the High Court of Punjab & Haryana (OL), Securities and Exchange Board of India (SEBI) (only in case of the Petitioner Company 2), The National Stock Exchange of India Limited (NSE) (only in case of the Petitioner Company 2) and BSE Limited (BSE) (only in case of the Petitioner Company 2).

5. Report dated 06.07.2019 of the Chairperson along with the report of the Scrutinizer in respect of the meetings of equity shareholders, secured creditors and unsecured creditors of Petitioner Company 2 were filed vide Diary Nos. 3378, 3379 and 3380 dated 12.07.2019.

6. The Chairperson has reported that the Scheme was approved by the requisite majority of equity shareholders, and unanimously by the secured creditors and unsecured creditors of Petitioner Company 2. Thereupon, the instant Petition was filed for approval of the Scheme in terms of Rule 15 of the Rules.

7. The main objects, date of incorporation, authorized and paid-up share capital and the rationale of the Scheme have been discussed in detail in the order dated 17.05.2019 disposing of First Motion Application passed by this Tribunal.

8. It is further submitted that the certificates issued by the respective statutory auditors of the Petitioner Companies certifying that the accounting treatment provided in the Scheme is in compliance with the accounting standards specified under Section 133 of the Act read with relevant rules issued thereunder and other Generally Accepted Accounting Principles are attached as Annexures P-5, P-9 & P-15 of the petition respectively.

9. The standalone, audited financial statements of the Petitioner Companies as on 31.03.2018 and the standalone, provisional financial statements as on 31.12.2018 have been annexed as Annexure P-3, P-7 and P-13 of the Petition.

10. On 17.05.2019 while disposing of the First Motion Application, this Tribunal had directed the Petitioner Companies to file a revised Share

Entitlement Report and Fairness Report in which the basis and details of the valuation are given. In compliance of the above directions, the Petitioner Companies have filed a detailed Share Entitlement Report dated 20.05.2019 (Annexure P-20) and Fairness Opinion Report dated 24.05.2019 along with the original Share Entitlement report attached at Annexure P-21 of the petition.

11. When the Petition was listed on 13.08.2019, the following directions were issued:-

*“ The petition be listed for hearing on 15.10.2019. Notice of hearing be advertised in the same newspapers as in the first motion petition i.e. ‘Indian Express’ (English) and ‘Jansatta (Hindi), Delhi-NCR Edition not less than 10 days before the aforesaid date fixed for hearing.*

*Notice be also served upon the Objector(s) or their representatives as contemplated under sub-section (4) of Section 230 of the Act who may have made representation and who have desired to be heard in their representation along with a copy of the petition and the annexures filed therewith at least 15 days before the date fixed for hearing. It be specified in the notices that the objections, if any, to the Scheme contemplated by the authorities to whom notice has been given on or before the date of hearing fixed herein may be filed within thirty days from the date of the receipt of the notice, failing which it will be considered that there is no objection to the approval of the Scheme on the part of the authorities by this Tribunal and subject to other conditions being satisfied as may be applicable under the Companies Act, 2013 and relevant rules framed thereunder.*

*In addition to the above public notice, each of the petitioner companies shall serve the notice of the petition on the following Authorities namely, (1) Central Government through Regional Director (Northern Region), Ministry of Corporate Affairs (2) Registrar of Companies, NCT of Delhi and Haryana (3) Income Tax Department through the Nodal Officer - Principal Chief Commissioner of Income Tax, NWR, Aaykar Bhawan, Sector 17-E, Chandigarh by mentioning the PAN of the companies (4) Official Liquidator of Punjab and Haryana (5) NSE only in case of Petitioner Company 2 (6) BSE only in case of Petitioner Company 2 (7) SEBI only in case of Petitioner Company 2 along with copy of this petition by speed post immediately and to such other Sectoral Regulator(s) who may*

*govern the working of the respective companies involved in the Scheme.*

*The petitioner-companies are directed to file specific affidavits of the authorized representatives to the effect that there is no other sectoral regulator(s) governing the business of the petitioner-companies and the petitioner companies shall also file the affidavit at least two days before the date fixed to the effect that no objections to the Scheme have been received by the petitioner-companies.*

*Both the petitioners shall at least two days before the date of hearing of the petition file an affidavit of service regarding paper publication as well as service of notices on the authorities specified above including the sectoral regulator as well as to objectors, if any.*

*Registry shall also report before the date fixed as to whether any objection has been received to the proposed Scheme in the registry.”*

12. The learned counsel for the Petitioner Companies filed compliance affidavits vide Diary No. 5462 dated 10.10.2019 of Mr. Amit Sarin and Mr. Amar Sarin, Authorized Signatories of the Petitioner Companies with regard to compliance of all the directions given in the order dated 13.08.2019. Copy of newspaper publications in 'Indian Express' (English), Delhi NCR Edition and 'Jansatta' (Hindi) Delhi NCR Edition both dated 26.08.2019 are attached as Annexure P-5 (Colly). It is also deposed that the Petitioner Companies have not received any complaint/objection against the proposed scheme of arrangement from any person/party/stakeholder interested in the Scheme in any manner till date of filing of this affidavit. It is also stated in the affidavit that none of the petitioner companies are governed by any sectoral regulators and hence notice to sectoral regulators are not required in the present case. The Registry has reported on 14.10.2019 that no objections have been received against the Scheme in this Tribunal as per order dated 13.08.2019.

13. It is also stated in the affidavits that notices were sent by the Petitioner Companies to (a) Regional Director, Northern Region, Ministry of Corporate Affairs, (b) Registrar of Companies, NCT of Delhi & Haryana, (c) Income Tax Department, (d) Official Liquidator attached to Punjab & Haryana High Court, Chandigarh (e) BSE Limited, National Stock Exchange of India and Securities and Exchange Board of India (notice sent only by Petitioner Company 2. The postal receipts of the notices along with the tracking reports sent to the above authorities are a part of Diary No. 5462.

14. We have heard the Learned Counsel for the Petitioner Companies, Regional Director (Northern Region), Registrar of Companies, Official Liquidator and Income Tax Department and perused the records.

15. As per the Scheme, the **appointed date** means the close of day of September 30, 2018.

16. It could be seen that this Scheme is a composite Scheme of Arrangement in the nature of Amalgamation and Demerger. This Scheme is divided into two parts :

- i) Amalgamation of Anant Raj Agencies Private Limited (Petitioner Company 1) with and into Anant Raj Limited (Petitioner Company 2) in accordance with the terms of the Scheme pursuant to which the equity shares held by Petitioner Company 1 in Petitioner Company 2 shall stand cancelled and Petitioner Company 2 shall simultaneously issue its equity shares to the equity shareholders of Petitioner Company 1 in the manner provided under the Scheme.



- ii) Demerger of project division of Anant Raj Limited (Demerged Company/Petitioner Company 2) and the vesting thereof in Anant Raj Global Limited (Resulting Company/Petitioner Company 3) in accordance with the terms of the Scheme, pursuant to which the equity shares held by Demerged Company in Resulting Company shall stand cancelled and Resulting Company shall simultaneously issue its equity shares to the equity shareholders of the Demerged Company in the manner provided under the Scheme.

17. The Regional Director, Northern Region (RD), Ministry of Corporate Affairs filed his report vide Diary No. 5593 dated 15.10.2019 by way of affidavit of Dr. Raj Singh dated 10.10.2019. It is submitted that as per the report of Registrar of Companies, the Demerged Company/Petitioner Company No. 2 is a listed company and its shares are listed with NSE & BSE and both the said stock exchanges have given their no objection to the proposed Scheme of Arrangement for Amalgamation and Demerger subject to certain terms and conditions.

18. The report of the Registrar of Companies (RoC) was filed along with the report of the RD wherein it stated that there is no violation of Section 203 and 134 of the Act and there is no prosecution filed against the companies under reference as per the present status. It is also reported that there is no technical scrutiny/inquiry pending or complaints against the companies under reference.

19. Mr. O.P. Sharma, Official Liquidator (OL), has filed its report vide Diary No. 6113 dated 04.11.2019. It is reported that the petitioner

companies has not accepted any deposits from the public within the meaning of Section 73 to 76 or any relevant provisions of the Act. It is also submitted that according to the information and explanations being given and on the examination of the books of account, the petitioner companies has been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Service Tax, Custom duty, Cess and other statutory dues applicable to it. It is submitted that the matter may kindly be decided on merits of the case.

20. Mr. Govind Kumar, Assistant Commissioner Of Income Tax, Circle-2(2), New Delhi has filed its report dated 18.10.2019 stating therein that in respect of the Petitioner Company 1, there are no income tax dues outstanding and that the Income Tax Department has no objection to the proposed amalgamation/ demerger.

21. Ms. Irina Garg, Pr. Commissioner of Income Tax (C)-3, has filed its report vide Diary No. 6033 dated 01.11.2019 with regard to Petitioner Company 2. The observations made in the report are as under :-

- (i) In para 2.2 of the report, it is stated that after the perusal of the financials, it can be noted that all the three petitioner companies are having positive taxable income and the scheme is not tax neutral.
- (ii) In para 3.1 of the report, it is stated that the demand has been paid by the assessee but the credit is not being reflected and as such the System shows these amounts as outstanding demands in respect of Assessment Year(s) 2003-04, 2004-05, 2005-06, 2006-07 and 2009-10. It is also stated that the assessee has paid

a sum of Rs.35,00,000/- in the 2<sup>nd</sup> quarter of the Financial Year 2019-20 against the outstanding demand of Rs.32,93,08,630/- in respect of Assessment Year 2013-14 and the Cross Appeals are pending before the Income Tax Appellate Tribunal, Mumbai. It is also mentioned that the sum of Rs.1,44,17,920/- has been paid by the assessee but the credit is not being reflected and hence the assessee has filed an application for rectification but the same is pending due to technical glitches in the System in respect of Assessment Year 2017-18.

- (iii) In para 4 of the report, the case status of the appeals filed before the Income Tax Appellate Tribunal (ITAT) by the assessee in respect of Assessment Year(s) 2009-10, 2012-13 and 2013-14 is being mentioned.
- (iv) In para 5 of the report, It is stated that the Department has considered the Scheme which may be taken to be without prejudice to the rights of the Income Tax Department to proceed against the Resulting Company/ Petitioner Company 3 for all its pending and future proceedings.

22. Mr. Sushil Kumar, Income Tax Officer, Ward -1(2), Gurgaon has filed its report with regard to Petitioner Company 3. It is submitted that as per the Income Tax Department's system, there is no demand that is outstanding against the Petitioner Company 3. It is also submitted that there is no case that is pending for complete scrutiny. It is further stated that the concerned office of the IT Department does not have any objection to the Scheme as far as the Petitioner Company 3 is concerned as long as the Scheme operates in

accordance with the provisions of the Income-tax Act, 1961. It is also clarified that if at a later stage it is found that some statutory demand is outstanding against the Petitioner Company 3, the same shall be borne by the Petitioner Company 3 in accordance with the provisions of the Income Tax Act.

23. The petitioner companies in response to the above reports have filed their affidavit vide diary No.6088, dated 04.11.2019. It is submitted that with regard to Petitioner Company 1, the sanction of the Scheme shall in no way be taken to prejudice the rights of the Income Tax Department to recover any dues or initiate any proceedings after the Appointed Date from/ against Petitioner Company No 2 for any dues/ proceedings that may have been recoverable/ initiated against Petitioner Company 1 for the period prior to the Appointed Date. It is also submitted that the Income Tax Department shall be at liberty to continue any proceedings against Petitioner Company 2 that may be pending against Petitioner Company 1 and any dues pending as on the Appointed Date against Petitioner Company 1 can be recovered against Petitioner Company 2 in accordance with the provisions of applicable law.

24. With regard to Petitioner Company 2, the Petitioner Companies have filed para wise reply, which is as under : -

- i) With regard to para 2.2 of the Income Tax Report, it is undertaken that sanction of the Scheme by this Tribunal shall not prejudice the rights of the Income Tax Department to recover any dues / demands arising from pending or future proceedings from Petitioner Company 2 or Petitioner Company 3, as the case may be, in accordance with the provisions of applicable law;

- ii) In response to para 3.1 of the Income Tax Report, it is stated that the outstanding demands of income tax can be recovered from Petitioner Company 2 or Petitioner Company 3, as the case may be, in accordance with the provisions of applicable law, by the Income Tax Department pursuant to the sanction of the Scheme.
- iii) In response to para 4 of the Income Tax Report, It is submitted that in respect of any income tax appeals pending in Petitioner Company 2's case, that as and when the issues under such appeals are finally decided under the law or any liability arises before the said decision, the Income Tax Department shall be at liberty to recover the same from Petitioner Company 2 or Petitioner Company 3, as the case may be, in accordance with the provisions of applicable law.
- iv) In response to para 5 of the Income Tax Report, it is undertaken that the sanction of the Scheme shall not prejudice the rights of the Income Tax Department to recover any dues/ demands arising from pending or future proceedings from Petitioner Company 2 or Petitioner Company 3, as the case may be, in accordance with the provisions of applicable law.

25. With regard to Petitioner Company 3, it is submitted that the Scheme shall operate in accordance with the provisions of the Income Tax Act, 1961 and if at a later stage, it is found that any statutory demand is outstanding against Petitioner Company 3, the same shall be borne by the Petitioner Company 3 in accordance with the provisions of applicable law. It is also

undertaken by the Petitioner Companies that without prejudice to the Petitioner Companies' rights in law to respond to the Income Tax Department in relation to the Scheme in appropriate proceedings, the sanction of the Scheme shall not prejudice the rights of the Income Tax Department to recover any dues/ demands arising from pending or future proceedings from Petitioner Company 2 or Petitioner Company 3, as the case may be, in accordance with the provisions of applicable law.

26. The observation letters of BSE and NSE are attached at Annexures P-10 & P-11 respectively. In the letter of NSE it is stated that they have no objection in terms of Regulation 94 of SEBI (LODR) Regulations, 2015. Also, in the letter of BSE attached at Annexure P-11 it is stated that they have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement so as to enable the Company to file the Scheme with this Tribunal.

27. It is stated in Para 56 of the petition that the Scheme does not contemplate any corporate debt restructuring as provided in Section 230 (2) (c) of the Act.

28. The affidavit dated 05.11.2019 of Mr. Amit Sarin and Mr. Amar Sarin, authorized signatories of the Petitioner Companies was filed vide Diary No. 6159 on 06.11.2019. It is submitted that with regard to pending litigations against the Demerged Company / Petitioner Company 2, the Petitioner Companies have reiterated that the Scheme includes requisite provisions to protect the interests of plaintiffs/ petitioners/ applicants/ appellants of such pending litigations and have referred to Clause 7 of Part III, Chapter 3 of the

Scheme which provides that all legal proceedings pending by or against the Petitioner Company 1 shall thereafter be continued by or against the Petitioner Company 2.

29. The affidavit dated 25.11.2019 of Mr. Amit Sarin and Mr. Amar Sarin, authorized signatories of the Petitioner Company 2 was filed vide Diary No. 6606 on 26.11.2019 in relation to issuance of notice by the Petitioner Company 2 to the NSE. It is submitted that in compliance of order dated 13.08.2019, the Petitioner Company 2 had dispatched notice to the NSE on 02.09.2019 by way of registered post and that the tracking report made available by 'India Post' in relation to the aforesaid dispatch did not reflect that the notice had in fact been served on the NSE. It was further submitted that upon the Petitioner Company 2 bringing the aforesaid to the attention of NSE and as a matter of abundant precaution, the NSE confirmed on 21.11.2019 by way of email that the aforesaid consignment containing the notice to the NSE had been received by them on 12.09.2019. Copy of the registered post receipt and tracking report along with the copy of email received from NSE dated 21.11.2019 are a part of Diary No. 6606.

30. When the matter was listed on 27.11.2019, the following order was passed :-

*The observations made by NSE in its letter dated 27.02.2019 which are identical to the observations made by BSE in its letter dated 28.02.2019 (P-10 & P-11 respectively) would require the applicant companies to file a detailed affidavit showing that the various stipulations mentioned in unnumbered Para 2 "a to c" have been complied with. No such affidavit has been filed so far.*

*The notices issued to NSE and BSE have been duly served as per the affidavit of service dated 10.10.2019 and 26.11.2019. Despite service, no one has preferred to appear on behalf of NSE and BSE which may lead to an inference that none of them have any observations to offer. However, the conditions laid down in their letters as aforementioned need to be satisfied. An affidavit be filed within one*

*week with a copy in advance to the counsel opposite. List on 09.12.2019 for further consideration.*

31. In compliance of above order, the Petitioner Companies have filed an affidavit dated 02.12.2019 of Mr. Amit Sarin and Mr. Amar Sarin, authorized signatories of the Petitioner Companies vide Diary No. 6812 on 03.12.2019. It was deposed that the Petitioner Company 2 is a listed company and Petitioner Company 3 which is currently unlisted public company, will have its shares listed on the Stock Exchanges after the sanction of the Scheme by this Tribunal. It is also submitted that the Observation Letters of the Stock Exchanges are to be complied with by the Petitioner Company 2 and 3. It is also undertaken by all the petitioner companies to comply with all the requirements of SEBI/Stock exchanges as may be applicable. It is further submitted that Clause 3 of Chapter 4 of the Scheme which deals with SEBI compliances states as under and that the Petitioner Companies confirm that they have complied with all the requirements of SEBI Circulars/ Stock Exchange guidelines and securities law, as applicable, until this stage of the Petition and will continue to comply with the same as may be applicable after the sanction of the Scheme by this Tribunal.

“3. *SEBI COMPLIANCES*

- 3.1 *Since the Amalgamated Company or Demerged Company is a listed company, this Scheme is subject to the compliances by the Amalgamated Company or Demerged Company of all the requirements under the Listing Regulations and all statutory directives of the SEBI insofar as they relate to sanction and implementation of the Scheme.*
- 3.2 *The Amalgamated Company or Demerged Company shall also comply with the directives of SEBI Circular.*
- 3.3 *Para 9(b) of Annexure I of SEBI Circular is applicable to this Scheme, therefore the Amalgamated Company or Demerged Company will provide voting by the public shareholders through e-voting and will disclose all material facts in the explanatory statement, to be sent to the shareholders/ creditors in relation to the said resolution. The Scheme shall be acted upon only if the votes cast by the public*



*shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.”*

32. On 19.12.2019, the Petitioner Companies were directed to clarify the position on Note No. 2 at page 128 of the CP. The Petitioner Companies vide affidavit of the authorized signatories dated 15.01.2020 filed vide diary No. 448 dated 17.01.2020 have inter alia stated that Note No.2 merely clarifies the intent of the parties subsequent to the proposed demerger of the Project Division from the Demerged Company to the Resulting Company as envisaged in the present Scheme, subject to requisite approvals and that no part of assets / liabilities of Roseland Buildtech Private Limited or any of its downstream companies are being affected / transferred by way of the present Scheme. It is further stated that the arrangement mentioned in Note No.2 would require consents and approvals and the same is not an integral part of the present Scheme and the same may kindly be recorded in its order, in case this Tribunal is pleased to sanction the present Scheme. Para 13 of the affidavit is reproduced as under:

*“In view of the above submissions, in sum and substance, Note No. 2 merely being the expression of an intent of a future transaction(s), subject to requisite approvals and consents, the same is not an integral part of the present Scheme i.e. Annexure P-1, and the same may kindly be recorded in its order, in case this Hon'ble Tribunal is pleased to sanction the present Scheme.”*

33. When the matter was listed on 20.01.2020, the following order was passed :-

*“ With regard to the clarification on the Note 2 at page 128 of the CP, the applicant companies have filed compliance affidavit vide Diary No.448 dated 17.01.2020. The same is taken on record. The learned counsel for the applicant companies shall also file an affidavit indicating the interest of the second*

*applicant company in the various companies mentioned under Part IV at page 127 of the CP.*

*2. However, for further examination, the matter is adjourned to 18.02.2020.*

34. In compliance of above order, the Petitioner Companies have filed an affidavit dated 31.01.2020 vide Diary No. 891 dated 03.02.2020. The short description of the investments of Anant Raj Limited (Demerged Company/ Petitioner Company 2) in subsidiaries and joint ventures along with the Clarification Letters dated 30.01.2020 by the Statutory Auditors wherein it is clarified that Note #2 to Part IV of the Scheme has not been considered by them for the purpose of determining the share entitlement ratio in relation to the demerger of the Project Division of Demerged Company to Resulting Company in terms of the Scheme, are a part of Diary No. 891.

35. The 'Scheme' takes care of the staff and workmen and the relevant clauses of the Scheme are as follows:-

- (i) Clause 8 of part III of Chapter 2 [Amalgamation of Petitioner Company 1 (ARAPL) with and into Petitioner Company 2 (ARL)] of the Scheme states that all staff, workmen and other employees of Petitioner Company 1 as on the effective date shall become the staff, workmen and employees of Petitioner Company 2.
- (ii) Clause 7.1 of part III of Chapter 3 [Demerger of Project Division of Petitioner Company 2 (ARL) into Petitioner Company 3 (ARGL)] states that all the employees relating to the Project Division immediately before effective date, shall become employees of the Resulting Company without any break or interruption of service and with the benefit of continuity of service

on terms and conditions which are not less favourable than the terms and conditions as were applicable to such employees immediately prior to the Demerger of the Project Division.

36. The share entitlement ratio for amalgamation of Petitioner Company 1 into Petitioner Company 2 is as under:-

Issuance of 587 (Five Hundred Eighty Seven) Equity Shares of face value of INR 2/- each in M/s Anant Raj Limited for every 10 (Ten) Equity Shares of face value of INR 10/- each of M/s Anant Raj Agencies Private Limited.

37. The share entitlement ratio for Demerger of Project Division of Petitioner Company 2 into Petitioner Company 3 is as under:-

1 (One) Equity Share of face value of INR 2/- each in M/s Anant Raj Global Limited for every one Equity Share of face value of INR 2/- each in M/s Anant Raj Limited. Accordingly, Shareholders of M/s Anant Raj Limited shall become shareholders of M/s Anant Raj Global Limited in the same proportion in which they own shares in M/s Anant Raj Limited and Investment of M/s Anant Raj Limited in M/s Anand Raj Global Limited shall stand cancelled.

38. Para 12 of the Scheme is reproduced as below : -

***“REDUCTION/UTILIZATION OF BALANCE OF SECURITIES PREMIUM ACCOUNT OF THE DEMERGED COMPANY***

*12.1 Upon demerger of Project Division, the shareholders’ funds comprising of Share Capital and Reserve and Surplus of ARL will no longer be fully represented by assets less liabilities. To reflect the same, as an integral part of the Scheme reduction of balance of Securities Premium Account is proposed.*

12.2 *The Securities Premium Account of the Demerged Company shall be reduced by the amount of net worth of Project Division to be transferred under this Chapter.”*

39. In view of the above, we conclude that the objections/observations of the Authorities are adequately replied to and hence, there is no impediment in the sanction of the Scheme.

40. In CA No.43/2020 filed in the present CP by CLE Private Limited objecting for Serial No.47 and Note 2 thereon in respect of Roseland Buildtech Private Limited in Part IV of the Schedule to the Scheme, being part of the Project Division of Petitioner Company No.2/Demerged Company/Anant Raj Limited and in view of the disposing of the said CA in terms of the alternative relief prayed therein in Paragraph No.18 (b) of the CA i.e. sanctioning the Scheme sans Serial No.47 i.e. Roseland Buildtech Private Limited and Note 2 thereon, the Scheme i.e. Annexure P-1 is approved and sanctioned sans Serial No.47 and Note 2 thereon in Part IV of the Schedule to the Scheme. Therefore, the Scheme (Annexure P-1) is approved sans Serial No.47 i.e. Roseland Buildtech Private Limited and Note 2 thereon in Part IV of the Schedule. Accordingly, hereafter, wherever it is mentioned Project Division of Demerged Company/Petitioner Company No.2/Anant Raj Limited, it is sans Roseland Buildtech Private Limited and its subsidiary companies.

41. While approving the Scheme, it is clarified that this order should not be construed as an order in any way granting exemption from payment of any stamp duty, taxes or any other charges, if any, and payment in accordance with law or granting permission. In respect of any permission/compliance with any other requirement which may be specifically required under any law. With the sanction of the Scheme, the Amalgamating Company/Petitioner Company 1

shall stand dissolved without undergoing the process of winding up. 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 petitioners as well as the petitioners.

**THIS TRIBUNAL FURTHER ORDERS:**

**(A) WITH RESPECT TO THE AMALGAMATING COMPANY AND THE AMALGAMATED COMPANY**

1. That all the property, rights and powers of the Amalgamating Company be transferred, without further act or deed, to the Amalgamated Company and accordingly, the same shall pursuant to sections 230 to 232 of the Companies Act, 2013, be transferred to and vested in the Amalgamated Company for all the estate and interest of the Amalgamating Company but subject nevertheless to all charges now affecting the same; and
2. That 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 Section 230 to 232 of the Companies Act, 2013, be transferred to and become the liabilities and duties of the Amalgamated Company; and
3. That all the proceedings now pending by or against the Amalgamating Company be continued by or against the Amalgamated Company; and

4. That all the employees of the Amalgamating Company shall be transferred to the Amalgamated Company in terms of the Scheme; and
5. That 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 sanction of the 'Scheme'; and
6. That the Amalgamated Company shall deposit an amount of ₹50,000/- (Rupees Fifty Thousand only) with the Pay & Accounts Office in respect of the Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi and ₹50,000/- (Rupees Fifty Thousand only) in favour of "The Company Law Tribunal Bar Association" Chandigarh within a period of four weeks from the date of receipt of the certified copy of this order.

**(B) WITH RESPECT TO THE DEMERGED COMPANY AND THE RESULTING COMPANY**

1. That the Project Division of the Demerged Company stand demerged and transferred to, and vested in, the Resulting Company, without further act or deed; and
2. That all the property, rights and powers relating to the Project Division stand transferred, without further act or deed, to the Resulting Company and accordingly, the same shall pursuant to sections 230 to 232 of the Companies Act, 2013, be transferred to and vested in the Resulting Company for all the estate and interest of the Project Division but subject nevertheless to all charges now affecting the same; and

3. That all the liabilities and duties relating to the Project Division be transferred, without further act or deed, to the Resulting Company and accordingly the same shall pursuant to Section 230 to 232 of the Companies Act, 2013, be transferred to and become the liabilities and duties of the Resulting Company; and
4. That all the proceedings now pending by or against the Demerged Company and in each case relating to the Project Division be continued by or against the Resulting Company; and
5. That all employees relating to the Project Division shall be transferred to the Resulting Company in terms of the Scheme; and
6. That the Resulting Company shall deposit an amount of ₹50,000/- (Rupees Fifty Thousand only) with the Pay & Accounts Office in respect of the Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi and ₹50,000/- (Rupees Fifty Thousand only) in favour of "The Company Law Tribunal Bar Association" Chandigarh within a period of four weeks from the date of receipt of the certified copy of this order.

**(C) WITH RESPECT TO THE PETITIONER COMPANIES**

1. That the Petitioner Companies do, within 30 days after the date of receipt of this order, cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the Amalgamating Company shall be dissolved without undergoing the process of winding up. The concerned Registrar of Companies shall place all documents relating to the Amalgamating Company and registered with it on the

file relating to the Amalgamated Company and files relating to the said Amalgamating Company and Amalgamated Company shall be consolidated accordingly, as the case may be; and

2. That any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary.

40. As per the above directions, Form No. CAA-7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, formal orders be issued on the Petitioner Companies on filing of the Schedule of Property i.e. (i) freehold property of the Amalgamating Company and freehold property of the Demerged Company in relation to the Project Division; and (ii) leasehold property of the Amalgamating Company and the leasehold property of Demerged Company in relation to the Project Division by way of affidavits of the Amalgamating Company and the Demerged Company, respectively.

Sd/-

(Raghu Nayyar)  
Member (Technical)

August 24th, 2020  
Ashwani

Sd/-

(Ajay Kumar Vatsavayi)  
Member (Judicial)