

IN THE NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH - VI C.P. (CAA)/66/MB/2024 Connected with C.A.(CAA)/251/MB/2023

[Under Sections 230 to Section 232 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016]

In the matter of

SCHEME OF AMALGAMATION OF

Tata Steel Limited [CIN:L27100MH1907PLC000260]

And

The Indian Steel & Wire Products Limited [CIN: U27106WB1935PLC008447] ... Petitioner Company Transferee Company/

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

Pronounced: 06.08.2024

CORAM:

HON'BLE SHRI K. R. SAJI KUMAR, MEMBER (JUDICIAL)

HON'BLE SHRI SANJIV DUTT, MEMBER (TECHNICAL)

Appearances: Hybrid

- For Applicant : Sr. Adv. Zal Andhyarujina a/w Adv. Karan Bhide, Adv. Soorjya Ganguli, Adv. Pooja Chakrabarti, Adv. Kiran Sharma, Adv. Aritra Deb, Adv. Rahul Dev & Adv. Arjun Amin i/b. Argus Partners
- For Regional Director : Shri Bhagwati Prasad, Assistant Director (West)

<u>ORDER</u>

[Per: K. R. SAJI KUMAR, MEMBER (JUDICIAL)]

- This Company Scheme Application is filed seeking sanction of this Tribunal under Sections 230 to 232 of the Companies Act, 2013 (Act) to the Scheme of Amalgamation of Tata Steel Limited (Petitioner/Transferee Company) and The Indian Steel & Wire Products Limited (Non-Petitioner/Transferor Company) and their respective Shareholders (Scheme).
- 2. The Petitioner Company states that the Transferor Company has its registered office in the state of West Bengal and had filed a separate Company Scheme Petition No. C.P.(CAA)/58/KB/2024 before the National Company Law Tribunal, Kolkata Bench, which has been sanctioned *vide* order dated 24.05.2024. Therefore, the Transferor Company is not a Petitioner herein.
- 3. Heard the Ld. Sr. Counsel for the Petitioner Company and the representative from the office of the Regional Director, Western Region, Mumbai (RD). Neither any objector approached this Tribunal to oppose the Scheme nor has any party controverted any averments in the Petition.
- 4. It is observed that the Board of Directors of the Transferee Company and the Transferee Companies in their respective Board meetings held on 22.09.2022 had approved the Scheme and the relevant Board Resolutions are annexed to the Company Scheme Application.



- 5. The Ld. Sr. Counsel for the Petitioner Company submitted that the Transferor Company is an unlisted subsidiary of the Petitioner Company and that the Petitioner Company holds equity shares constituting 95.02% of the equity share capital of the Transferor Company.
- 6. It is submitted that the Transferee Company is engaged in the business of manufacturing steel and offers broad range of steel products including portfolio of high value-added downstream products such as hot rolled, cold rolled and coated steel, rebars, wire rods, tubes and wires. It also has a well-established distribution network.
- 7. The Ld. Sr. Counsel for the Transferee Company submitted that the Scheme provides for the amalgamation of the Transferor Company into and with the Transferee Company, under Sections 230 to 232 of the Act, such that:
 - (a) all the assets of the Transferor Company, shall become the property of the Transferee Company;
 - (b) all the liabilities of the Transferor Company, shall become the liabilities of the Transferee Company;
 - (c) cancellation of all the issued share capital of the Transferor Company which shall be effected as a part of the Scheme and not in accordance with Section 66 of the Act and payment to all the shareholders of the Transferor Company (other than the Transferee Company) in cash consideration as per the approved valuation report, without any further act, instrument or deed, in accordance with Part II of the Scheme;



- (d) transfer of the authorised share capital of the Transferor Company to the Transferee Company as provided in Part III of the Scheme, and consequential increase in the authorised share capital of the Transferee Company as provided in Part III of the Scheme;
- (e) dissolution of the Transferor Company, without being wound up.
- 8. Upon coming into effect of the Scheme, and in consideration of the amalgamation of the Undertaking (as defined in the Scheme) into and with the Transferee Company, the Transferee Company shall, without any further application, act or deed, pay to the shareholders of the Transferor Company (other than the Transferee Company), whose names are recorded in the register of members as a member of the Transferor Company, including register and index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, on the Record Date (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of the Transferee Company) (Eligible Members) in the following manner:

"Rs. 426 (four hundred and twenty-six Rupees) for every 1 (one) fully paid up equity shares of Rs.10/- each held in the Transferor Company",

which payment shall be made not later than 30 (thirty) days from the Effective Date (Payment Date) (as provided in the Scheme).

9. Upon the Scheme becoming effective and upon payment of cash consideration by the Transferee Company to the Eligible Members (as defined in the Scheme), the equity shares of the Transferor Company, both in demat form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date (as defined in the Scheme). The Ld. Sr. Counsel further



submitted that the circumstances and/or grounds that have necessitated and/or justified the Scheme and the advantages thereof are, *inter alia*, as set out below:

- a. The Transferee Company is one of the leading global steel companies, with over 100 (hundred) years of experience in the steel sector and is a pioneer of steel manufacturing in India. The Transferor Company, which is a subsidiary company of the Transferee Company, is engaged in the manufacture of wire rods, TMT rebars, wires and wire products as an external processing agent of the Transferee Company and manufacturing and direct marketing of welding products, nails, rolls and castings. The amalgamation will consolidate the Transferor Company into and with the Transferee Company which will result in focused growth, operational efficiencies, and enhance business synergies. In addition, resulting corporate holding structure will bring enhanced agility to business ecosystem of the merged entity.
- b. The amalgamation will ensure creation of a combined entity, hosting valueadded products under the Transferee Company, leading to 'One-Tata Steel' to customers which will improve shareholder value of the merged entity. Further, such restructuring will lead to simplification of group structure by eliminating multiple companies in similar business.
- c. The Transferor Company and the Transferee Company believe that the financial, managerial and technical resources, personnel, capabilities, skills, expertise and technologies of the Transferor Company and the Transferee Company pooled in the merged entity, will lead to optimum use of infrastructure, cost reduction and efficiencies, productivity gains and logistic

5



advantages and reduction of administrative and operational costs and thereby maximising shareholder value of the merged entity.

- d. The Scheme of Amalgamation would result in the following synergies:
 - (a) Operational efficiencies: The proposed amalgamation would result in synergy benefits arising out of single value chain thereby reducing costs and increasing operational efficiencies. Centralisation of inventory primarily stores, spares, MRO, and services can be managed, which will increase scale of operations thereby improving negotiating power, reducing sourcing and inventory management costs. The amalgamation is expected to result in better alignment, optimised power consumption, sharing of best practices, cross-functional learnings, better utilisation of common facilities and greater efficiency in debt and cash management.
 - (b) Faster execution of projects in pipeline: The growth projects of the Transferor Company will be fast-tracked by leveraging the Transferee Company's technical expertise and financial resources.
 - (c) Simplified structure and management efficiency: In line with group level 5S strategy – simplification, synergy, scale, sustainability, and speed – the amalgamation will simplify group holding structure, improve agility to enable quicker decision making, eliminate administrative duplications, consequently reducing administrative costs of maintaining separate entities.
 - (d) Sales and marketing: Sales and distribution network will be pooled, providing greater market penetration. The culture of customer delight will be fostered by transitioning to the culture of 'one-face' to customers, thereby making it easier to address customer needs by providing them uniform



product and service experience, resolving customer complaints, ensuring on-time deliveries, and improved service quality. With common credit management, customers are expected to benefit from the channel financing facility.

- (e) Sharing of best practices in sustainability, safety, health and environment: Adoption of improved safety, environment and sustainability practices owing to a centralised committee at combined level to provide focused approach towards safety, environment and sustainability practices resulting in overall improvement. Further, overall technology maturity can be enhanced by the Companies through unfettered access to each others' information technology applications and systems. (A copy of the Scheme is annexed as Exhibit 5 in Volume I of the Petition and the above extract being at Page No. 60 in Volume I of the Petition)
- 10. The Petitioner Company had held the meeting of the Shareholders of the company on 25.01.2024 and the Chairman of the meeting had submitted his report, wherein it is stated that the shareholders consented to the proposed scheme with 100% (rounded off) of majority of the votes.
- 11. The Ld. Sr. Counsel for the Petitioner Company submitted that the equity shares of the Petitioner Company are listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE- (collectively referred to as "Stock Exchanges"). The Stock Exchanges *vide* their letters dated 24.03.2023, have respectively provided their Observation Letter to the Petitioner Company, to file the Scheme,

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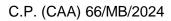
pursuant to which the Petitioner Company has approached this Tribunal seeking sanction to the Scheme.

- The Ld. Sr. Counsel for the Petitioner Company further submitted that the Petition is filed in consonance with the order of this Tribunal dated 10.11.2023 in Company Scheme Application No. CA(CAA)/251/MB/2023 and order dated 12.12.2023 in Company Application No. 498(MB)2023.
- 13. It is observed that the Petition was admitted by this Tribunal *vide* order dated 30.04.2024. Further, the Petitioner Company has complied with all the requirements as per the directions of this Tribunal including, *inter alia,* issuing notices indicating the date of hearing of the regulatory authorities and publication of notice of the hearing of this matter in the newspapers, and has filed necessary Affidavit proving such compliance. Moreover, the Petitioner Company undertakes to comply with the applicable statutory requirements, if any, as required under the Act and Rules made thereunder. The said undertaking given by the Petitioner Company is taken on record.
- 14. The RD has filed report dated 31.05.2024 setting out his observations on the Scheme. In response to the observations made by the RD, the Petitioner Company has provided necessary clarifications and undertakings by way of an Affidavit dated 03.06.2024 and it also served a copy of the Affidavit upon the office of the RD. The observations made by the RD and the clarifications and undertakings given by the Petitioner Company are summarised in the table below:



C.P. (CAA) 66/MB/2024

SI.	Para	Observations by RD	Clarifications/Undertakings
No.	Reference		by Petitioner Company
1.	2 (a)	No complaint and/or representation regarding	
1.	2 (a)		
		the proposed scheme of Arrangement has been	explanatory and do not
		received against the Petitioner Transferee	require a response.
		Company. Further, the Petitioner Transferee	
		Company has filed Financial Statements up to	
		31.03.2023	
		That the ROC Mumbai in his report dated	
		18.04.2024 has also stated that No Inquiry,	
		Inspection, Investigations, Prosecutions, under	
		CA, 2013 have been pending against the	
		Petitioner Companies.	
	2 (a) (i)		
2.	2 (a) (ii) a)	As per provisions of section 232(3)(i) of CA,	The Petitioner Company
		2013 where the transferor company is	shall comply with the
		dissolved, the fee, if any, paid by the transferor	provisions of Section
		company on its authorized capital shall be set	232(3)(i) of the Companies
		off against any fees payable by the transferee	Act, 2013 and undertakes
		company on its authorized capital subsequent	to pay necessary fees, if so
		to the amalgamation. Therefore, the remaining	required in compliance with
		fee, if any after setting off the fees already paid	applicable law.
		by the transferor company on its authorized	





SI.	Para	Observations by RD	Clarifications/Undertakings
No.	Reference		by Petitioner Company
		capital, must be paid by the transferee company	
		on the increased authorized capital subsequent	
		to amalgamation.	
З.	2 (a) (ii) b)	Interest of the Creditor should be protected.	The Scheme does not
			envisage or contain any
			corporate debt
			restructuring. The creditors
			of the Petitioner Company
			are being paid in the normal
			course of business as per
			the agreed terms and are
			not called upon to make
			any sacrifices, hence their
			interests are not getting
			affected in any way. The
			assets of the Petitioner
			Company are in excess of
			and more than sufficient to
			meet all its external
			liabilities and the Scheme
			will not adversely affect the
			rights and interest of any of

C.P. (CAA) 66/MB/2024



SI.	Para	Observations by RD	Clarifications/Undertakings
No.	Reference		by Petitioner Company
			its creditors in any manner
			whatsoever. It is further
			submitted that pursuant to
			the amalgamation of the
			Transferor Company with
			the Petitioner Company,
			the debt repayment
			capacity of the Petitioner
			Company will not be
			adversely affected and that
			the post Scheme net worth
			of the Petitioner Company
			will be positive as shown in
			the Net Worth Certificate
			annexed at Exhibit 22 .
			Therefore, the Scheme and
			the amalgamation
			contemplated thereby will
			not adversely affect the
			interests of the creditors of
			the Petitioner Company

C.P. (CAA) 66/MB/2024



S/.	Para	Observations by RD	Clarifications/Undertakings
No.	Reference		by Petitioner Company
			and their interest is
			adequately protected.
4.	2 (a) (ii) c)	Upon coming into effect of the Scheme, the	The Petitioner Company
7.	2 (a) (ii) C)		
		applicable main objects in MOA of the	shall duly amend the
		Transferor Company shall be added to the	memorandum of articles of
		matters which are necessary for furtherance of	the Petitioner Company
		the objects of MOA of the Transferee Company.	and add thereto the
			applicable main objects
			contained in the
			memorandum of articles of
			the Transferor Company as
			are necessary for
			furtherance of the objects
			of the Petitioner Company.
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C.P. (CAA) 66/MB/2024

. Para	Observations by RD	Clarifications/Undertakings
. Reference		by Petitioner Company
2 (a) (ii) d)		
2 b)	b)Transferee company should undertake to	The Petitioner Company
	comply with the provisions of section 232(3)(i)	shall comply with the
	of the Companies Act, 2013 through appropriate	provisions of Section
	affirmation in respect of fees payable by	232(3)(i) of the Act and
	Transferee Company for increase of share	undertakes to pay
	capital on account of merger of transfer of	necessary fees, if so
	companies.	required, in compliance
		with applicable law.
2 c)	In compliance of Accounting Standard-14 or	Being a listed entity, the
	IND-AS 103, as may be applicable, the	Indian Accounting
	transferee company shall pass such accounting	Standards (Ind AS), as
	entries which are necessary in connection with	notified under section 133
	the scheme to comply with other applicable	of the Act are applicable to
	Accounting Standards including AS-5 or IND	the Petitioner Company
	AS-8 etc.	and financials are being
		prepared in accordance
		with the Ind AS. In
		compliance with the
		proviso of section 232(3) of
		the Act a certificate from
	 <i>Reference</i> 2 (a) (ii) d) 2 b) 	Reference 2 (a) (ii) d) 2 b) b)Transferee company should undertake to comply with the provisions of section 232(3)(i) of the Companies Act, 2013 through appropriate affirmation in respect of fees payable by Transferee Company for increase of share capital on account of merger of transfer of companies. 2 c) In compliance of Accounting Standard-14 or IND-AS 103, as may be applicable, the transferee company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards including AS-5 or IND

C.P. (CAA) 66/MB/2024



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ŧ.	SI.	Para	Observations by RD	Clarifications/Undertakings
	No.	Reference		by Petitioner Company
Ī				the statutory auditor has
				been obtained to certify that
				the proposed accounting
				treatment of the scheme is
				in compliance with the
				Indian Accounting
				Standards. In line with this,
				the Petitioner Company
				undertakes to pass such
				accounting entries, as may
				be required, in relation with
				the Scheme to comply with
				all applicable Indian
				Accounting Standards (Ind
				AS).
ſ	7.	2 d)	The Petitioner Companies may be directed to	The Scheme annexed to
			file an affidavit to the extent that the Scheme	the Company Scheme
			enclosed to the Company Application and	Application No. CA
			Company Petition are one and same and there	(CAA)/251/MB-VI/2023
			is no discrepancy, or no change is made.	and Company Scheme
				Petition No. CP
				(CAA)/66/MB-VI/2024 are

C.P. (CAA) 66/MB/2024



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	SI.	Para	Observations by RD	Clarifications/Undertakings
	No.	Reference		by Petitioner Company
				one and the same and
				there is no discrepancy, or
				change made to the
				Scheme
	8.	2 e)	The Petitioner Companies under provisions of	The Petitioner Company
			section 230(5) of the Companies Act 2013 have	has served notices under
			to serve notices to concerned authorities which	Section 230(5) of the Act to
			are likely to be affected by the Amalgamation or	the concerned authorities,
			arrangement. Further, the approval of the	as directed vide order
			scheme may not deter such authorities to deal	dated 10.11.2023 in
			with any of the issues arising after giving effect	Company Scheme
			to the scheme. The decision of such authorities	Application No. CA
			shall be binding on the petitioner companies	(CAA)/251/MB-VI/2023
			concerned.	read with the order dated
				12.12.2023 in Company
				Application 498(MB)/2023.
				It is further stated that the
				notice of final hearing was
				also served upon the
				concerned authorities
				pursuant to order dated
				30.04.2024, passed in the

C.P. (CAA) 66/MB/2024



	Dere	Observations by DD	Clarifications/Undertakings
S/	. Para	Observations by RD	Clarifications/Undertakings
No	. Reference		by Petitioner Company
			captioned Company
			Scheme Petition. The
			Petitioner Company has
			filed its affidavit-of-
			compliance proving
			compliance with the
			directions in this regard.
9.	2 f)	As per Definition of the Scheme,	The Petitioner Company is
			already in compliance with
		"Appointed Date" means opening of business	the requirements of
		on 01.04.2022, or such other date as may be	Circular No. F. No.
		determined by the Board of Directors of the	7/12/2019/CL-1 dated
		concerned Companies or directed/allowed by	21.08.2019, issued by the
		the Competent Authority;	Ministry of Corporate
			Affairs ("General
		"Effective Date" means the date or last of the	Circular ").
		dates on which the certified copies of the order	It is submitted that the
		of the Competent Authority sanctioning the	Scheme was approved by
		Scheme are filed by the Transferor Company	the board of directors of the
		and the Transferee Company with the Registrar	Petitioner Company and
		of Companies, Kolkata and Registrar of	the Transferee Company
		Companies, Mumbai (whichever is later) after	on 22.09.2022. Therefore,



C.P. (CAA) 66/MB/2024

SI	. Para	Observations by RD	Clarifications/Undertakings
No	b. Reference		by Petitioner Company
		all the conditions and matters referred to in	at that point of time, the
		Clause 21 of the Scheme occur or have been	Appointed Date of
		fulfilled, obtained, or waived, as applicable,	01.04.2022 was not ante-
		accordance with the Scheme, and which filing	dated beyond a year. It is
		may be a filing independent of the filing required	further submitted that the
		to be made under section 230(5) of the Act, read	Petitioner Company being
		with Rule 25(7) of the Companies	a listed entity, was required
		(Compromises, Arrangements and	to obtain 'no objection'
		Amalgamations) Rules, 2016. Any references in	letters from the stock
		this Scheme to "upon the Scheme becoming	exchanges where the
		effective" or effectiveness of this Scheme" or	equity shares of the
		likewise, shall mean the Effective Date;	Transferee Company are
			listed, i.e., the BSE Limited
		"Record Date" means the date to be mutually	('BSE') and National Stock
		fixed by the Board of Directors of the	Exchange of India Limited
		Companies, for the purpose of determining the	('NSE') (collectively 'Stock
		shareholders of the Transferor Company to	Exchanges'), to file the
		whom cash consideration would be paid	Scheme of Amalgamation
		pursuant to this Scheme;	for sanction before this
		The Appointed Date is 01.04.2022 which in	Tribunal. It is further
		antedated more than two years. The petitioner	submitted that 'no
		company may be directed to amend its	objection' letters from the

C.P. (CAA) 66/MB/2024



[SI.	Para	Observations by RD	Clarifications/Undertakings
	No.	Reference		by Petitioner Company
			appointed date in compliance of Ministry's	respective Stock
			circular no. F. No. 7/12/2019/CL-I dated	Exchanges were awaited
			21.08.2019.	and the same were
				received only on
				24.03.2023 (copies are
				annexed as " Exhibit 10 "
				and " Exhibit 11 " to the
				Company Petition) with
				directions to file the
				Scheme of Amalgamation
				before the Tribunal within
				six months from the
				observation letter date, i.e.,
				within 24.09.2023. After
				obtaining the 'no objection'
				letters from the respective
				Stock Exchanges, the
				Petitioner Company
				initiated the process of
				complying with other
				requirements for filing the
				application for sanction of
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C.P. (CAA) 66/MB/2024



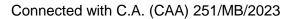
ŝ	SI.	Para	Observations by RD	Clarifications/Undertakings
	No.	Reference		by Petitioner Company
				Scheme of Amalgamation.
				In any event, the Petitioner
				Company had filed the first
				motion application on
				20.09.2023, i.e., within six
				months of obtaining the 'no
				objection' letters from the
				Stock Exchanges. Further,
				the Appointed Date, as
				currently specified in the
				Scheme of Amalgamation
				having been approved by
				the Stock Exchanges and
				the Securities and
				Exchange Board of India,
				there is no question of the
				same being against any
				public interest. the above
				justification for Appointed
				Date being beyond a year
				from the date of filing the
				application with this
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C.P. (CAA) 66/MB/2024



1	SI.	Para	Observations by RD	Clarifications/Undertakings
	No.	Reference		by Petitioner Company
				Tribunal may be
				considered. The Petitioner
				Company therefore has
				duly complied with the
				provisions of the General
				Circular No. 09/2019 dated
				21.08.2019 issued by the
				Ministry of Corporate
				Affairs and thus, there is no
				question of the Appointed
				Date under the Scheme
				being significantly ante-
				dated. Furthermore, it may
				be relevant to note that the
				Hon'ble National Company
				Law Tribunal, Kolkata has
				on 24.05.2024, already
				passed an order
				sanctioning the Scheme
				with the Appointed Date of
				the Scheme as 01.04.2022.
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C.P. (CAA) 66/MB/2024





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C.Dec	SI.	Para	Observations by RD	Clarifications/Undertakings
	No.	Reference		by Petitioner Company
-	10.	2 g)	Petitioner Companies shall undertake to comply	The Petitioner Company
			with the directions of the Income Tax	undertakes to comply with
			Department & GST Department, if any.	the directions of the Income
				Tax Department & GST
				Department, if any, in
				accordance with applicable
				law.
-	11.	2 h)	Petitioner Companies shall undertake to comply	The Petitioner Company
			with the directions of the concerned sectoral	undertakes to comply with
			Regulatory, if any.	the directions of the
				concerned sectoral
				regulators, if any, in
				accordance with applicable
				law.
-	12.	2 i)	As per the list of shareholders of both Petitioner	The Petitioner Company
			Companies, they have foreign shareholders	and the Transferor
			hence Petitioner Companies shall undertake to	Company undertake to
			comply with guidelines of RBI, FEMA, FERA.	comply with the guidelines
				issued by the Reserve
				Bank of India, and those
				framed under the Foreign
				Exchange Management
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C.P. (CAA) 66/MB/2024



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2	SI.	Para	Observations by RD	Clarifications/Undertakings
	No.	Reference		by Petitioner Company
				Act, 1999 and the Foreign
				Exchange Regulation Act,
				1973, as applicable with
				regard to its foreign
				shareholders.
	13.	2 j)	Petitioner Transferee Company are Listed	The Petitioner Company
			Companies hence Petitioner Transferee	undertakes to comply, with
			Company shall undertake to comply with rules	the observations made by
			& regulations of BSE, NSE, SEBI, if any also	the NSE and BSE vide their
			comply with SEBI (LODR) Regulations, 2016.	letter dated 24.03.2023
				and the SEBI (Listing
				Obligation and Disclosure
				Requirements)
				Regulations, 2016, as
				applicable.
	14.	2 k)	The Indian Steel & Wire Products Limited, the	The Hon'ble National
			Petitioner Transferor Company having their	Company Law Tribunal,
			registered office at Flat-7D & E, 7th Floor,	Kolkata has on 24.05.2024,
			Everest House, 46C Chowringhee Road,	already passed an order
			Kolkata-700071 in the State of West Bengal,	sanctioning the Scheme.
			hence Petitioner Company shall undertake to	

C.P. (CAA) 66/MB/2024



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	SI.	Para	Observations by RD			Clarifications/Undertakings		
	No.	Reference				by Petitioner Company		
			obtain approval from Hon'ble NCLT, West					
			Beng	gal Bench.				
	15.	2 I)	As p	er shareho	olding patter	rn as on 3	1.03.2023	The Petitioner Company is
			subn	nitted by th	ne Petitioner	[.] company,	details of	an associate of Tata Sons
			share	eholding is	as follows:-			Private Limited (" TSPL ").
			0	Detitie	Marga of	% of	Dereerte	_TSPL being a Core
			SI.	Petitio-	Name of	% 01	Remark	Investment Company
			No.	ner	Shareho-	shares		Investment Company
				Comp-	lder	held		registered with the Reserve
				any				Bank of India, the Petitioner
			1.	The	Tata	95.01%	No	Company is exempted from
				Indian	Steel		Form	complying with the
				Steel &	Limited		BEN-2	provisions of the
				Wire			has	Companies (Significant
				Product			been	Beneficial Ownership)
				S			filed by	Rules, 2018 (" SBO Rules ")
				Limited			any of	pursuant to Rule 8(f),
			2.	Tata	Tata	32.44%	the	thereof. Therefore, it is
				Steel	Sons		Petitio-	submitted that the
				Limited	Private		ner	Petitioner Company is not
					Limited		Compa-	required to file Form BEN-
								2. Further in paragraph 2 l)
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C.P. (CAA) 66/MB/2024



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	SI.	Para	Observations by F	RD		Clarifications/Undertakings
	No.	Reference				by Petitioner Company
					nies as	of the Report, the Regional
					per	Director, Western
					records	Region/Registrar of
					availab-	Companies, Mumbai has
					le at	sought for directions to be
					MCA21	issued upon the Transferor
					Portal.	Company for filing of Form
						BEN-2 as prescribed under
						the SBO Rules. It is
			No Form BEN-2 has been filed by any of the			submitted that the
			Petitioner Companies including subsidiary			registered office of the
			companies as per records available at MCA21			Transferor Company is
			Portal, hence Petitioner Companies shall			located in Kolkata, being
			undertake to comply with the provisions of			outside the jurisdiction of
			section 90 of Companies			this Hon'ble Tribunal and
				Companies (Significant Beneficial Owners)		
			Rules, 2018, thereunder and to file Form BEN-			Western Region and the
			2 for declaring name of the sigr	nificant	beneficial	Registrar of Companies,
			owner with concerned ROC.			Mumbai. In any event, it
			The Petitioner Companies shall	l also be	e directed	may be relevant to state
			to file Form BEN-2 as per provision to Rule 8 of			that the Hon'ble National
			the Companies (SBO) Rules,	2018	indicating	Company Law Tribunal,

C.P. (CAA) 66/MB/2024



SI.	Para	Observations by RD	Clarifications/Undertakings
No.	Reference		by Petitioner Company
		name of the Holding Company (a	as Kolkata has on 24.05.2024,
		shareholders) including other details as per	e- already passed an order
		form BEN-2.	sanctioning the Scheme
			with the Appointed Date of
			the Scheme as 01.04.2022.
			Without prejudice to the
			aforesaid, as far as
			compliance by the
			Transferor Company with
			the provision to Rule 8(b) of
			the SBO Rules is
			concerned, it is stated that
			the same is not applicable
			since the Petitioner
			Company, which is the
			holding company of the
			Transferor Company, is not
			required to file Ben-2 Form,
			being exempt under rule
			8(f) of the SBO Rules. It is
			also submitted that both the

C.P. (CAA) 66/MB/2024

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entro d	SI.	Para	Observations by RD	Clarifications/Undertakings
	No.	Reference		by Petitioner Company
				Transferor Company and
				Petitioner Company do not
				have any other Significant
				Beneficial Owner to be
				reported in form BEN
				2 under the SBO Rules.
				Therefore, the Transferor
				Company and the
				Petitioner Company are not
				required to file Form BEN-2
				as required under the SBO
				Rules.

- 15. Representative of the RD appeared on the date of hearing and submitted that the above explanations and clarifications given by the Petitioner Company in rejoinder are satisfactory and that he has no objection to approving the Scheme.
- 16. The Ld. Sr. Counsel for the Petitioner Company submitted that a letter dated 08.02.2024 was issued by the office of the Goods and Service Tax Officer, Department of Trade and Taxes Ward-09, Government of NCT of Delhi to the Transferee Company, wherein, it was stated that there are no pending liabilities against the dealer, i.e., the Transferor Company, as per the DVAT Portal. The Ld. Sr. Counsel also submits that a letter dated 03.06.2024 was received from the office



of the Assistant Commissioner of Commercial Tax, Circle-13, Indore, Madhya Pradesh, informing the Transferee Company that certain amounts are due and payable by the Transferor Company to the said office. He further submits that in response to the said letter dated 03.06.2024, the Transferor Company has paid the dues, being a total sum of Rs.7,56,887/- (Seven Lakh Fifty-Six Thousand Eight Hundred and Eighty-Seven Rupees) and deposited the same with the Department of Finance, Government of Madhya Pradesh.

- 17. The Income-tax Department will be at liberty to examine the aspect of any tax payable as a result of this Scheme and in case it is found that the Scheme ultimately results in tax avoidance under the provisions of Income-tax Act, 1961, it shall be open to the incometax authorities to take necessary action as possible under the the law.
- 18. The approval of the Scheme will not affect the rights and contentions of any Regulatory Authorities including Registrar of Companies and it will be open for the authorities to take any action for non-compliance of the law and that such action, if taken would continue against the Transferee Company.
- 19. From the material on record and after perusing the clarifications and submissions of the Petitioner Company to the Report filed by the RD, the Scheme appears to be fair, reasonable and is not in violation to any provisions of law nor is contrary to public interest/policy.
- 20. The Petitioner Companies are directed to file a certified copy of this Order along with a copy of the Scheme with the concerned Registrar of Companies



electronically, along with E-Form INC-28, in addition to physical copy within 30 days from the date of receipt of the Order from the Registry.

- 21. The Petitioner Companies are further directed to provide a copy of this Order and the Scheme duly authenticated by the Deputy Registrar/Designated Registrar of this Tribunal, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable within 60 days from the date of receipt of certified copy from the Registry of this Tribunal.
- 22. All authorities concerned to act on a copy of this Order along with the Scheme duly authenticated by the Deputy Registrar/Designated Registrar of this Tribunal.
- 23. Any person interested in the above matter shall be at liberty to apply to the Tribunal for any directions that may be necessary.
- 24. Accordingly, the above C.P.(CAA)/66/MB/2024 Connected with CA(CAA)/251/MB/2023 is allowed and disposed of.

Sd/-SANJIV DUTT MEMBER (TECHNICAL) Sd/-K. R. SAJI KUMAR MEMBER (JUDICIAL)

(Sunil)