

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
MUMBAI BENCH-II**

**CA No. 35/2022 IN CA No. 239/2021  
IN  
CP(CAA) No. 42/MB/2021  
CONNECTED WITH  
CA (CAA) No. 1140/MB/2020  
IN THE MATTER OF SECTIONS 230 TO 232  
AND OTHER APPLICABLE PROVISIONS  
OF THE COMPANIES ACT, 2013**

**AND**

**IN THE MATTER OF THE COMPOSITE  
SCHEME OF ARRANGEMENT BETWEEN  
COASTAL GUJARAT POWER LIMITED  
AND THE TATA POWER COMPANY  
LIMITED AND THEIR RESPECTIVE  
SHAREHOLDERS**

**Coastal Gujarat Power Limited, )**  
a company incorporated under the )  
provisions of the Companies Act, )  
1956, having Corporate Identity )  
Number )  
U40102MH2006PLC182213 and )  
its registered office at Corporate )  
Centre B, 34 Sant Tukaram Road, ) **... Transferor Company**  
Carnac Bunder, Mumbai - 400 )  
009, Maharashtra, India )  
)  
**The Tata Power Company )**  
**Limited**, a company incorporated )  
under the provisions of the Indian )  
Companies Act, VII of 1913 )  
having Corporate Identity )  
Number )

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L28920MH1919PLC000567 and  
its registered office at Bombay  
House, 24 Homi Mody Street,  
Mumbai – 400 001, Maharashtra,  
India

... **Transferee Company**

... **collectively referred to as  
“Petitioner Companies”**

**Order Delivered on 31.03.2022**

***Coram:***

Hon’ble Member (Judicial) : Justice P. N. Deshmukh (Retd.)  
Hon’ble Member (Technical) : Mr. Shyam Babu Gautam

***Appearances:***

For the Petitioner Companies : Mr Gaurav Joshi, Senior Advocate  
a/w Mr. Peshwan Jehangir, Mr Mehul  
Shah, Mr Himanshu Vidhani, Mr.  
Aman Yagnik, Mr. Rushabh Gala, Mr.  
Jamsheed Dadachanji and Mr. Harsh  
Salgia i/b Khaitan & Co, Advocates for  
the Petitioner Companies

**ORDER**

***Per: Shyam Babu Gautam, Member (Technical)***

1. The Court convened through videoconference.
2. Heard Learned Counsel for Petitioner Companies. The Counsel for the Petitioner Companies submits that in response to the notices issued, two unsecured creditors of the Transferor Company by the name of Indian Oil Corporation Limited and Driplex Water Engineering International Private Limited and two unsecured

creditors of the Transferee Company by the name of Emveess Infrastructures Pvt. Ltd. and Maharashtra State Electricity Transmission Co. Ltd., have given their representations in the form of letters addressed to the respective Petitioner Companies (hereinafter referred to as the “**Representations**”). Copy of the Representations received have been placed on record *vide* Additional Affidavit dated 23<sup>rd</sup> February 2022. In any event, the Scheme does not entail any compromise with the unsecured creditors, nor would the Scheme lead to diminishing of any liability towards the unsecured creditors. All creditors of the Petitioner Companies including those who have issued the Representations would be able to take appropriate steps as per law in respect of their claims if they so desire. As such, the payment to such creditors, if any, will be dealt with as per law, in the ordinary course. Further, the amounts as stated in the Representations are less than 5% of the total outstanding dues of the Petitioner Companies respectively, and as such, these creditors have no locus to object to the Scheme. Further, no objector has come before the Tribunal to oppose the Petition and nor has any party controverted any averments made in the Petition.

3. The sanction of this Tribunal is sought under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“**Act**”) for the Composite Scheme of Arrangement between Coastal Gujarat Power Limited and The Tata Power Company Limited and their respective shareholders (“**Scheme**”).
4. The Transferor Company is engaged in the business of generating electricity at its Ultra Mega Power Project (4150 MW installed capacity) in the State of Gujarat. The Transferee Company is engaged in the business of generation, transmission and distribution of electricity.
5. The registered office of the Petitioner Companies is located in Mumbai, Maharashtra.
6. The learned Counsel for the Petitioner Companies submits that the rationale mentioned in the Scheme is as under:

“

1. *The Transferee Company is desirous of consolidating the assets and liabilities of the Transferor Company (as defined hereinafter) pursuant to amalgamation. The Scheme provides for the amalgamation of the Transferor Company with the Transferee Company and will result in the following benefits:*

- (a) *Streamlining of the corporate structure and consolidation of assets and liabilities of the Transferor Company within the Transferee Company;*
  - (b) *Availing easier financial support for the businesses of the Transferor Company;*
  - (c) *More efficient utilization of capital for enhanced development and growth of the consolidated business in one entity;*
  - (d) *Enabling opportunities for employees of the Parties (as defined hereinafter) to grow by bringing them in a common pool;*
  - (e) *Easier implementation of corporate actions through simplified compliance structure;*
  - (f) *Improve management oversight and bring in operational efficiencies;*
  - (g) *Cost savings through legal entity rationalisation and consolidation of support functions, business processes, elimination of duplicate expenses, etc.; and*
  - (h) *Reduction of administrative responsibilities, multiplicity of records and legal & regulatory compliances.*
2. *The Transferee Company is one of the largest power generation, distribution and transmission companies in India, having a legacy spanning over 100 (hundred) years. The Transferee Company has been quite instrumental in serving the power consumption needs of the Indian population.*

3. *The Transferee Company has built up significant reserves from its retained profits over the years by transferring the same to its General Reserves (as defined hereinafter). With robust business practices in place, the Transferee Company expects that it will continue its growth trajectory and its business operations will keep generating incremental cash flow over the coming years.*
4. *The Transferee Company is of the view that the funds represented by the General Reserves are in excess of the Transferee Company's current anticipated operational and business needs in the foreseeable future, thus, these excess funds can be distributed to its shareholders in such manner and to such extent, as the Board (as defined hereinafter) of the Transferee Company in its sole discretion, may decide, from time to time and in accordance with the provisions of the Act (as defined hereinafter) and other Applicable Law (as defined hereinafter).*

*The Scheme is in the interest of the shareholders, creditors and all other stakeholders of the Parties and is not prejudicial to the interests of the concerned shareholders, creditors of the Parties or the public at large.”*

7. The Learned Counsel for the Petitioner Companies submits that the Company Petition is filed in consonance with Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Order dated 6<sup>th</sup> October 2021 passed in the CA (CAA) No. 1140/MB/2020 (“**said Order**”) by this Tribunal.

8. The Learned Counsel for the Petitioner Companies submits that *vide* order dated 5<sup>th</sup> January 2021, the Company Scheme Application was admitted; and it was *inter alia* noted that the Transferor Company and the Transferee Company had obtained consents of about 83% and 64% of their respective unsecured creditors. The Petitioner Companies were directed to issue notices to unsecured creditors having outstanding of more than INR 50,00,000 and further directed to continue making efforts to obtain consents of 90% of their respective unsecured creditors. The Learned Counsel for the Petitioner Companies submits that pursuant to the order dated 6<sup>th</sup> October 2021, the Transferor Company and the Transferee Company had obtained consents of 91.67% and 74.01% of their respective unsecured creditors. In view of the notices issued and efforts made by the Petitioner Companies, this Hon'ble Tribunal, *vide* its order dated 6<sup>th</sup> October 2021, waived off the requirement of obtaining 90% consent of the unsecured creditors.
9. The Learned Counsel for the Petitioner Companies submits that on 6<sup>th</sup> October 2021, the Company Petition was heard for admission and the date for hearing and final disposal was fixed as 9<sup>th</sup> November 2021. The Petitioner Companies were directed to cause

publication of the advertisement for final hearing of this matter at least 10 (ten) clear days before the date fixed in the 'Indian Express' and translation thereof in Marathi language newspaper in 'Loksatta', both circulated in Mumbai. The Petitioner Companies caused publication in the said newspapers on 30<sup>th</sup> October 2021. The Petitioner Companies were also directed to issue notices to various statutory authorities indicating the date of final hearing. The Petitioner Companies also caused the said notices to be issued as directed. The Petitioner Companies have filed a Compliance Report on 6<sup>th</sup> November 2021 and 22<sup>nd</sup> December 2021, respectively, evidencing the publication and service of notices.

10. The consideration clause as in the Scheme (Clause 8) is reproduced below:

*"8 CONSIDERATION*

*8.1 The Transferor Company is a wholly owned subsidiary of the Transferee Company and therefore there shall be no issue of shares as consideration for the amalgamation of the Transferor Company with the Transferee Company.*

*8.2 Upon the Scheme becoming effective, all equity shares of the Transferor Company held by the Transferee Company along with its nominees, shall stand cancelled without any further application, act or deed."*



11. The Learned Counsel for the Petitioner Companies submits that the Petitioner Companies have also issued notices to the concerned regulatory authorities indicating the date of final hearing. All the said notices have been issued and served upon the Regulatory Authorities *inter alia* to, (i) the concerned Income Tax Authority within whose jurisdiction the Transferor Company and the Transferee Company, assessments are made, (ii) the Central Government through the office of the Regional Director, Western Region, Mumbai, (iii) Registrar of Companies, Mumbai, (iv) the Official Liquidator, High Court, Bombay (in case of the Transferor Company), (v) Securities and Exchange Board of India, (vi) BSE Limited (in case of Transferee Company), (vii) National Stock Exchange of India Limited, (viii) concerned GST departments within whose jurisdiction the Transferor Company and the Transferee Company, assessments are made.
12. The Learned Counsel for the Petitioner Companies states that the Petitioner Companies have complied with all the requirements as per the directions of this Tribunal.
13. The Regional Director has filed its Report dated 17<sup>th</sup> January 2022 (“**Report**”) praying that this Tribunal may pass such orders as it

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thinks fit, save and except as stated in Paragraphs IV (a) to (g). The observations of the RD, the reply of the Petitioner Companies and the response of the RD in its Supplementary Report are set out in tabular format below:

Sr no	Observation in Report filed RD	Reply of Petitioner Companies	Response of RD in Supplementary Report dated 25 <sup>th</sup> January 2022 (“Supplementary Report”)
(a)	<i>In compliance of AS-14 (IND AS-103), the Petitioner Companies shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS-8) etc.</i>	The Petitioner Companies undertake to pass such accounting entries which are necessary in connection with the Scheme in compliance with the accounting standards notified under Section 133 of the Companies Act, 2013, as may be applicable to the Petitioner Companies.	The RD has stated as follows:  <i>“The reply submitted by the Applicant/Petitioner Companies appears to be satisfactory.”</i>
(b)	<i>The Petitioners under provisions of section 230(5) of the Companies Act, 2013 have to serve notices to concerned authorities which are likely to be affected by Compromise or arrangement. Further, the approval of the scheme by</i>	The Petitioner Companies submit that notices under the provisions of section 230(5) of the Companies Act, 2013 have been served to all the concerned authorities and no objection has been	The RD has stated as follows:  <i>“The reply submitted by the Applicant/Petitioner Companies appears to be satisfactory.”</i>

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	<p><i>this Hon 'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the scheme. The decision of such Authorities is binding on the Petitioner Company(s).</i></p>	<p>received from any of the authorities. Further, the Petitioner Companies shall be bound by any decision of the concerned authorities that is made in accordance with law.</p>	
(c)	<p><i>The Hon 'ble NCLT may kindly direct to the Petitioners to file an undertaking to the extent that the Scheme enclosed to the Company Application and the scheme enclosed to the Company Petition are one &amp; same and there is no discrepancy or deviation.</i></p>	<p>The Petitioner Companies submit that initially the Scheme enclosed to the Company Application and the Scheme enclosed to the Company Petition were same and there was no discrepancy. However, on 1<sup>st</sup> July 2021, the Board of Directors of the Transferor Company and the Transferee Company had approved the amended Scheme in their respective meetings, to delete Tata Power Solar Systems Limited (erstwhile Second Petitioner Company) from the Scheme as well as from the array of parties in the Company Petition. Further, the Board of Directors of Tata Power Solar Systems Limited had also</p>	<p>The RD has stated as follows:</p> <p><i>“On the basis of observations made by the Regional Director and reply submitted by the Petitioner Company, which appears satisfactory. The Hon’ble Tribunal may pass appropriate orders/orders as deem fit on merit.”</i></p>

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	<p>taken a note of the said Amended Scheme in its board meeting held on 1<sup>st</sup> July 2021. Affidavits dated 9<sup>th</sup> July 2021 were filed by the Transferor Company, Transferee Company and Tata Power Solar Systems Limited verifying the Amended Composite Scheme, for the reasons more particularly set out in the joint affidavit dated 19<sup>th</sup> July 2021 filed by the Transferor Company, Transferee Company and Tata Power Solar Systems Limited with the Hon'ble Tribunal. Subsequently, Company Application No. 239 of 2021 was filed by the Transferor Company, Transferee Company and Tata Power Solar Systems Limited to delete Tata Power Solar Systems Limited (Second Petitioner Company in the erstwhile Scheme) from the array of parties and make consequential changes in the Company Petition and the Scheme.</p>	
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	<p>Pursuant to the Orders dated 6<sup>th</sup> October 2021 of the Hon'ble Tribunal, amendment to the Company Petition and the Scheme was allowed and Tata Power Solar Systems Limited was deleted from the array of parties. The amendment in Company Petition were carried out and the amended Scheme has been placed on record before this Hon'ble Tribunal. Further, the amended Company Petition along with the amended Scheme was served on the concerned authorities by the Transferor Company, Transferee Company and Tata Power Solar Systems Limited. Furthermore, approval of the shareholders was also taken by the Transferor Company, Transferee Company and Tata Power Solar Systems Limited to get the Scheme amended and such approvals were placed on record with the</p>	
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		<p>Hon'ble Tribunal vide Affidavit dated 8<sup>th</sup> December 2021 by the Transferee Company, Affidavit dated 21<sup>st</sup> December 2021 by the Transferor Company and Affidavit dated 21<sup>st</sup> December 2021 by Tata Power Solar Systems Limited. The Transferee Company has also submitted the amended Scheme to Securities and Exchange Board of India ("SEBI") for its consideration, and SEBI has issued a letter dated 30<sup>th</sup> August 2021 noting the amendment to the Scheme and stating that it has no further comments on the Scheme.</p>	
(d)	<p><i>As per Definition of the Scheme,</i> <i>"Appointed Date" means opening business hours of 1 April 2020 or such other date as may be approved by the Board of the Parties;</i></p> <p><i>"Effective Date" means the day on which last of the conditions specified in Clause 19 (Conditions Precedent) of</i></p>	<p>The Petitioner Companies submit that the present Scheme is in compliance with the requirements of circular no. F. No. 7/12/2019/CI-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs.</p>	<p>The RD has stated as follows:</p> <p><i>"The reply submitted by the Applicant/Petitioner Companies appears to be satisfactory."</i></p>

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<p><i>this Scheme are compiled with or otherwise duly waived.</i></p> <p><i>Reference in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "effect of this Scheme" or "upon the Scheme becoming effective" shall mean the Effective Date;</i></p> <p><i>Further, the Petitioners may be asked to comply with the requirements as and clarified vide circular no. F. No. 7/12/2019/CL-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs.</i></p>		
<p>(e) <i>As per Clause 9 &amp; 13 of the Scheme</i></p> <p><i>The surplus/deficit, if any arising after taking the effect of clause 9. 1.1, 9.1.2 and 9. 1.4, after giving the effect of the adjustments referred to in clause 9.1 .3, shall be adjusted in 'Capital Restructuring Reserve' in the financial statements of the Transferee Company;</i></p>	<p>The Petitioner Companies submit that the Transferee Company is required to follow Ind AS as per the requirements of Section 133 of Companies Act, 2013 and accounting standard 14 is not applicable to the Transferee Company. Further, as per paragraph 9 of the Scheme, upon the</p>	<p>The RD has stated as follows:</p> <p><i>“On the basis of observations made by the Regional Director and reply submitted by the Petitioner Company, which appears satisfactory. The Hon’ble Tribunal may pass appropriate orders/orders as deem fit on merit.”</i></p>

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<p><i>In case of any differences in accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies;</i></p> <p><i>Comparative financial information in the financial statements of the Transferee Company shall be restated for the accounting impact of merger, as stated above, as if the merger had occurred from the beginning of the comparative period;</i></p> <p><i>For accounting purpose, the Scheme will be given effect from the date when all substantial conditions for the transfer of business are completed, i.e., the control is transferred in accordance with the requirements of Ind AS.</i></p> <p><i>In accordance with the Clause 11.1 above, the debit</i></p>	<p>Scheme coming into effect, the Transferee Company shall account for the amalgamation in accordance “Pooling of interest method” of accounting laid down in Appendix C of Ind AS 103.</p> <p>As per Appendix C of Ind AS 103, the difference (surplus or deficit), if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be transferred to capital reserve and should be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.</p> <p>In order to present the reserve separately from the existing Capital reserve of the Transferee Company and to not use it in distribution of dividend, the reserve has been named as Capital</p>	
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<p><i>balance in the Retained Earnings of the Transferee Company (after giving the effect of the accounting treatment as per Clause 9 of Part II) would be offset against Securities Premium (to the extent available), and then against General Reserves of the Transferee Company.</i></p> <p><i>In accordance with the Clause 11.2 above, the entire amount standing to the credit of the General Reserves of the Transferee Company (after adjusting the amount as per clause 13.1 above), shall be reclassified and credited to the Retained Earnings of the Transferee Company.</i></p> <p><i>Petitioner Companies have to undertake that the surplus / deficit shall be adjusted to Capital Reserve Account arising out of amalgamation and deficits shall be debited to Goodwill Account.</i></p> <p><i>Further Petitioner Companies have to undertake that reserves shall</i></p>	<p>Restructuring reserve. Such Capital Restructuring reserve shall not be available for the distribution of dividend.</p> <p>Hence, the said accounting treatment mentioned in the Scheme is in line with the requirement of Ind AS 103 Business Combinations.</p> <p>Further, Part III of the Scheme also provides for the following:</p> <p>i. The debit balance in the Retained Earnings of the Transferee Company (after giving effect of the accounting treatment as per Clause 9 of Part II of the Scheme) would be offset against the following reserves of the Transferee Company:</p> <p>a. Securities Premium (to the extent available), and</p> <p>b. Thereafter, against General Reserves.</p>	
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	<p><i>not be available for distribution of dividend.</i></p>	<p>ii. Thereafter, the Scheme provides for reclassification of entire amount standing to the credit of the General Reserves of the Transferee Company to the Retained Earnings of the Transferee Company.</p>	
(f)	<p><i>Status Of Roc Report:- ROC, Mumbai Report dated 17-01-2022 has interalia mentioned that there are no prosecution, no technical scrutiny, no inspection pending against Petitioner Companies.</i></p> <p><i>As per ROC report in Para No. 23 Inquiry U/s.206(1) of the Companies Act, 2013 is ordered is ordered by MCA vide latter dated 11.10.2019 pending against the transferee company i.e. the Tata Power Company Limited and no Inquiry/Inspection/ investigation against the Transferor Company as per the information received from the enquiry section. The letter received from MCA vide No. 01/193/2019/CL-IJ(WR)</i></p>	<p>The Petitioner Companies submit as follows:</p> <p>1) The open charges of the Transferor Company shall be transferred to and continued against the Transferee Company pursuant to the Scheme becoming effective. The interest of the creditors of the Transferor Company will not be adversely affected by the transfer of the open charges and creditors will be paid in the normal course of business in accordance with the agreements executed by the Transferor Company and/or compliance with applicable laws.</p>	<p>The RD has stated as follows:</p> <p><i>“On the basis of observations made by the Regional Director and reply submitted by the Petitioner Company, which appears satisfactory. The Hon’ble Tribunal may pass appropriate orders/orders as deem fit on merit.”</i></p>

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<p><i>dated 11.10.2019 is attached herewith.</i></p> <p><i>As per ROC report in Para No. 24 A complain received vide SRN J00035458 is for nonreceipt of dividend pending against the Transferee Company i.e. The Tata Power Company Limited and no complain against the Transferor Company received as per information received from Complaint section.</i></p> <p><i>ROC Observations is as under:</i></p> <ol style="list-style-type: none"><li><i>1. The Transferor Company having two number of open Charges.</i></li><li><i>2. Interest of the Creditors should be protected.</i></li><li><i>3. An Inquiry u/s. 206(1) of Companies Act is ordered by MCA vide letter vide No. 01/193/2019/CL-II(WR) dated 11 .10.2019 pending against Transferee Company i.e. The Tata Power Company Limited.</i></li><li><i>4. One Complaint received vide SRN /00035458 is pending against Transferee</i></li></ol>	<p>2) The interest of the creditors of the Petitioner Companies are not adversely affected by the present Scheme and their respective dues will be paid in the normal course of business in accordance with the agreements executed by the Petitioner Companies and/or compliance with applicable laws.</p> <p>3) To the best of our knowledge, the Transferee Company has not received any communication from Ministry of Corporate Affairs (“MCA”) or RoC with regard to any Inquiry. The Transferee Company hereby undertake that as and when any communication is received, the Transferee Company shall cooperate and provide all the required information or details to MCA/RoC. In any event any prosecutions against the Transferee Company</p>	
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	<p><i>Company i.e. The Tata Power Company Limited.</i> <i>5. May be decided in its merits.</i></p> <p><i>Hon 'ble Tribunal may consider the observations pointed out by ROC, Mumbai in their report and decide the matter on merits.</i></p>	<p>shall continue to be dealt with as per applicable law.</p> <p>4) The Transferee Company has not received any communication from MCA or RoC with regard to any complaint with SRN J00035458. The Transferee Company undertakes that as and when any communication is received, it will take necessary actions as per applicable laws. In any event any prosecutions against the Transferee Company shall continue to be dealt with as per applicable law.</p>	
(g)	<p><i>As per clause 12 of the Scheme</i></p> <p><b><i>DISTRIBUTION OF SURPLUS FUNDS TO THE SHAREHOLDERS OF THE TRANSFEREE COMPANY</i></b></p> <p><i>Upon the Scheme becoming effective and subsequent to the reclassification of the amounts standing to the</i></p>	<p>The Petitioner Companies submit that upon the Scheme becoming effective and subsequent to the reclassification of the amounts standing to the credit of the General Reserves and credit thereof to the Retained Earnings pursuant to Clause 11 of the Scheme,</p>	<p>The RD has stated as follows:</p> <p><i>“On the basis of observations made by the Regional Director and reply submitted by the Petitioner Company, which appears satisfactory. The Hon’ble Tribunal may pass</i></p>

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<p><i>credit of the General Reserves and credit thereof to the Retained Earnings pursuant to Clause 11 of the Scheme, the amount so credited shall be paid out to the shareholders of the Transferee Company, from time to time, by the Board of the Transferee Company, at its sole discretion, in such manner, quantum and at such time as it deems fit (each such event constituting a "Distribution").</i></p> <p><i>Each Distribution of surplus funds (including the quantum, manner, and timing thereof) shall be undertaken in accordance with the provisions of the Act, the Scheme and other Applicable Laws, taking into account all relevant factors including applicable regulatory and fiscal considerations, the nature and quantum of each Distribution and subject to payment or deduction at source of applicable taxes as per Applicable Laws.</i></p>	<p>the amount so credited shall be paid out to the shareholders of the Transferee Company, from time to time by the Board of Directors of the Transferee Company at its sole discretion, by way of issuance of dividend, securities or such other mechanism, depending on the ongoing needs of the Transferee Company in accordance with applicable laws. Each distribution of surplus funds shall be undertaken in accordance with the provisions of the Companies Act, 2013, the Scheme and other applicable laws, taking into account all relevant factors including applicable regulatory and fiscal considerations. The accounting treatment in the books of accounts of the Transferee Company upon the Scheme becoming effective has been explained in Para 6 (e) above.</p>	<p><i>appropriate orders/orders as deem fit on merit.”</i></p>
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<p><i>Petitioner Companies shall undertake to define as to how the Petitioner Companies board of directors proposes to distribute among the shareholders for which period and which manner, since this clause is proposing to be part of the scheme. Therefore, the clarification is required to be given by the Petitioner Companies in this regard.</i></p> <p><i>Hon'ble Tribunal may direct the Petitioner Companies to explain the accounting treatment in the books of accounts of the Transferees Company/Resulting Company Upon the Scheme becoming effective.</i></p>		
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14. The Regional Director has not raised any other objections or dealt with any of the responses of the Petitioner Companies other than as set out above. The Counsel for the Petitioner Company submits that it is apparent that the Regional Director is satisfied with the responses provided.

15. Further, the Official Liquidator *vide* his Report dated 17<sup>th</sup> January 2022 filed with the Hon'ble Tribunal, submits that the affairs of the

Transferor Company have been conducted in a proper manner. No objections have been raised with respect to the Scheme.

16. From the material on record, the Scheme annexed as Exhibit A-18 to the Company Petition appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
17. Since all the requisite statutory compliances have been fulfilled, CP (CAA) No. 42/MB-IV/2021 is made absolute in terms of the prayer clauses 31 (a) to 31 (h) thereof.
18. The Scheme is hereby sanctioned, with the Appointed Date fixed as opening business hours of 1<sup>st</sup> April 2020.
19. The Petitioner Companies are directed to file a copy of this Order along with a copy of the Scheme with the concerned Registrar of Companies, within 30 days from the date of receipt of the certified copy of this Order by the Petitioner Companies.
20. The Transferee Company to lodge a copy of this Order along with the Scheme duly authenticated/certified by the Deputy Registrar or the Assistant Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, within 60

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
MUMBAI BENCH-II

CA No. 35/2022 IN CA No. 239/2021  
IN CP(CAA) No. 42/MB/2021  
CONNECTED WITH  
CA (CAA) No. 1140/MB/2020

days from the date of receipt of the certified Order from the Registry  
of this Tribunal.

21. All concerned regulatory authorities to act on a copy of this Order along with Scheme duly certified by the Deputy Registrar or the Assistant Registrar, National Company Law Tribunal, Mumbai Bench.
22. Any person interested is at liberty to apply to this Tribunal in the above matters for any directions that may be necessary.
23. Any concerned Authorities are at liberty to approach this Tribunal for any further clarification as may be necessary.
24. Ordered accordingly. File to be consigned to records.

**Sd/-**

**SHYAM BABU GAUTAM  
MEMBER (TECHNICAL)**

31.03.2022  
SAM

**Sd/-**

**JUSTICE P. N. DESHMUKH  
MEMBER (JUDICIAL)**