

IN THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH - V

C.P. (CAA)/65/MB/2024

c/w C.A.(CAA)/246/MB/2023

In the matter of

Sections 230 to 232 of the Companies

Act, 2013 and other applicable

provisions of the Companies Act, 2013

AND

In the matter of

Scheme of Amalgamation of

Tata Steel Limited

[CIN:L27100MH1907PLC000260]

...Transferee Company/

Petitioner Company

and

Angul Energy Limited

[CIN: U40105DL2005PLC140748]

...Transferor Company/

...Non-Petitioner Company

Order Dated: 03.07.2024

Coram:

Reeta Kohli

Hon'ble Member(Judicial)

Madhu Sinha

Hon'ble Member(Technical)

Appearances:

For the Petitioner:

Mr. Zal Andhyarujina, Ld. Sr.
Counsel a/w Ms. Ramya
Hariharan, Ms. Shruti Sardessai,
Ms. Dipti Srivastava, Ms. Asmita
Rakhecha, Mr. Ravishekhar
Pandey, Mr. Suhas Kadu i/b.
Citadel Law Chambers

For the Regional Director:

Mr. Altap Shaikh, ICLS Officer

ORDER

1. Heard the Ld. Senior Counsel for the Petitioner Company and the Officer from the office of the Regional Director, Western Region, Mumbai (“**RD**”). No objector has come before this Tribunal to oppose the Scheme nor has any party controverted any averments in the Petition.
2. The Petitioner company filed this Petition under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, seeking sanction of the Scheme of Amalgamation of **Tata Steel Limited**

(“Petitioner/Transferee Company”) and **Angul Energy Limited**
(“Non-Petitioner/Transferor Company”) and their respective
Shareholders.

3. The Petitioner states that the Transferor Company has its registered office in the union territory of New Delhi and had filed a separate Company Scheme Petition bearing No. C.P.(CAA)/7/ND/2024 before the National Company Law Tribunal, New Delhi Bench, which has been sanctioned by the Hon’ble National Company Law Tribunal, New Delhi Bench vide an order dated April 18, 2024. Therefore, the Transferor Company is not a Petitioner herein.
4. The Ld. Sr. Counsel submits that the Transferor Company is an unlisted subsidiary of the Petitioner Company and that the Petitioner Company holds equity shares constituting 99.99% of the equity share capital of the Transferor Company.
5. The Ld. Sr. Counsel for the Petitioner Company submits that the Petitioner Company is engaged in the business of manufacturing steel and offers a broad range of steel products including a portfolio of high value-added downstream products such as hot rolled, cold rolled and coated steel, rebars, wire rods, tubes and wires. The Petitioner Company also has a well-established distribution network.

6. The Ld. Sr. Counsel for the Petitioner Company submits that the Transferor Company is engaged in the business of generation of thermal power. The power plant of the Transferor Company is located in district Angul, Odisha with a total capacity of 485MW. The Transferor Company's power plant is situated adjacent to the Meramandali plant of the Petitioner Company. The Transferor Company's plant is a captive power plant of the Petitioner Company and it has recently entered into a Power Purchase Agreement with the Petitioner Company for supply of electricity from the said captive power plant to meet the energy requirement of the steel manufacturing plant of the Petitioner Company.

7. The Ld. Sr. Counsel for the Petitioner Company submits that the Scheme of Amalgamation provides for the amalgamation of the Transferor Company into and with the Petitioner Company, under Sections 230 to 232 and other relevant provisions of the Act, such that:
 - (a) all the assets of the Transferor Company, shall become the property of the Transferee Company, by virtue of the amalgamation;

- (b) all the liabilities of the Transferor Company, shall become the liabilities of the Transferee Company, by virtue of the amalgamation;
 - (c) cancellation of all the issued share capital of the Transferor Company which shall be affected as a part of the Scheme and not in accordance with Section 66 of the Companies Act, 2013 and payment to all the shareholders of the Transferor Company (other than the Petitioner 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. The Ld. Sr. Counsel for the Petitioner Company submits that the background, circumstances, rationale and benefits of the Scheme are that:
- (a) Consolidation of the business of the Transferor Company and Transferee Company, ensuring focused growth, operational

efficiencies, and business synergies. The resulting corporate holding structure will bring enhanced agility to the business ecosystem of the merged entity.

- (b) Enabling pooling of the resources of the merged entity to unlock the opportunity for creating shareholder value, share best practices, cross-functional learnings, and utilize each other's facilities in a more efficient manner.
- (c) This amalgamation will also result in collaboration of the marketing and distribution network of both entities.

9. Consideration:

The Petitioner Company will not be given any new shares for its holding in the Transferor Company. However, the other shareholders of the Transferor Company shall be paid by the Petitioner Company in the following manner:

Rs. 1,045 (Rupees one thousand and forty-five only) for every 1 (one) fully paid up equity share of 10/- each held in the Transferor Company.

10. The Ld. Sr. Counsel submits 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 Petitioner 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 Petitioner Company also operates coal and waste heat recovery-based captive power plants to cater to its power requirement. The Transferor Company, which is an unlisted subsidiary company of the Petitioner Company is engaged in the business of generation of thermal power and has entered into a Power Purchase Agreement with the Petitioner Company for supply of electricity from the said thermal power plant to meet the energy requirement of the steel manufacturing plant of the Petitioner Company. The amalgamation will consolidate the business of the Transferor Company and the Petitioner Company which will result in focused growth, operational efficiencies, and enhance business synergies. In addition, the resulting corporate holding structure will bring enhanced agility to business ecosystem of the merged entity. The amalgamation will ensure the consolidation of all power assets under a single entity, it will increase system agility for power generation and allocation. It will help the Petitioner Company to improve its plant reliability, ensuring steady source of power supply while optimising cost. Further, such restructuring will lead to simplification of group structure by eliminating multiple companies in similar operation.

- (b) The amalgamating companies believe that the financial, managerial and technical resources, personnel, capabilities, skills, expertise and technologies of the Transferor Company and the Petitioner Company pooled in the merged entity, will lead to optimum use of infrastructure, rationalisation of cost in the areas of operations and administrative overheads, thereby maximising shareholder value of the merged entity.
- (c) The Scheme of Amalgamation would result in the following synergies:
- i. **Operational efficiencies:** The amalgamation is expected to result in better alignment, optimized power cost, sharing of best practices, cross-functional learnings and better utilisation of common facilities. It would result in synergy benefits arising out of single value chain thereby optimising costs and increasing operational efficiencies.
 - ii. **Improving asset utilization:** The Petitioner Company's technical expertise and financial resources can be used to eliminate congestion in Transferor Company's operations to improve plant load factor. This will also allow surplus capacity to be monetized by wheeling surplus power to the grid for utilization at different locations of the Petitioner Company.

- iii. **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.
- iv. **Sharing of best practices in sustainability, safety, health and environment:** Adoption of improved safety, environment and sustainability practices owing to a centralized 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 other's information technology applications and systems.
11. The Board of Directors of the Petitioner Company and Transferor Company have approved the Scheme by passing their respective Board Resolutions both dated February 6, 2023.
12. The Petitioner Company had held the meeting of the Shareholders of the company on February 9, 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. Same found satisfactory.

13. The Ld. Sr. Counsel for the Petitioner Company further submits that the equity shares of the Petitioner Company are listed on the BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”) (collectively “**Stock Exchanges**”). The Stock Exchanges vide their letters dated July 26, 2023, have respectively provided their ‘Observation Letter’ to the Petitioner Company, to file the Scheme with this Tribunal, pursuant to which the Petitioner Company has approached this Tribunal seeking its sanction to the Scheme.
14. The Ld. Sr. Counsel for the Petitioner Company submits that the Petition is filed in consonance with the order dated December 14, 2023 passed by this Tribunal in Company Scheme Application No. CA(CAA)/246/MB/2023.
15. The Ld. Sr. Counsel for the Petitioner Company submits that the Petition was admitted by this Tribunal vide order dated April 17, 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 upon the regulatory authorities and publication of notice of the date of hearing of this matter in the prescribed newspapers, and has filed necessary Affidavit

proving such compliance with this Tribunal. Moreover, the Petitioner Company undertakes to comply with the applicable statutory requirements, if any, as required under the Act and Rules made thereunder, as and when applicable. The said undertaking given by the Petitioner Company is accepted.

16. The Regional Director (Western Region), Ministry of Corporate Affairs, Mumbai (“**RD**”), has filed its report dated 10.05.2024 in respect of the Petitioner Company setting out his observations on the Scheme. In response to the observations made by the RD, the Petitioner Company has given necessary clarifications and undertakings by way of an affidavit dated 14.05.2024 and 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 summarized in the table below:

SN	Para Reference	Observations in the Report	Response of the Petitioner Company
1.	2 (a)	<i>That on examination of the report of the Registrar of Companies, Mumbai dated 10.05.2024 (Annexed as Annexure A-1) for Petitioner Transferee Company falls within the jurisdiction of ROC, Mumbai. It is</i>	<i>The observations are self-explanatory and do not require a response. [Paragraph 4, Page No. 9, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</i>

SN	Para Reference	Observations in the Report	Response of the Petitioner Company
	2 (a) (i)	<p><i>submitted that no complaint and/or representation regarding the proposed scheme of Arrangement has been received against the Petitioner Transferee Company. Further, the Petitioner Transferee Company has filed Financial Statements up to 31.03.2023. [Paragraph 3, Page No. 3 to 4, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</i></p> <p><i>That the ROC Mumbai in his report dated 10.05.2024 has also stated that No Inquiry, Inspection, Investigations, Prosecutions, under CA, 2013 have been pending against the Petitioner Companies. [Paragraph 3, Page No. 4, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</i></p>	
2.	2 (a) (ii) a)	<p><i>As per provisions of section 232(3)(i) of CA, 2013 where the transferor company is dissolved, the fee, if</i></p>	<p>The Petitioner Company shall comply with the provisions of Section 232(3)(i) of the Companies Act, 2013 (“Act”) and undertakes to pay necessary fees, if so</p>

SN	Para Reference	Observations in the Report	Response of the Petitioner Company
		<p><i>any, paid by the transferor company on its authorized capital shall be set off against any fees payable by the transferee company on its authorized capital shall be set off against any fees payable by the transferee company on its authorized capital subsequent to the amalgamation.</i></p> <p><i>Therefore, the remaining fee, if any after setting off the fees already paid by the transferor company on its authorized capital, must be paid by the transferee company on the increased authorized capital subsequent to amalgamation.</i></p> <p><i>[Paragraph 3, Page No. 4, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</i></p>	<p>required in compliance with applicable law. <i>[Paragraph 5, Page No. 9, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</i></p>
3.	2 (a) (ii) b)	<p><i>Interest of the Creditor should be protected.</i></p> <p><i>[Paragraph 3, Page No. 4, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</i></p>	<p>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</p>

SN	Para Reference	Observations in the Report	Response of the Petitioner Company
			<p>are not getting affected in any way. It is submitted that 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 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 (refer to the Net Worth Certificate annexed at Exhibit 25 of the captioned Petition). Therefore, it is humbly submitted that the Scheme and the amalgamation contemplated thereby will not adversely affect the interests of the creditors of the Petitioner Company and their interest is adequately protected. [Paragraph 6, Page No. 9 to 10, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</p>
4.	2 (a) (ii) c)	<p><i>Upon coming into effect of the Scheme, the applicable main objects in MOA of the Transferor Company shall be added to the matters which are necessary for furtherance of the</i></p>	<p>The Petitioner Company shall duly amend the memorandum of articles of the Petitioner 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.</p>

SN	Para Reference	Observations in the Report	Response of the Petitioner Company
	2 (a) (ii) d)	<p>objects of MOA of the Transferee Company. [Paragraph 3, Page No. 5, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</p> <p>May be decided on its merits. [Paragraph 3, Page No. 5, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</p>	<p>[Paragraph 7, Page No. 10, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</p>
5.	2 b)	<p>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. [Paragraph 3, Page No. 5, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</p>	<p>The Petitioner Company shall comply with the provisions of Section 232(3)(i) of the Act and undertakes to pay necessary fees, if so required, in compliance with applicable law. [Paragraph 8, Page No. 10, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</p>
6.	2 c)	<p>In compliance of Accounting Standard-14 or IND-AS 103, as may be applicable, the transferee company</p>	<p>Being a listed entity, the Indian Accounting Standards (Ind AS), as notified under section 133 of the Act are applicable to the Petitioner Company and financials are being</p>

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		<p><i>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 AS-8 etc. [Paragraph 3, Page No. 5, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</i></p>	<p>prepared in accordance with the IND AS. In compliance with the proviso of section 232(3) of the Act a certificate from 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). [Paragraph 9, Page No. 11, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</p>
7.	2 d)	<p><i>The Hon'ble Tribunal may kindly direct the Petitioner Companies to file an affidavit to the extent that the Scheme enclosed to the Company Application and Company Petition are one and same and there is no discrepancy, or no change is made. [Paragraph 3, Page No. 5, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</i></p>	<p>The Scheme annexed to the Company Scheme Application No. CA (CAA)/246/MB-V/2023 and Company Scheme Petition No. CP (CAA)/65/MB-V/2024 are one and the same and there is no discrepancy, or change made to the Scheme. [Paragraph 10, Page No. 11, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</p>
8.	2 e)	<p><i>The Petitioner Companies under provisions of section</i></p>	<p>The Petitioner Company has served notices under Section 230(5) of the Act to the concerned</p>

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		<p>230(5) of the Companies Act 2013 have to serve notices to concerned authorities which are likely to be affected by the Amalgamation or arrangement. Further, the approval of the scheme by the 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 shall be binding on the petitioner companies concerned. [Paragraph 3, Page No. 6, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</p>	<p>authorities, as directed by this Hon'ble Tribunal vide order dated December 14, 2023 passed in the captioned Company Scheme Application. The Petitioner Company has filed its affidavit-of-service proving compliance with the directions issued by the Hon'ble Tribunal in this regard. [Paragraph 11, Page No. 11-12, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</p>
9.	2 f)	<p>As per Definition of the Scheme, "Appointed Date" means opening of business on April 1, 2022, or such other date as may be determined by the Board of Directors of the concerned Companies or directed/allowed by the Competent Authority;</p>	<p>The Petitioner Company is already in compliance with the requirements of Circular No. F. No. 7/12/2019/CL-1 dated August 21, 2019, issued by the Ministry of Corporate Affairs ("General Circular"). Paragraph 6(c) of the General Circular provides that "Where the 'appointed date' is chosen as a specific calendar date, it may precede the date of filing of the application for scheme of merger/amalgamation in NCLT. However, if the 'appointed date' is</p>

SN	Para Reference	Observations in the Report	Response of the Petitioner Company
		<p>"Effective Date" means the date or last of the dates on which the certified copies of the order of the Competent Authority sanctioning the Scheme are filed by the Transferor Company and the Transferee Company with the Registrar of Companies, Delhi and Registrar of Companies, Mumbai (whichever is later) after all the conditions and matters referred to in Clause 21 of the Scheme occur or have been fulfilled, obtained, or waived, as applicable, accordance with the Scheme, and which filing may be a filing independent of the filing required to be made under section 230(5) of the Act, read with Rule 25(7) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. Any references in this Scheme to "upon the Scheme becoming effective" or effectiveness of this Scheme" or likewise,</p>	<p><u>significantly ante-dated beyond a year from the date of filing, the justification for the same would have to be specifically brought out in the scheme and it should not be against public interest.</u>" The justification for ante-dating the Appointed Date beyond one year from the date of filing, is already contained in paragraph 8.2 of Part I of the Scheme in compliance with paragraph 6(c) of the General Circular. The justification provided in paragraph 8.2 of Part I of the Scheme (Page No. 90 in Volume I of the Company Scheme Petition) is reproduced hereinbelow:</p> <p>8.2 "That the Appointed Date is being fixed as the opening of business on April 1, 2022, to enable consolidation of the books of the Transferor Company with the Transferee Company with ease for the entire financial year 2022-23. That keeping the Appointed Date as April 1, 2022, being the start of the financial year, is in the interest of the Companies and their shareholders and is not prejudicial to the public interest in any manner. That 99.99% of the shareholding of the Transferor Company being held by the Transferee Company, no public interest is being affected by keeping the Appointed Date as April 1, 2022."</p> <p>The aforesaid justification for ante-dating the Appointed Date of the Scheme beyond one year from</p>

SN	Para Reference	Observations in the Report	Response of the Petitioner Company
		<p><i>shall mean the Effective Date;</i> "Record Date" means the date to be mutually fixed by the Board of Directors of the Companies, for the purpose of determining the shareholders of the Transferor Company to whom cash consideration would be paid pursuant to this Scheme; <i>The appointed date is 01.04.2022 which in antedated more than two years. The Hon'ble NCLT may kindly direct the petitioner company to amend its appointed date in compliance of Ministry's circular no. F. No. 7/12/2019/CL-I dated 21.08.2019. [Paragraph 3, Page No. 6 to 7, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</i></p>	<p>the date of filing, has also been reproduced in paragraph 19 of the Company Scheme Petition. Furthermore, the Scheme was approved by the board of directors of the Petitioner Company and the Transferee Company on February 6, 2023. Therefore, at that point of time, the Appointed Date of April 1, 2022 was not ante-dated beyond a year. In view of the Petitioner Company being a listed company, the Petitioner Company was required to submit the Scheme to the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") for obtaining their no-objection to the Scheme. The no-objection letters to the Scheme were received by the Petitioner Company from the BSE and the NSE on July 26, 2023. Only on receipt of the no objection letters from the BSE and the NSE, the Petitioner Company and the Transferee Company could initiate the process of filing the Company Scheme Application with the respective National Company Law Tribunals.</p> <p>It is evident from the above that the justification for ante dating the Appointed Date beyond a year, has been specifically brought out in the Scheme in compliance with paragraph 6(c) of the General Circular. Thus, for the reasons mentioned hereinabove ante dating of the Appointed Date beyond a year is not against</p>

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			<p>public interest. The Petitioner Company has therefore duly complied with the provisions of the Circular No. F. No. 7/12/2019/CL-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs. Furthermore, the Hon'ble National Company Law Tribunal, New Delhi has on April 18, 2024, already passed an order sanctioning the Scheme with the Appointed Date of the Scheme as April 1, 2022. [Paragraph 12, Page No. 12 to 14, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</p>
10.	2 g)	<p><i>Petitioner Companies shall undertake to comply with the directions of the Income Tax Department & GST Department, if any. [Paragraph 3, Page No. 7, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</i></p>	<p>The Petitioner Company undertakes to comply with the directions of the Income Tax Department & GST Department, if any, in accordance with applicable law. [Paragraph 13, Page No. 14, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</p>
11.	2 h)	<p><i>Petitioner Companies shall undertake to comply with the directions of the concerned sectoral Regulatory, if any. [Paragraph 3, Page No. 7, Affidavit-in-Reply to the observations of Regional Director in its</i></p>	<p>The Petitioner Company undertakes to comply with the directions of the concerned sectoral regulators, if any, in accordance with applicable law. [Paragraph 14, Page No. 14, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</p>

SN	Para Reference	Observations in the Report	Response of the Petitioner Company
		<i>report dated May 10, 2024]</i>	
12.	2 i)	<i>As per the list of shareholders of both Petitioner Companies, they have foreign shareholders hence Petitioner Companies shall undertake to comply with guidelines of RBI, FEMA, FERA. [Paragraph 3, Page No. 7, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</i>	<i>The Petitioner Company and the Transferor Company undertakes to comply with the guidelines issued by the Reserve Bank of India, and those framed under the Foreign Exchange Management Act, 1999 and the Foreign Exchange Regulation Act, 1973, as applicable. [Paragraph 15, Page No. 14 to 15, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</i>
13.	2 j)	<i>Petitioner Transferee Company are Listed Companies hence Petitioner Transferee Company shall undertake to comply with rules & regulations of BSE, NSE, SEBI, if any also comply with SEBI (LODR) Regulations, 2016. [Paragraph 3, Page No. 8, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</i>	<i>The Petitioner Company undertakes to comply, with the observations made by the NSE and BSE vide their letter dated July 26, 2023 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2016, as applicable. [Paragraph 16, Page No. 15, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</i>
14.	2 k)	<i>Angul Energy Limited, the Petitioner Transferor Company having their registered office at Ground Floor, Mira Corporate Suites,</i>	<i>The Hon'ble National Company Law Tribunal, New Delhi has on April 18, 2024, already passed an order sanctioning the Scheme. [Paragraph 17, Page No. 15, Affidavit-in-Reply to the</i>

SN	Para Reference	Observations in the Report	Response of the Petitioner Company
		<p><i>Plot No 1 & 2, Ishwar Nagar, Mathura Road, New Delhi - 110065, India in the State of Delhi, hence Petitioner Company shall undertake to obtain approval from Hon'ble NCLT, Delhi Bench. [Paragraph 3, Page No. 8, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</i></p>	<p><i>observations of Regional Director in its report dated May 10, 2024]</i></p>
15.	2 l)	<p><i>As per shareholding pattern as on 31.03.2023 submitted by the Petitioner company, details of shareholding is as follows:-</i></p> <p><i>a) Shareholders of Angul Energy Limited: Tata Steel Limited: 99.99%</i></p> <p><i>b) Shareholders of Tata Steel Limited:</i></p> <p><i>i. Tata Sons Private Limited: 32.4%</i></p> <p><i>ii. Life Insurance Corporation of India: 5.99%</i></p> <p>Remark: <i>No Form BEN-2 has been filed by any of the Petitioner Companies as per records available at MCA21 Portal.</i></p>	<p>The Transferee Company is an associate of Tata Sons Private Limited (“TSPL”). TSPL being a Core Investment Company registered with the Reserve Bank of India, the Transferee Company is exempted from complying with the provisions of the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”) pursuant to rule 8(f), thereof. Therefore, it is humbly submitted that the Transferee Company is not required to file the said Form BEN-2. The table provided in paragraph 2 l) of the Report also refers to Life Insurance Corporation of India (“LIC”) as a shareholder of the Transferee Company. As would be evident from the table the shareholding of LIC in the Transferee Company is below 10% and is therefore not a significant beneficial owner of the Transferee Company.</p>

SN	Para Reference	Observations in the Report	Response of the Petitioner Company
		<p><i>No Form BEN-2 has been filed by any of the Petitioner Companies including subsidiary companies as per records available at MCA21 Portal, hence Petitioner Companies shall undertake to comply with the provisions of section 90 of Companies Act, 2013 r/w. Companies (Significant Beneficial Owners) Rules, 2018, thereunder and to file Form BEN-2 for declaring name of the significant beneficial owner with concerned ROC.</i></p> <p><i>The Transferor subsidiary companies shall also directed to file Form BEN-2 as per provision to Rule 8 of the Companies (SBO) Rules, 2018. [Paragraph 3, Page No. 8 to 9, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</i></p>	<p>Further since the registered office of the Transferor Company is located in New Delhi, which is outside the jurisdiction of this Hon'ble Tribunal, the Regional Director, Western Region and the Registrar of Companies, Mumbai, no direction can be issued upon the Transferor Company by this Hon'ble Tribunal and/or the Regional Director, Western Region and/or the Registrar of Companies, Mumbai for filing of the said Form BEN-2, on the Transferor Company. Without prejudice to the aforesaid, as far as compliance by the Transferor Company with the proviso to Rule 8(b) of the SBO Rules is concerned, the same is not applicable since the Transferee Company is not a reporting company under the SBO Rules, for the reasons stated hereinabove. Further, the significant beneficial owner of the Transferee Company is also TSPL. Hence, for the reasons mentioned in the paragraph herein above, the Transferor Company (being the subsidiary of the Transferee Company) is also exempt under the SBO Rules. Both the Transferor Company and Transferee 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 Transferee Company are not required to file</p>

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			Form BEN-2 as required under the SBO Rules. <i>[Paragraph 1, Page No. 15 to 17, Affidavit-in-Reply to the observations of Regional Director in its report dated May 10, 2024]</i>

17. Mr. Altap Shaikh representative of the Regional Director (WR), Mumbai, appeared on the date of hearing and submitted that the above explanations and clarifications given by the Petitioner Company in rejoinder are satisfactory and has no objection in approving the Scheme.

18. The Learned Senior Counsel for the Petitioner Company submits that the Petitioner Company has received a representation dated May 27, 2024 from the office of the Commercial Tax Officer, Indore, Madhya Pradesh, pursuant to the notices issued in compliance with the order dated April 17, 2024 passed by this Tribunal in the instant Company Scheme Petition No. CP(CAA)65/MB-V/2024 and has issued an appropriate reply thereto dated June 3, 2024 and the Petitioner Company has filed an affidavit bringing on record the aforesaid representation as well as the reply issued thereto by the Petitioner Company.

19. 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, it shall be open to the income tax authorities to take necessary action as possible under the Income Tax Law.
20. The approval of the Scheme will not affect the rights and contentions of all the Regulatory Authorities including Registrar of Companies and the same will remain open to take any action for non-compliance of the law and that such action, if taken would continue against the Transferee Company.
21. 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.
22. Since all the requisite statutory compliances have been fulfilled, the Company Petition [CP(CAA)/65/MB/2024] filed by the Petitioner Company is made absolute in terms of the prayer clause (a) of the Company Scheme Petition, the Scheme is hereby sanctioned with respect to the Petition filed by the Petitioner/Transferee Company as

the Petitioner is within the jurisdiction of this Bench. This Bench further orders that –

- (i) The Appointed Date is fixed as 1st April, 2022.
- (ii) It shall be binding on the Petitioner Company and the Transferor Company and all concerned including their respective Shareholders, Creditors and Employees.
- (iii) The Petitioner Company is directed to file a copy of this Order along with a copy of the Scheme with the concerned Registrar of Companies, electronically along with E-Form INC-28 within 30 days from the date of receipt of the certified copy of this Order along with the sanctioned Scheme from the Registry duly certified by the Deputy/Assistant Registrar of the National Company Law Tribunal, Mumbai Bench.
- (iv) The Petitioner Company is directed to lodge a certified copy of this order and the Scheme duly authenticated by the Deputy Registrar or the Assistant Registrar, as the case may be, of this Tribunal, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of receipt of the certified copy of order.

- (v) All concerned authorities shall act on a copy of this Order along with the Scheme duly authenticated by the Registrar of this Tribunal.
- (vi) Any person interested in the above matter shall be at liberty to apply to the Tribunal for any directions that may be necessary.

23. With the above directions, **C.P.(CAA)/65/MB/2024 c/w CA(CAA)/246/MB/2023** is allowed and disposed-off. File to be consigned to record's.

SD/-

Madhu Sinha
Member (Technical)

/Aakansha/

SD/-

Reeta Kohli
Member (Judicial)