

NATIONAL COMPANY LAW TRIBUNAL  
COURT-V, MUMBAI BENCH

3. C.P.(CAA)/69/2022 In C.A.(CAA)/179(MB)2021

**IN THE MATTER OF**

Media Worldwide Ltd

Section 230-232 of the Companies Act, 2013

**Order Delivered on 04.07.2024**

CORAM:

SHRI. K. R. SAJI KUMAR  
MEMBER (J)

MS. MADHU SINHA  
MEMBER (T)

**Appearance through VC/Physical/Hybrid Mode:**

For the Petitioner:- Adv. Sneha Shukla (VC)

For the Respondent:

**ORDER**

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Order pronounced. Scheme is allowed.

SD/-  
MADHU SINHA  
Member (Technical)

SD/-  
K. R. SAJI KUMAR  
Member (Judicial)

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**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL**

**MUMBAI BENCH-V**

**CP(CAA)/69(MB) 2022**

**CONNECTED WITH**

**CA (CAA) 179 (MB) 2021**

In the matter of Scheme of Arrangement between Media Worldwide Limited and Music Network India Private Limited and their respective Shareholders and Creditors.

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

**Media Worldwide Limited**

Registered Office: 5<sup>th</sup> Floor, Techweb Centre

New Link Road, Oshiwara, Jogeshwari (West)

Mumbai- 400102, Maharashtra.

.... First Petitioner Company/  
Demerged Company

**Music Network India Private Limited, a Company**

Registered Office: 118, MHADA

Shopping Complex, Link Road Extension

Next to Oshiwara Police Station

IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH-V

CP (CAA)/69/(MB)/2022

In

CA(CAA) 179(MB) 2021

Mumbai- 4000102

Maharashtra.

Second Petitioner Company/ Resulting  
Company

**Order Dated: 04.07.2024**

**CORAM:**

HON'BLE SHRI K. R. SAJI KUMAR, MEMBER

(JUDICIAL)

HON'BLE MS. MADHU SINHA, MEMBER

(TECHNICAL)

**APPEARANCES:**

For the Petitioners: Adv. Sneha Shukla i/b Mr. Upendra  
Shukla, Practicing Company Secretary.

For the Regional Director (WR) : Mr. Altap Shaikh, Deputy Regional Director,  
Western Region, Mumbai.

**ORDER**

1. Sanction of this Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013 (Act) and read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (CCAA Rules) for the Scheme of Arrangement (Scheme) between Media Worldwide Limited ("Demerged Company or First Petitioner Company") and Music India Network Private Limited

(“Resulting Company or Second Petitioner Company”) and their respective Shareholders.

2. Heard the Learned Counsel for the Petitioner Companies. Neither any objector has come before this Tribunal to oppose the Company Scheme Petition nor has any party controverted any averments made in the Petition.
3. The Learned Counsel for the Petitioner Companies submits that the Board of Directors of the Petitioner Companies had approved the Scheme of Arrangement with Appointed Date as 1<sup>st</sup> April, 2021 annexed to the Company Scheme Petition as Exhibit “G”.
4. The Learned Counsel further submits that the Demerged Company, since its incorporation, is engaged in the business of broadcasting and provides viewing pleasure to its audience through channels of entertainment; namely Music India – a popular Hindi music channel, Sangeet Bangla and Bangla Talkies– both Bengali music channels in the country, Sangeet Bhojpuri – a 24 hours Bhojpuri music channel, and Sangeet Marathi – India’s first 24 hours Music channel in Marathi language.
5. She also submits that the Resulting Company was incorporated for the purpose of undertaking business of television channels and entertainment. Presently, the Resulting Company is a wholly owned subsidiary of Demerged Company.

6. The rationale for the Scheme of Arrangement is as under:

This Scheme of Arrangement provides for transfer on a going concern basis of Sangeet Bangla Business, i.e., the business of both the Bengali Music Channels (as defined in the Scheme) into Music India, Resulting Company. This is expected to lead to –

- Provide each company with greater flexibility to pursue strategic objectives.
- The Music India, Demerged Company, being engaged in the remaining business (as defined in the Scheme) will be focusing on new business opportunities.
  - Accelerate growth of the Sangeet Bangla Business and unlocking significant value for the shareholders.
- Provide greater business focus in both the Demerged and Resulting Companies and in turn achieve better results and growth.
- Permit greater management focus on respective businesses, permit each Company to focus its resources on the respective businesses and permit independent decisions regarding use of cash flow for dividends, capital expenditure and re-investments in the businesses.

7. The Learned Counsel for the Petitioner Companies states that upon the Scheme becoming effective and in consideration of the vesting of the

Demerged Undertaking in the Resulting Company, the Resulting Company shall, without any further application or deed, issue and allot shares, credited as fully paid up, to the extent indicated below, to the members of the Demerged Company holding fully paid up equity shares of Demerged Company as on Record Date or to such of their respective heirs, executors, administrators or other legal administrative or other successors in title as may be recognised by the Board of Directors of the Resulting Company in the following ratio:

*To the shareholders of Demerged Company:*

*“For every 1 (One) fully paid-up Equity Shares of Rs.10/- each held by the equity shareholders in the Demerged Company on the Effective Date, 1 (One) fully paid-up Equity Share of Rs.10/- each of the Resulting Company.”*

On allotment of shares by the Resulting Company, the existing shareholding of 10,000 Equity Shares of Rs.10/- each held by the Demerged Company into the Equity Share Capital of the Resulting Company, shall stand cancelled as an integral part of this Scheme.

8. The Learned Counsel further states that the Petition has been filed in consonance with Sections 230- 232 of the Act and the Order dated 16<sup>th</sup> September, 2021 passed by this Tribunal in the Company Scheme

Application No. 179 of 2021.

9. She also states that the Petitioner Companies have complied with all requirements in accordance with the directions of the Tribunal, and they have made requisite filings to demonstrate compliance with us. Moreover, the Petitioner Companies undertake to comply with all the statutory requirements, if and to the extent applicable, as may be required under the Act and the rules made thereunder. The said undertaking is taken on record.
10. The Regional Director of Western Region, Ministry of Corporate Affairs has filed his Report dated 31<sup>st</sup> January, 2023 with observations in paragraphs 2(a) to (l) of the Report. The Regional Directors has also filed Supplementary Report dated 1<sup>st</sup> June, 2023. In response to the observations made by the Regional Director, the Petitioner Companies have also given necessary clarifications and undertakings vide their Rejoinder Affidavit dated 6<sup>th</sup> February, 2023 and Affidavit in Reply to Supplementary Report of Regional Director dated 24<sup>th</sup> June, 2023. The observations made by the Regional Director and the clarifications and undertakings given by the Petitioner Companies are summarised in the table below:

<b>Clau- se No.</b>	<b>Regional Director Report / Observations dated 31<sup>st</sup> January, 2023</b>	<b>Response from the Petitioner Companies filed <i>vide</i> Rejoinder Affidavit dated 6<sup>th</sup> February, 2023 and Affidavit in Reply to Supplementary Report dated 24<sup>th</sup> June, 2023</b>
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CP (CAA)/69/(MB)/2022

In

CA(CAA) 179(MB) 2021

2 (a)	<p>That on the examination of the report of the Registrar of Companies, Mumbai dated 04.04.2022 for Petitioner Companies (<b>Annexed as Annexure A-1</b>) that the Petitioner Companies falls within the jurisdiction of ROC, Mumbai. It is submitted that no representation regarding the proposed scheme of amalgamation has been received against the Petitioner Companies. Further, the Petitioner Companies has filed Financial Statements upto 31.03.2021.</p> <p>ROC has further submitted that in his report dated 04/04/2022, which are as under:</p> <p>1. That the ROC Mumbai in his report dated 04<sup>th</sup> April, 2022 has stated that No Inquiry, Investigations, Inspections, Prosecutions, Technical Scrutiny, Complaints are pending against the</p>	<p>The present Scheme of Arrangement is only between the Demerged Company and the Resulting Company and their respective Shareholders under Section 230(1)(b) of the Companies Act, 2013. There is no compromise or arrangement with any creditors and no sacrifice of any amounts due to creditors is called for. Therefore, the interest of creditors of the Petitioner Companies is not prejudiced or adversely affected by the Scheme. The Demerged Company has two Secured Creditors, who have given their consent in writing to the proposed Scheme. It is further submitted that the Resulting Company does not have any Secured Creditors. Further, as regards the Unsecured creditors, both the Demerged and Resulting Company are having Unsecured Creditors. The list of Unsecured Creditors for Demerged Company is annexed as Exhibit J of the Company Scheme Application. The Unsecured Creditors are trade creditors. In Resulting Company there is only 1 (one) Unsecured Creditor amounting to Rs.2,80,025/- (Rupees two lakhs eighty thousand twenty-five). The said Unsecured</p>
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	<p>Petitioner Companies.</p> <p>2. Interest of the Creditor should be protected.</p>	<p>Creditor is the Director of the Resulting Company and it is towards expenses. As directed by the Hon'ble Tribunal <i>vide</i> its Order dated 16<sup>th</sup> September, 2021 in the Scheme Application, Notices have been served to the Unsecured Creditors of the Demerged and Resulting Company and no representations from any Unsecured Creditors have been received.</p>
2 c)	<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.</p>	<p>The Petitioner Companies undertake that the provisions of Section 232(3)(i) of the Companies Act, 2013 shall be complied with.</p>
2 d)	<p>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</p>	<p>The Resulting Company shall pass such accounting entries, which are necessary in connection with the Scheme to comply with the applicable Accounting Standards AS-14</p>

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	applicable Accounting Standards including AS-5 or IND AS-8 etc.	and AS-5. IND-AS103 and IND-AS 8 are not applicable to Resulting Company.
2 e)	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 & same and there is no discrepancy or no change is made.	The Scheme enclosed in the Company Application (Exhibit F to the Company Application) and scheme enclosed in Company Petition (Exhibit 'G' to the Company Petition) are one and the same and there is no discrepancy or change made therein.
2 f)	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 the Amalgamation or Arrangement. Further the approval of the scheme by 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 Companies concerned.	The Petitioner Companies submit that pursuant to the Order dated 16 <sup>th</sup> September, 2021 passed in the Company Scheme Application No. 179 of 2021, the Petitioner Companies have served notices to all concerned authorities under Section 230 (5) of the Companies Act, 2013. Further, the Petitioner Companies confirm that the approval of the Scheme by the Tribunal shall not deter the regulatory authorities to deal with any issues arising after giving effect to the Scheme and decisions of such authorities shall be binding on both the Petitioner Companies.

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2 g)	<p>As per Definition of the Scheme, “Appointed Date” means the 1<sup>st</sup> day of April, 2021 or such other date as may be fixed or approved by the Hon’ble Tribunal.</p> <p>“Effective Date” means the date on which the certified copy of the order of the Hon’ble Tribunal u/s 230 and 232 of the Act sanctioning the Scheme is filed with the Registrar of Companies at Mumbai after receiving all the approvals from the various government authorities, any reference in this Scheme to the “date of coming into effect of the scheme” or “effectiveness of the scheme” or “scheme taking effect” shall mean the effective date;</p> <p>“Record Date” means the date to be fixed by the Board of Directors of Music India in consultation with Board of Directors of Media</p>	<p>The present Scheme is in compliance with the requirements of Circular No. F.No.7/12/2019/CL-I dated August 21, 2019 issued by the Ministry of Corporate Affairs and the Petitioner Companies undertake to comply with the same.</p>
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	<p>Worldwide for the purpose for determining the shareholder of Media Worldwide, who shall be entitled to receive consideration as per Clause 5.</p> <p>It is submitted that the Petitioners may be asked to comply with the requirements as clarified vide circular no. F. No.7/12/2019/CL-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs.</p>	
2h)	<p>Petitioner Companies shall undertake to comply with the directions of the concerned sectoral Regulatory, if so required.</p>	<p>The Petitioner Companies undertake to comply with the directions of the concerned sectoral regulatory authorities.</p>
2 i)	<p>Petitioner Companies shall undertake to comply with the directions of Income Tax Department, if any.</p>	<p>The Petitioner Companies undertake to comply with the directions of the Income Tax Department, if, any.</p>

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2 j) It is observed from MCA21 record that the Demerged Company in financial statements as on 31/03/2022 has shown security premium amounting to Rs.13,15,15,000/- which does not match as per MCA records showing the following particulars:

Date of Allotment	Name of Allotees	No. of shares	Issue Price of shares including premium	Security Premium per share	Total share premium collected	Remarks
10/04/2008	Sahara India Commercial Corpn. Ltd.	20,500	4878	4868	9,97,95,000	Shares have been issued in year 2008 at face value of Rs.10
31/03/2007	Celebrities Management Pvt. Ltd.	2,58,800	50	40	1,03,52,000	Shares have been issued in the year 2029 at face value of Rs.10/-
	Mahindra Soni	440	50	40	17,600	
	Shree Venkatesh Films	73,240	50	40	29,29,600	
	Shrikant Mohta	20,020	50	40	8,00,800	
	Sangeet Television Network Pvt. Ltd.	75,800	50	40	30,32,000	

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<p>Hence, Petitioner Demerged Company has issued shares at premium and collected huge amount of securities premium and it is submitted that Petitioner shall satisfy the Hon'ble Bench about the fairness/ genuineness of issue of share capital by bringing the fact about the date of issue of shares, names of original allottees, price at which shares originally allotted, assessment of share capital u/s 68 of the Income Tax Act, 1961 and date and price at which shares were transferred from original allottees to present shareholders and also to satisfy the Hon'ble Bench that the huge capital brought in the Company through in legal and bonafide manner allottees which is further transferred to existing shareholders by way of share transfers.</p> <p>Further, original allotment of shares</p>	<p>The Petitioner Companies submit that the Petitioner Demerged Company has issued and allotted shares since its incorporation, details of which are as under:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Date of Allotment</th> <th style="text-align: center;">Name of the Allottee</th> <th style="text-align: center;">No. of Share allotted</th> <th style="text-align: center;">Issue price per share including premium (Rs.)</th> <th style="text-align: center;">Total Security premium collected (Rs.)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">06-10-2004</td> <td style="text-align: center;">Shrikant Mohta</td> <td style="text-align: center;">5,000</td> <td style="text-align: center;">10/-</td> <td style="text-align: center;">--</td> </tr> <tr> <td style="text-align: center;">06-10-2004</td> <td style="text-align: center;">Mahendra Soni</td> <td style="text-align: center;">5,000</td> <td style="text-align: center;">10/-</td> <td style="text-align: center;">--</td> </tr> <tr> <td style="text-align: center;">15-12-2004</td> <td style="text-align: center;">Shrikant Mohta</td> <td style="text-align: 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Total Security premium collected (Rs.)	06-10-2004	Shrikant Mohta	5,000	10/-	--	06-10-2004	Mahendra Soni	5,000	10/-	--	15-12-2004	Shrikant Mohta	18,750	1,87,500	--	15-12-2004	Mahendra Soni	18,750	1,87,500	--	15-12-2004	Prashant Chothani	28,125	2,81,250	--	15-12-2004	Nisha Chothani	28,125	2,81,250	--	29-04-2005	Kishore Mohta	56,250	5,62,500	--	17-06-2005	Shrikant Mohta	50,850	25,42,500	20,34,000	17-06-2005	Mahendra Soni	47,250	23,62,500	18,90,000	17-06-2005	Prashant Chothani	61,475	30,73,750	24,59,000	17-06-2005	Nisha Chothani	61,475	30,73,750	24,59,000	17-06-2005	Kishore Mohta	66,950	33,47,500	26,78,000	18-01-2006	Shrikant Mohta	6,500	6,50,000	5,85,000	18-01-2006	Prashant Chothani	4,250	4,25,000	3,82,500	18-01-2006	Nisha Chothani	4,250	4,25,000	3,82,500	18-01-2006	Kishore Mohta	5,000	5,00,000	4,50,000	31-03-2007	Shree Venkatesh Films Pvt. 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31-03-2007	Shree Venkatesh Films Pvt. Ltd.	73,240	36,62,000	29,29,600																																																																																																																					
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31-03-2007	Shrikant Mohta	31,700	15,85,000	12,68,000																																																																																																																					
31-03-2007	Mahendra Soni	440	22,000	17,600																																																																																																																					
31-03-2007	Celebrities Management Private Limited	2,58,800	1,29,40,000	1,03,52,000																																																																																																																					
31-03-2007	Sangeet Television Network Private Limited	57,400	28,75,000	22,96,000																																																																																																																					
24-05-2007	Shree Venkatesh Films Pvt. Ltd.	900	45,000	36,000																																																																																																																					

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<p>on 10/04/2008 was made to Sahara India Group of Companies. Therefore, the Petitioner Companies should clarify before the Hon'ble NCLT, Mumbai Bench, that Petitioner Companies are not being probed by any government agencies including SEBI.</p>	24-05-2007	Prashant Chothani	8,750	4,37,500	0,000
	24-05-2007	Nisha Chothani	8,750	4,37,500	3,50,000
	10-04-2008	Sahara India Commercial Corpn. Ltd.	20,500	4,878	9,97,95,000
		Total	9,48,500		13,15,15,000
	<p>Hence, total security premium received is Rs.13,15,15,000/- which confirms with the Balance Sheet as on 31/03/2022.</p> <p>On 28<sup>th</sup> March, 2008, the Sahara India Commercial Corporation Ltd. acquired 4,10,000 Equity Shares of the Company from the existing shareholders, which comprised 35% of the issued, subscribed and paid-up capital from the Promoters of the Company.</p> <p>As on 31<sup>st</sup> March, 2008, the Promoters were holding 65% and the Sahara India Commercial Corporation Ltd. (who were acting as Investor and hereinafter referred to as 'Investor') was holding 35% of the issued, subscribed and paid-up capital of the Company.</p> <p>On 3<sup>rd</sup> April, 2008 Share Subscription cum Share Purchase cum Shareholders' Agreement was entered into between the Promoters and Sahara India Commercial Corporation Ltd. According to the said Agreement the Company and Promoters were proposing to launch one (1) additional regional music channel on the terms mutually decided with the Investor. Under the terms decided, the Investor had agreed to acquire additional 16% Equity Shares thereby increasing its</p>				

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		<p>holding to 51% of the issued, subscribed and paid capital. Additional acquisition was –</p> <p>(i) 1,38,933 Equity Shares from the selling Promoters for a total consideration of Rs.1,48,99,300/- i.e. at Rs.107.25 per share; and</p> <p>(ii) 20,500 Equity Shares on a preferential basis for a total consideration of Rs.10,00,00,000/- i.e. at Rs.4,878/- per share.</p> <p>On 10/04/2008, 20,500 shares were allotted on preferential basis at an agreed price of Rs.4,878/- per share.</p> <p>The entire transactions were at negotiated price and the assessment for FY 2007-2008 in which the aforesaid transaction had taken place, was assessed by the Income Tax authority. No details were called for by the Income Tax Authority u/s 68 of the Income Tax Act, 1961.</p> <p>Since the Sahara India Commercial Corporation Ltd. (Investor) was not in a position to bring further finance, in the year 2010 it decided to quit and offered its entire holding to the existing Promoters. For the purpose ‘Share Sale Agreement’ was entered into between the Promoters and the Investor on 30<sup>th</sup> March, 2010. The shares were purchased by the Promoter on 30<sup>th</sup> March, 2010 at Rs.375.92 per Equity Share and 26,265 Preference Shares of Rs.10/- each were purchased at par i.e. Rs.10/- per share. Details of the said purchases are as under:</p> <table border="1" data-bbox="730 1809 1449 1906"> <thead> <tr> <th data-bbox="730 1809 963 1906"></th> <th data-bbox="963 1809 1267 1906">No. of shares</th> <th data-bbox="1267 1809 1449 1906">Total (Rs.)</th> </tr> </thead> <tbody> <tr> <td data-bbox="730 1906 963 1906"></td> <td data-bbox="963 1906 1267 1906"></td> <td data-bbox="1267 1906 1449 1906"></td> </tr> </tbody> </table>		No. of shares	Total (Rs.)			
	No. of shares	Total (Rs.)						



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Name of Transferee	Preference Shares	Equity Shares	
Shree Venkatesh Films	13,236	2,20,963	8,31,96,192
Prashant Chothani	2,034	37,483	1,41,12,599
Ms. Nisha Chothani	2,034	37,483	1,41,12,599
Celebrities Management Pvt. Ltd. (CMPL)	8,961	1,68,870	6,35,78,610
<b>Total:</b>	<b>26,265</b>	<b>4,64,799</b>	<b>17,50,00,000</b>

Hence, the Investor existed with much more amount than it had invested.

In light of the above, it is clear that the entire transactions of transfer and issue of shares to Investor on preferential basis and after a period of two years that is on 30<sup>th</sup> March, 2010 exit of the said Investor was legal and most bonafide.

More than 15 years has elapsed since the aforesaid issue/transfer of shares to Investor and his exit from the Company; and the Company has no relation whatsoever with Sahara India Group nor the Company has received any notice from or any authority/ government agency including SEBI has initiated any probe in absence of any relation with Sahara India group.

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<p>The Regional Directors has also filed Supplementary Report in connection with the aforesaid para 2(j), which reads as under:</p> <p>“The Petitioner Company has clarified that they have no relation with Sahara India Group nor the Company has received any notice from any Authority/ Government Agency including SEBI in connection with any payables to Sahara India group.</p> <p>It is further observed that the Company has issued equity shares at a premium of Rs.4878/- on 10/04/2008 whereas in one year past i.e. on 24/05/2007, the Demerged Company has allotted equity shares at Rs.40/- premium per share. It shows huge difference in valuation of shares within a gap of one year and subsequently shares were transferred to other existing shareholders at difference valuation.</p> <p>Since the subject matter of valuation of shares, tax incidence in hand of issuer unlisted company beyond fair value and purchase of shares by existing shareholders at price below the fair value of shares attract the incidence of income tax and falls under the domain of income tax department in this regard.</p>	<p>The share transactions as referred to in Supplementary Report was at negotiated price. Further, the allotment of shares made in the financial year 2005-2006 were at a premium of Rs.90/- and in financial year 2006-2007 were at a premium of Rs.40/- per share. The said allotments were to Promoters and existing shareholders of the Company. The shares were issued/ allotted each time was based not only financials of the Company but also factor such as business prospectus, present working, business plans, etc. Further, the entry of Sahara India Commercial Corporation Ltd. (hereinafter ‘the Investor’) were in two stages. In first stage the Investor acquired 35% of the capital of the Demerged Company from the existing shareholders of the Company in the year 2008 (on 20/03/2008). In second stage, when the Investor agreed to take 51% of the capital to part finance the launching of other channels, they partially acquired shares from existing shareholders at a negotiated price of Rs..107.25/- per share. Only a fraction of 2.16% comprising of 20,500 shares were allotted at a premium of Rs.4,868/- per share so that maximum amount flows into the Demerged Company rather going in individual accounts of the existing shareholders. However, in the year 2010, when the Investor left the Demerged Company, the Investor sold 4,64,799 Equity Shares to the Promoters of the Demerged Company at Rs.375.92/- per shares + 26,265 Preference Shares of Rs.10/- each at Rs.10/- per share, aggregating in all Rs.17,50,00,000/-. Thus, the</p>
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<p>It is further submitted that CBDT has nominated following nodal officer to give comments in Section 230-232 matter before NCLT therefore Principal Income Tax Commissioner Office may be asked to submit its reply/comments in this matter as matter falls under domain Income Tax Department.”</p>	<p>Investor brought around Rs.14,76,51,067/- in 2008 and departed with Rs.17,50,00,000/- in 2010.</p> <p>All these transactions were at negotiated price. A copy each of the Share Subscription-cum-Share Purchase-cum-Shareholders’ Agreement dated 3<sup>rd</sup> April, 2008 and Share Sale Agreement dated 30<sup>th</sup> March, 2010 were annexed to Affidavit to the Rejoinder as Annexure A and C.</p> <p>Assessment of financial years during which the said transactions had taken place i.e., 2007-2008 and 2008-2009 were assessed by the Income Tax Authorities.</p> <p>The said assessment of the aforesaid financial years in which the said transactions were effected i.e. 2007-2008 and 2008-2009 are now time barred under Section 149 of the Income Tax Act, 1961.</p> <p>The Demerged Company in pursuance to the directors of this Hon’ble Tribunal have already served notices twice upon the Income Tax Department but there has been no response and therefore, the Demerged Company is in compliance of Section 230(5) of the Companies Act, 2013. In any case, it is settled law that the rights and contentions of all regulatory authorities shall always remain open against the Demerged Company as it the Scheme was never made. Hence, comments made by Regional Director in his Supplemental Affidavit should not come in the way of making the proposed Scheme absolute.</p>
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2(k)	<p>Form BEN-2 filed by Petitioner Demerged Company for Celebrities Management Pvt. Ltd. regarding declaring names of significant beneficial owner under compliance with the provisions of Section 90 of the Companies Act, 2013 r/w Companies (Significant Beneficial Owners) Amendment Rules, 2019:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 20%;">Petitioner Company</th> <th style="width: 30%;">Shareholder</th> <th style="width: 50%;">Remarks</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">Media Worldwide Ltd. or 'the Demerged Company'</td> <td style="padding: 2px;">Celebrities Management Pvt. Ltd.</td> <td style="padding: 2px;">From BEN-2 filed</td> </tr> <tr> <td style="padding: 2px;"></td> <td style="padding: 2px;">SVF Entertainment Pvt. Ltd.</td> <td style="padding: 2px;">Form BEN-2 not filed</td> </tr> <tr> <td style="padding: 2px;">Music Network India Pvt. Ltd. or 'the Resulting Company'</td> <td style="padding: 2px;">Media Worldwide Ltd.</td> <td style="padding: 2px;">Form BEN-2 not filed.</td> </tr> </tbody> </table> <p style="margin-top: 10px;">Further, Petitioner Demerged Company have not filed Form BEN-2 for SVF</p>	Petitioner Company	Shareholder	Remarks	Media Worldwide Ltd. or 'the Demerged Company'	Celebrities Management Pvt. Ltd.	From BEN-2 filed		SVF Entertainment Pvt. Ltd.	Form BEN-2 not filed	Music Network India Pvt. Ltd. or 'the Resulting Company'	Media Worldwide Ltd.	Form BEN-2 not filed.	<p>The Petitioner Companies undertake to comply with the provisions of Section 90 of the Companies Act, 2013 r/w the Companies (Significant Beneficial Owners) Amendment Rules, 2019 and the Petitioner Companies undertake to file pending Form BEN- 2 with the concerned Registrar of Companies.</p>
Petitioner Company	Shareholder	Remarks												
Media Worldwide Ltd. or 'the Demerged Company'	Celebrities Management Pvt. Ltd.	From BEN-2 filed												
	SVF Entertainment Pvt. Ltd.	Form BEN-2 not filed												
Music Network India Pvt. Ltd. or 'the Resulting Company'	Media Worldwide Ltd.	Form BEN-2 not filed.												

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	<p>Entertainment Pvt. Ltd. and Petitioner Resulting Company have not filed Form BEN-2 for Media Worldwide Ltd. and not complied with the provisions of Section 90 of the Companies Act,2013 r/w Companies (Significant Owners) Amendment Rules, 2019, hence Petitioner Companies shall undertake to file Form BEN-2 for declaring the name of the significant beneficial owner with concerned ROC.</p>	
2(1)	<p>The Petitioner Companies has submitted information on letter head of Shri Upendra Shukla, PCS, dated 20<sup>th</sup> June, 2022 submitted statement of assets and liabilities inter alia mentioned assets of Rs.4,90,95,704/- with NIL liabilities, which will be transferred to Resulting Company in respect of Demerged Undertaking. Therefore, both Petitioner Companies should undertake to service all creditors and liabilities on effective date of the scheme.</p>	<p>The Petitioner Companies undertake to service all creditors and liabilities as on the effective date of the Scheme.</p>

11. The observations made by the Regional Director in his Report dated 31<sup>st</sup> January, 2023 and Supplementary Report dated 1<sup>st</sup> June, 2023 have been explained by the Petitioner Companies in paragraph 10 above. Mr. Altap Shaikh, Authorized Representative of the Office of the Regional Director, Western Region, Mumbai, who is present at the time of final hearing, has submitted that the explanations and clarifications given by the Petitioner Companies are found satisfactory and that they have no objection for approving the Scheme by the Tribunal. In the light of the same, the clarifications and undertakings given by the Petitioner Companies are taken on record by us.
12. The Learned Counsel for the Petitioner Companies submits that the sanction of the Scheme will not adversely affects the rights of the Income-tax Department for any past, present or future proceedings. The Income-tax Department will be at liberty to take appropriate action as per law in case of an event of any tax avoidance or violation of Income-tax law or any other similar issue.
13. From the material on record, the Scheme appears to be fair and reasonable and is neither violative of any provisions of law nor is it contrary to public policy.
14. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petition CP (CAA) No.69/ MB/ 2022 filed by the Petitioner Companies is made absolute in terms of prayer clause 27 of the

Company Scheme Petition and the Scheme is hereby sanctioned.

15. The Petitioner Companies are directed to submit a certified copy of this Order along with a copy of the Scheme with the concerned Registrar of Companies, electronically in Form INC-28 within 30 days from the date of issue of the Order by the Registry, duly certified by the Deputy/Assistant Registrar of this Tribunal.
16. The Petitioner Companies are directed to submit a copy of this Order along with a copy of the Scheme duly certified by the Deputy Registrar/Assistant Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable within 60 working days from the date of receipt of certified copy of the certified order from the Registry of this Tribunal.
17. All concerned regulatory authorities to act on a copy of this Order duly certified by the Deputy/Assistant Registrar of this Tribunal, along with a copy of the Scheme.
18. The Appointed Date is 1<sup>st</sup> April, 2021.
19. Any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary.
20. Any concerned Authorities are at liberty to approach this Tribunal

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for any further clarification as may be necessary.

21. Ordered accordingly.

**SD/-**

**MADHU SINHA**  
**HON'BLE MEMBER (T)**  
/Aakansha/

**SD/-**

**K. R. SAJI KUMAR**  
**HON'BLE MEMBER (J)**