

**IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL
BENCH AT CHANDIGARH**

**CA (CAA) No. 11/Chd/Hry/2024
(1st Motion)**

**Under Sections 230 to 232 of the
Companies Act, 2013 read with
Companies (Compromise,
Arrangements and Amalgamations)
Rules, 2016**

IN THE MATTER OF SCHEME OF ARRANGEMENT AND DEMERGER OF:

SARLA HOLDINGS PRIVATE LIMITED

Regd office: Pathways School Gurgaon, Gate No. 01, Baliawas,
Gurgaon-Faridabad Road, Sector 45, Gurgaon, Haryana - 122003
CIN: U70101HR2001PTC114812

... APPLICANT COMPANY NO. 1/ DEMERGED COMPANY

And

RPJ HOLDINGS PRIVATE LIMITED

Regd office: C/O Sarla Holdings Pvt Limited, Ansal Aravali, Badshahpur,
Gurgaon, Haryana - 122002
CIN: U65999HR2023PTC109157

... APPLICANT COMPANY NO. 2 / RESULTING COMPANY NO. 1

With

PRJ VENTURES PRIVATE LIMITED

Regd office: Pathways School Gurgaon, Gate No.01, Baliawas,
Gurgaon-Faridabad Road, Haryana - 122003
CIN: U80902HR2023PTC108867

... APPLICANT COMPANY NO. 3 / RESULTING COMPANY NO. 2

With

PJ GREEN FARMS PRIVATE LIMITED

Regd office: Pathways School Gurgaon, Gate No. 01, Baliawas,
Gurgaon-Faridabad Road, Haryana - 122003
CIN: U01500HR2023PTC109822

... APPLICANT COMPANY NO. 4 / RESULTING COMPANY NO. 3

Order delivered on: 25.04.2024

**Coram: HON'BLE MR. HARNAM SINGH THAKUR, MEMBER (JUDICIAL)
HON'BLE MR. L. N. GUPTA, MEMBER (TECHNICAL)**

Present:-

For the Applicant Companies: Mr. Atul V Sood, Advocate

Per: Mr. Harnam Singh Thakur, Member (Judicial)
Mr. L.N. Gupta, Member (Technical)

ORDER

This is a Joint First Motion Application filed by Applicant Companies namely; **SARLA HOLDINGS PRIVATE LIMITED** (referred to as “Applicant Company 1/Demerged Company”) and **RPJ HOLDINGS PRIVATE LIMITED** (referred to as “Applicant Company 2 / Resulting Company No. 1”), and **PRJ VENTURES PRIVATE LIMITED** (referred to as “Applicant Company 3 / Resulting Company No. 2”), and **PJ GREEN FARMS PRIVATE LIMITED** (referred to as “Applicant Company 4 / Resulting Company No. 3”) under Section 230-232 of the Companies Act, 2013 (the Act) and other applicable provisions of the Act read with Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016 (the Rules) in relation to the Scheme of Arrangement for demerger of Sarla Holdings Private Limited (referred to as the Demerged Company) and RPJ Holdings Private Limited and PRJ Ventures Private Limited and PJ Green Farms Private Limited (referred to as the Resulting Companies). The said Scheme is attached as Annexure A-1 with the Application.

2. The Applicant Companies have prayed for dispensing with the requirement of convening the meetings of shareholders, secured and unsecured creditors of the Applicant Companies .
3. The Demerged Company is a private limited company incorporated on July 25, 2001 under the Companies Act, 1956 bearing CIN

U70101HR2001PTC114812 having its registered office at Pathways School Gurgaon, Gate No. 01, Baliawas, Gurgaon-Faridabad Road, Gurgaon, Haryana - 122003. The Applicant Company 1/Demerged Company is an unlisted Private Limited company and runs 5 educational institutions and also engaged in agriculture business through farming and cultivations.

4. The Resulting Company No. 1 is a private limited company incorporated on January 12, 2023 under the Companies Act, 2013 ("the Act") with CIN: U65999HR2023PTC109157 having its registered office at C/o Sarla Holdings Private Limited Ansal Aravali, Badshahpur, Gurgaon Haryana 122002. The Resulting Company is a wholly owned subsidiary of the Demerged Company. The Applicant Company 2/Resultant Company 1 is an unlisted private limited company and presently engaged in the business of, *inter alia*, Education.

5. The Resulting Company No. 2 is a private limited company incorporated on January 03, 2023 under the Companies Act, 2013 ("the Act") with CIN: U80902HR2023PTC108867 having its registered office at Pathways School, Gurgaon, Village Baliawas, Haryana-122003, India. The Resulting Company is a wholly owned subsidiary of the Demerged Company. The Applicant Company 2/Resultant Company 1 is an unlisted private limited company and presently engaged in the business of, *inter alia*, Education.

6. The Resulting Company No. 3 is a private limited company incorporated on March 11, 2023 under the Companies Act, 2013 ("the Act") with CIN: U01500HR2023PTC109822 having its registered office at Pathways School, Gurgaon, Village Baliawas, Haryana-122003, India. The Resulting Company is a wholly owned subsidiary of the Demerged Company. The Applicant Company

2/Resultant Company 1 is an unlisted private limited company and is presently engaged in the business of, *inter alia*, Agriculture, Farming & Horticulture.

7. It is submitted that the registered offices of the Applicant Company No. 1, Applicant Company No. 2, Applicant Company No. 3 and Applicant Company No. 4 are situated at the same address and are within the State of Haryana, therefore, the territorial jurisdiction of Applicant Companies falls with this Bench.

8. The Share Capital of Applicant Company No.1/ Demerged Company as on 31.01.2024 is as follows:-

Particulars	Amount in Rs.
<u>Authorised Capital</u>	
46,00,000 Equity Shares of Rs.100/- each	46,00,00,000
Total	46,00,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
1867265 Equity Shares of Rs.100/- each	18,67,26,500
Total	18,67,26,500

The Share Capital of Applicant Company No.2/ Resulting Company No.1 as on 31.01.2024 is as follows:-

Particulars	Amount in Rs.
<u>Authorised Capital</u>	
550000 Equity Shares of Rs.100 /- each	5,50,00,000
Total	5,50,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
100 Equity Shares of Rs.100/- each	10,000
Total	10,000

The Share Capital of Applicant Company No.3/ Resulting Company No.2 as on 31.01.2024 is as follows:-

Particulars	Amount in Rs.
<u>Authorised Capital</u>	
550000 Equity Shares of Rs.100 /- each	5,50,00,000
Total	5,50,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
100 Equity Shares of Rs.100/- each	10,000
Total	10,000

The Share Capital of Applicant Company No.4/ Resulting Company No.3 as on 31.01.2024 is as follows:-

Particulars	Amount in Rs.
<u>Authorised Capital</u>	
550000 Equity Shares of Rs.100/- each	5,50,00,000
Total	5,50,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
100 Equity Shares of Rs.100/- each	10,000
Total	10,000

9. The rationale of the “Scheme” as submitted by the Applicant Companies is given below: -

- a. Facilitate creation of a separate, focused entity to take advantage of the future emerging opportunities in the school segment. The separate entity for each of the Demerged Undertakings shall more effectively and efficiently cater to the independent growth plan for the School Undertaking and Agriculture Business Undertaking and its future value recognition, expansion and diversification.
- b. Additionally, each of the Demerged Undertaking have distinct resource requirements and challenges to expand and grow. Developing the Demerged Undertaking would need access to capital through various structured and innovative routes. The housing of School Undertakings and Agriculture Business Undertaking in separate entities shall provide flexibility for future

fund-raising capability through strategic/financial partnership(s).

- c. It shall provide greater management focus and speedy decision process to achieve strategic advantage in the separate entities.
- d. It shall provide greater transparency and visibility on the operations and financial performances of each of the Demerged Undertaking as well as accountability with autonomy for each School Undertaking and Agriculture Business Undertaking.

10. It is stated that the Board of Directors of the Demerged Company and the Resulting Companies, in their meetings held on 02.01.2024, have considered and unanimously approved the "Scheme" subject to the sanction of the same by this Tribunal. The copies of the Board Resolutions of the Demerged Company and the Resulting Companies are part of Annexures A-14.

11. The appointed date of the Scheme is 01.04.2023 as defined in Part-I, Clause 1 sub clause iv of Scheme of Arrangement and Demerger which is attached as Annexure A-1 of the Application.

12. It is submitted that the Scheme of Arrangement and Demerger (Annexure A-1) also takes care of the interest of the staff/workmen and employees of the Applicant Companies, by virtue of Clause 9.1, 9.2 and 9.3 of the Scheme.

13. It is stated that the Applicant Companies have filed the audited financial statements as at 31.03.2023 as Annexure- A-3, Annexure A-6, Annexure A-9 and Annexure A-12, along with provisional financial statements as on 31.12.2023, with the application which are attached as Annexure- A-4, Annexure A-7, Annexure A-10 and Annexure A-13 of the application respectively.

14. It is further submitted that in pursuance to Section 230 and Section 232 of the Act, the Applicant Companies have filed the certificate dated 01.01.2024 issued by the Statutory Auditor of the Applicant Companies certifying that the Scheme is in compliance with the Accounting Standards under Section 133 of the Act which is attached as Annexure A-36 of the application.

15. It is further submitted by the counsel for Applicant Companies that the valuation report has been submitted by Mr. Manuj Singhal, IBBI Registered Valuer, having Regn. No. IBBI/RV/05/2018/10425 which is attached as Annexure A-37 of the application. As per the valuation report dated 01.01.2024 the following share exchange ratio has been proposed :-

- a. *In consideration for the demerger of Demerged Undertaking, RPJ Holdings Private Limited ("RHPL") proposes to issue 1 (One) equity share having face value of INR 100 (Rupees Hundred) each, credited as fully paid up, for every 1 (one) fully paid up equity share of INR 100 (Rupees Hundred) each of SHPL.*
- b. *In consideration for the demerger of Demerged Undertaking, PRJ Ventures Private Limited ("PVPL") proposes to issue 1 (One) equity share having face value of INR 100 (Rupees Hundred) each, credited as fully paid up, for every 1 (one) fully paid up equity share of INR 100 (Rupees Hundred) each of SHPL.*
- c. *In consideration for the demerger of Demerged Undertaking, PJ Green Farms Private Limited ("PGFPL") proposes to issue 1 (One) equity share having face value of INR 100 (Rupees Hundred) each, credited as fully paid up, for every 2 (two) fully paid up equity share of INR 100 (Rupees Hundred) each of SHPL.*

16. It is deposed by way of affidavits furnished by authorized signatories of the Applicant Companies that there are no material investigations or

proceedings pending against the Applicant Companies under the Companies Act, 2013 or any other provision of law which have a material adverse effect on the sanction of the Scheme. There are no material legal proceedings against the Applicant Companies under applicable laws that adversely impact the sanction of the Scheme. (Annexure A-39 of the Application).

17. It is further deposed by the authorized representatives of Applicant Companies that the Applicant Companies are not regulated or governed by any sectoral regulators such as the Securities and Exchange Board of India (SEBI), Reserved Bank of India, Competition Commission of India (CCI), or any other Sectoral Regulator. The aforesaid affidavit has been attached as (Annexure A-38 of the Application).

18. It is deposed by the way of affidavit that the present Scheme of Arrangement and Demerger does not involve the reduction of share capital and that the Scheme does not provide for any arrangement with the outside creditors and thus thereby Corporate Debt restructuring is not applicable to the Scheme (Annexure A-39 of the Application).

19. It is further stated that the Scheme does not envisage any buyback of shares. None of the Applicant Companies hold any public deposit, as on the date of the application.

20. The Applicant Companies have furnished the following documents:-

- a) Proposed Scheme (Annexure A-1 of the application).
- b) The Certificates of Incorporation along with Memorandum and Articles of Association of Applicant Companies. (Annexures P-2, P-5, P-8 & P-11, respectively of the Application)

- c) List of Equity Shareholders of Applicant Company No.1/Demerged Company along with consent affidavits (Annexures A-15 and A-16 of the application).
- d) List of Secured and Unsecured Creditors of Applicant Company No. 1/Demerged Company duly certified by Chartered Accountants along with consent affidavits of creditors (Annexures A-17, A-19 and A-18, A-20 respectively of the application).
- e) List of Equity Shareholders of Applicant Company No. 2/Resulting Company No. 1 along with consent affidavits (Annexure A-21 and A-22 of the application).
- f) List of Unsecured Creditors of Applicant Company No. 2/Resulting Company No. 1 duly certified by Chartered Accountants along with consent affidavits of creditors (Annexures A-24 and A-25 of the application).
- g) List of Equity Shareholders of the Applicant Company No. 3/Resulting Company No. 2 along with consent affidavits (Annexures A-26 and A-27 of the application).
- h) List of and Unsecured Creditors of Applicant Company No. 3/Resulting Company No. 2 duly certified by Chartered Accountants along with consent of creditors (Annexures A-29 and A-30 of the application).
- i) List of Equity Shareholders of the Applicant Company No. 4/Resulting Company No. 3 Company along with consent affidavits. Annexures A-31 and A-32 of the application).

- j) List of and Unsecured Creditors of Applicant Company No. 4/Resulting Company No. 3 duly certified by Chartered Accountants along with consent of creditors by affidavits (Annexures A-34 and A-35 of the application).
- k) Certificates of Statutory Auditors to the effect that accounting treatment proposed in the Scheme is in conformity with Section 133 of the Act (Annexures A -36 of the application).
- l) Proposed scheme along with exchange ratio (Annexure A-1 of the application).
- m) Audited Financial Statements as on 31.03.2023 of the Applicant Companies (Annexures A-3, A-6, A-9 and A-12 of the application).
- n) Provisional Financial Statements as on 31.12.2023 of the Applicant Companies (Annexures A-4, A-7, A-10 and P-13 of the application).
- o) Affidavit with regard to the Sectoral Regulator of the Applicant Companies (Annexure A-38 of the application).

21. The Applicant Companies have furnished the details of the Equity Shareholders, Preference Shareholders, Secured Creditors, Unsecured Creditors, and Debenture holders as follows:

Name of the Applicant Companies	Shareholders along with their consent				Creditors along with their consent.					
	Equity Shareholder	Consent with calculations	Preference Shareholders	Consent Given	Debenture Holders	Consent with calculations	Secured Creditors	Consent with calculations	Unsecured Creditors	Consent with calculations
Applicant Compan	18	100% in Value	NIL	NA	Nil	NA	2	100% in Value	15	100% in Value

y 1/ Demerged Company										
Applicant Company 2/ Resulting Company 1	2	100% in Value	NIL	NA	Nil	NA	NIL	NA	3	100% in Value
Applicant Company 3/ Resulting Company 2	2	100% in Value	Nil	NA	Nil	NA	Nil	NA	2	100% in Value
Applicant Company 4/ Resulting Company 3	2	100% in Value	Nil	NA	Nil	NA	Nil	NA	3	100% in Value

22. Accordingly, the directions of this Bench in the present case are as under:

I. In relation to Applicant Company No. 1/ Demerged Company:

- a. The meeting of the Equity Shareholders is dispensed with keeping in view the shareholding pattern, financial structure of the company, and the fact that the consents have been received by way of affidavits;
- b. The meeting of Unsecured creditors of the Applicant Company No. 1 has been dispensed with as the consent of all unsecured creditors have been furnished by way of affidavits;
- c. The meeting of secured creditors of the Applicant Company No. 1 has been dispensed with as the consent of secured creditors have been furnished by way of affidavits;

II. In relation to Applicant Company No. 2 /Resulting Company 1:

- a. The meeting of the Equity Shareholders is dispensed with keeping in view the shareholding pattern, financial structure of the company, and the fact that the consent has been received by way of affidavits;
- b. Since there are NIL secured creditors, so there is no scope of any meeting.
- c. The meeting of unsecured creditors of the Applicant Company No. 2 has been dispensed with as the consent of unsecured creditors have been furnished by way of affidavits;

III. In relation to Applicant Company No. 3 / Resulting Company 2:

- a. The meeting of the Equity Shareholders is dispensed with keeping in view the shareholding pattern, financial structure of the company, and the fact that the consent has been received by way of affidavits;
- b. Since there are NIL secured creditors, so there is no scope of any meeting.
- c. The meeting of Unsecured creditors of the Applicant Company No. 3 has been dispensed with as the consent of unsecured creditors have been received by way of affidavits;

IV. In relation to Applicant Company No. 4 / Resulting Company 3:

- a. The meeting of the Equity Shareholders is dispensed with keeping in view the shareholding pattern, financial structure of the company, and the fact that the consent has been received by way of affidavits;
- b. Since there are NIL secured creditors, so there is no scope of any meeting.

- c. The meeting of Unsecured creditor of the Applicant Company No. 4 has been dispensed with as the consent of unsecured creditors have been received by way of affidavits;

23. In view of the above, the First Motion Application stands allowed by giving liberty to the Applicant Companies to file Second Motion Petition with a direction that the Applicant Companies shall make specific prayer for sending notices to the (a) Central Government through Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi, (b) concerned Registrar of Companies; (c) Official Liquidator; and (d) Concerned Income Tax Authorities by disclosing the PAN numbers of all the Applicant Companies in the title of the Second Motion Petition.

Sd/-

(L. N. Gupta)
Member (Technical)

April 25, 2024
PRF/TBG

Sd/-

(Harnam Singh Thakur)
Member (Judicial)