

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH, COURT-III**

**C.P. (CAA)/25/MB/C-III/2024
CONNECTED WITH
C.A. (CAA)/239/MB/C-III/2023**

In the matter of the Companies Act,
2013

And

In the matter of Sections 230 to 232
and other applicable provisions of
the Companies Act, 2013 and Rules
framed thereunder as in force from
time to time;

And

In the matter of **Scheme of
Arrangement (Demerger)** of
SYNDROME TECHNOLOGIES
PRIVATE LIMITED (First Petitioner
Company/ Demerged Company)
AND SYNDROME NEWEDGE
PRIVATE LIMITED (Second
Petitioner Company/ Resulting
Company) and their respective
shareholders (**Scheme**)

**SYNDROME TECHNOLOGIES
PRIVATE LIMITED** a company
incorporated under the Companies
Act, 1956 having its registered office
at Unit no 2B, Sixth Floor, A Wing,
Times Square, Andheri Kurla Road,
Andheri East, Mumbai - 400059,
Maharashtra.

CIN: U72900MH2010PTC202840

... First Petitioner Company /
Demerged Company

**SYNDROME NEWEDGE PRIVATE
LIMITED** a company incorporated
under the Companies Act, 2013
having its registered office at Unit no
2B, Sixth Floor, A Wing, Times
Square, Andheri Kurla Road,
Andheri East, Mumbai - 400059,
Maharashtra.

CIN: U52500MH2022PTC379501

...Second Petitioner Company /
Resulting Company

(Collectively referred to as "Petitioner Companies")

Order Pronounced on 06.06.2024

Coram:

MS. LAKSHMI GURUNG, HON'BLE MEMBER (JUDICIAL)
SH. CHARANJEET SINGH GULATI, HON'BLE MEMBER (TECHNICAL)

Appearances:

For the Petitioners CS Ashish Lalpuria
For the Regional Director Mr. Bhagwati Prasad, Assistant Director for
the Regional Director, Western Region.

*Per: **SH. CHARANJEET SINGH GULATI, MEMBER (TECHNICAL)***

1. Heard the Ld. Professional for Petitioner Companies.
2. The sanction of the Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and the rules framed there under for the Scheme of Arrangement (Demerger) of SYNDROME TECHNOLOGIES PRIVATE LIMITED (First Petitioner Company/ Demerged Company) AND SYNDROME NEWEDGE PRIVATE LIMITED (Second Petitioner Company/ Resulting Company) and their respective shareholders ("Scheme").
3. The Board of Directors of the Petitioner Companies have approved the said Scheme at the respective Board Meetings held on 15.06.2023 which are annexed to the Company Scheme Petition and have approached the Tribunal for sanction of the Scheme.
4. The Appointed Date is **1st April, 2023**.
5. The registered offices of the Petitioner Companies are situated in Mumbai, Maharashtra and hence the subject matter of the Petition is within the jurisdiction of this Bench.
6. **Nature of Business:**
 - 6.1. The Demerged Company is engaged in the business of Systems

Integration & Information Technology services & leasing business.

- 6.2. The Resulting Company is engaged in the business of Systems Integration and Information Technology services.
7. We note that the main business of the demerged Company would be demerged upon sanction of the scheme and only leasing business would remain with the demerged company. Accordingly, the Petitioner Companies have undertaken to place on record the Special Resolution adopting clause 77 of the object clause of Memorandum of Association duly passed in the general meeting. Pursuant to the order dated 23.04.2024, the petitioner companies vide the additional affidavit dated 02.05.2024 submitted the Board Resolution passed by the Demerged Company for carrying leasing business at the Board Meeting on 24.08.2011, further it is submitted that, no special resolution was required to be passed for carrying out the aforesaid objects. Also, the Resulting Company further undertakes to comply with all necessary compliances in order to reflect the business of leasing as its main objects in the MoA.
8. The Authorized, Issued, Subscribed and Paid-up Share Capital of the Petitioner Companies as on 31.03.2023 are as under:

8.1. First Petitioner Company/Demerged Company

Particulars	Amount (Rs.)
Authorized Share Capital:	
10,00,000 Equity shares of Rs.10/- Each	1,00,00,000
TOTAL	1,00,00,000
Issued, Subscribed and Paid Up Share Capital	
10,000 Equity shares of Rs.10/- Each	1,00,000
TOTAL	1,00,000

8.2. Second Petitioner Company/Resulting Company

Particulars	Amount (Rs.)
Authorized Share Capital:	
1,00,000 Equity shares of Rs.10/- Each	10,00,000
TOTAL	10,00,000
Issued, Subscribed and Paid Up Share Capital	
10,000 Equity shares of Rs.10/- Each	1,00,000
TOTAL	1,00,000

9. **Rationale of the Scheme:**

The Rationale submitted for the Scheme of Demerger is as follows:

The Scheme provides for the transfer and vesting of “Systems Integration & Information Technology Business Undertakings” from the Demerged Company to the Resulting Company. This arrangement will result in combination of similar business interest, simplification, focused management, streamlining and optimization of the group structure and efficient administration. This Scheme provides for:

- a. Consolidation of the “Systems Integration & Information Technology Business Undertakings” in the Resulting Company which will enable the Resulting Company to improve its business efficiency and the Demerged Company will be able to focus on their Remaining Undertaking;*
- b. The combining of similar business interest into one corporate entity will result in operational synergies, simplification, focused management, streaming and optimization of the group structure and the efficient administration;*
- c. The management will have flexibility to raise investments in leasing business which will be retained by the Demerged Company and investments in Systems Integration & Information Technology Business which will be transferred to Resulting Company.*
- d. There is no adverse impact of the Scheme on the directors, key managerial personnel, promoters, non- promoters, shareholders,*

creditors, vendors and employees of the Demerged Company and the Resulting Company. The Scheme would be in the best interest of the Stakeholders.

10. The Petition has been filed in consonance with the Order dated 07.11.2023 passed in the CA (CAA)/239/MB-III/2023 of this Tribunal.
11. The Tribunal **dispensed the meeting of Equity Shareholders** of the Demerged Company and the Resulting Company on account of Consent Affidavits received from all Equity Shareholders.
12. The Tribunal **dispensed the meeting of Secured Creditor** of the Demerged Company on consideration of the fact that the Consent was received and further direction was given to file the Consent Affidavit along with the petition which the petitioner companies has complied with. There are no secured creditors in the Resulting Company.
13. As per the directions of the Tribunal vide its Order dated 07.11.2023, the **meeting of Unsecured Creditors of the Demerged Company was held** on Tuesday, 26th December, 2023 at 11:00 A.M. and the requisite quorum was present and the Scheme was approved by the all the Unsecured Creditors present of the Demerged Company without modifications. The Chairman Report is annexed to the Company Scheme Petition.
14. The Tribunal **dispensed the meeting of Unsecured Creditors** of the Resulting Company on consideration of the fact that the Consent Affidavits were received from all the Unsecured Creditors of the Resulting Company.
15. **Consideration:**
The Learned Authorised Representative of the Petitioner Companies submits that the entire equity share capital of the Demerged Company and Resulting Company is held by the same set of Shareholders in the same proportion of shareholding. Therefore, upon this Scheme becoming effective and upon vesting of the Demerged Undertaking of the Demerged Company into the

Resulting Company in terms of the Scheme, the Resulting Company will issue and allot 5 (five) fully paid up Equity Shares of Rs. 10/- each of the Resulting Company, credited as fully paid-up for every 1 (One) Equity Shares of Rs. 10/- each, held by such shareholder in the capital of the Demerged Company.

16. The ROC Mumbai in his report dated **5th March, 2024** inter alia has stated that no Inquiry, Inspection, Investigations, Prosecutions and Complaints under Companies Act, 2013 have been pending against the Petitioner Companies. As far as the observations made in para (ii) of the Report is concerned, the Petitioner Companies undertakes to protect the interest of the creditors.

17. The Regional Director has provided following observations / comments:

Para	Observations of the Regional Director vide Report dated 18th March 2024	Reply by the Petitioner Companies vide Rejoinder dated 22nd March 2024
2 b)	<i>In compliance of Accounting Standard-14 or IND-AS 103, as may be applicable, the Resulting company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards including AS-5 or IND AS-8, etc</i>	As far as the observations made in paragraph 2b) of the Report of the Regional Director is concerned, the Petitioner Companies undertake to pass such accounting entries which are necessary in connection with the Scheme to comply with such accounting standards notified under Section 133 of the Companies Act, 2013 as may be applicable to the Petitioner Companies.
2 c)	<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</i>	As far as the observations made in paragraph 2 c) of the Report of the Regional Director is concerned, the Petitioner Companies confirms that the Scheme enclosed to the Company Application and Company

	<i>and there is no discrepancy, or no change is made.</i>	Petition are one and same and there is no discrepancy nor any changes have been made.
2 d)	<p><i>The Petitioner Companies 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.</i></p> <p><i>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.</i></p>	<p>As far as the observations made in paragraph 2 d) of the Report of the Regional Director is concerned, the Petitioner Companies submit that in pursuance of an Order dated 07th November, 2023 passed by this Tribunal in C.A.(CAA) 239/MB-III/2023, the Petitioner Companies under provisions of section 230(5) of the Companies Act 2013 have served notices to (i) Regional Director, Western Region, (ii) Registrar of Companies (iii) concerned Income Tax Authority and (iv) Concerned GST Department via hand delivery and Email and filed Affidavit of Service to that effect. The Petitioner Companies further submit that in pursuance of an Order dated 16th February, 2024 passed by this Tribunal in C.P. (CAA) 25/MB-III/2024 connected with C.A. (CAA) 239/MB-III/2023, the Petitioner Companies under provisions of Section 230(5) of the Companies Act 2013 have served Notices of Final Hearing to (i) Regional Director, Western Region, (ii) Registrar of</p>

		<p>Companies (iii) concerned Income Tax Authority and (iv) Concerned GST Department via hand delivery and Email and have filed Affidavit of Service to that effect. The Petitioner Companies further undertakes that the sanctioning of the scheme will not deter the right of the authorities from dealing with any of the issues arising after giving effect to the scheme and the decision of the authorities will be binding on Petitioner Companies, subject to right of appeal available to the Petitioner Companies under applicable laws.</p>
<p>2 e)</p>	<p><i>As per Definition of the Scheme, "Appointed Date" means the 1st day of April, 2023 or if the Board of the Demerged Company and the resulting Company require any other date or the National Company Law Tribunal modifies the Appointed Date to such other date, then the same shall be the Appointed Date;</i></p> <p><i>"Effective Date" shall mean the date on which certified copy of the Order of the Hon'ble NCLT sanctioning the Scheme is filed with the Registrar of Companies, Maharashtra, Mumbai. Any reference in the Scheme to "upon the Scheme</i></p>	<p>As far as the observations made in paragraph 2 e) of the Report of the Regional Director is concerned, the Petitioner Companies undertake that the Scheme will be effective from the Appointed Date i.e. 1st April 2023, or such other date as may be decided by the National Company Law Tribunal. Further, the Petitioner Companies undertakes to comply with the requirements clarified vide circular no. F, No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs., as may be</p>

	<p><i>becoming effective" or "effectiveness of the Scheme" shall mean the Effective date;</i></p> <p><i>"Record Date" means 5 days following the Effective Date for the purpose of issue of shares in terms of the Scheme.</i></p> <p><i>In this regard, it is submitted that Section 232 (6) of the Companies Act,2013 states that the scheme under this section shall clearly indicate an appointed date from which it shall be effective and the scheme shall be deemed to be effective from such date and not at a date subsequent to the appointed date. However, this aspect may be decided by the Hon'ble Tribunal taking into account its inherent powers.</i></p> <p><i>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.</i></p>	<p>applicable to the Petitioner Companies.</p>
<p>2 f)</p>	<p><i>The Hon'ble Tribunal may kindly seek the undertaking that this Scheme is approved by the requisite majority of members and creditors as per Section 230(6) of the Act in meeting duly held in terms of Section 230(1) read with 7 subsection (3) to (5) of Section 230 of the</i></p>	<p>As far as the observations made in paragraph 2 f) of the Report of the Regional Director is concerned, the Petitioner Companies submits that in pursuance of the Order dated 07th November, 2023 passed by this Tribunal in CA(CAA)239/MB-III/2023, the meeting of the</p>

	<p><i>Act and the Minutes thereof are duly placed before the Tribunal.</i></p>	<p>shareholders and secured creditors of the Petitioner Companies and unsecured Creditors of the Second Petitioner Company, were dispensed with and accordingly no meetings were held and therefore the question of preparation of Minutes does not arise. Further, a meeting of the Unsecured creditors of the First Petitioner Company was convened and held at Unit no. 2B, Sixth Floor, A Wing, Times Square, Andheri Kurla Road, Andheri East, Mumbai - 400059 on 26th December, 2023 at 11.00 a.m. The Chairman appointed for the meeting has filed chairman report on 9th January, 2024 (Refer Exhibit - L in Volume 4 Page no. 540-573 of the petition) stating that the resolution for the approval of Scheme of Arrangement was unanimously approved by the unsecured creditors of the First Petitioner Company.</p>
<p>2 g)</p>	<p><i>Petitioner Companies shall undertake to comply with the directions of the Income Tax Department & GST Department, if any.</i></p>	<p>As far as the observations made in paragraph 2 g) of the Report of the Regional Director is concerned, the Petitioner Companies undertakes that they will comply with the directions of Income Tax department</p>

		& GST Department, if any in accordance with law.
2 h)	<i>The Petitioner Company may be directed to undertake that the present scheme is in compliance with Section 2(19AA) of the Income Tax Act, 1961.</i>	As far as the observation of the Regional Director stated in paragraph 2 h) of his Report is concerned, the Petitioner Companies undertakes that the present scheme of arrangement is in compliance with the Section 2(19AA) of the Income Tax Act, 1961 and the rules framed thereunder.
2 i)	<i>The Hon'ble NCLT may kindly direct the Petitioner Company (Demerged Company) to disclosed the list of Assets & Liabilities to be transferred to Resulting Company.</i>	Apropos the observation of the Regional Director stated in paragraph 2 i) of his report is concerned, the Petitioner Companies submits that the list of assets and liabilities of the Demerged Undertaking to be transferred to Resulting Company have been submitted by the Petitioner Companies to the Regional Director as Annexure F of RD Questionnaire Reply Letter filed on 25th January, 2024. The Petitioner Companies further submits that the list of assets and liabilities of the Demerged Undertaking has been placed on record before the Hon'ble NCLT as Exhibit N of the Petition (Refer Volume 4 Page no. 582 of the

Petition) and an extract of the assets and liabilities are also provided herein below.

Extracts of the Assets and Liabilities of Syndrome Technologies Private Limited:
Demerger Split Syndrome Technologies Private Limited as at 01.04.2023

Particulars		Note No.	As at 1st April 2023	Systems Integration and Information Technology Business Undertaking	Remaining Undertaking
I.	EQUITY AND LIABILITIES				
1	Shareholders' funds				
	(a) Share capital	1	1,00,000		1,00,000
	(b) Reserves and Surplus	2	94,59,57,882		94,59,57,882
	(c) <i>Capital Reserve / (Loss) on Demerger</i>			1,70,88,643	(1,70,88,643)
2	Noncurrent liabilities				
	(a) Long term borrowings	3	43,70,050	43,70,050	-
	(b) Deferred Tax Liability	4	1,02,82,091	-	1,02,82,091
	(c) Other long term Liabilities	5	1,56,90,882	73,88,682	83,02,200
3	Current liabilities				
	(a) ShortTerm borrowings	6	20,34,259	20,34,259	-
	(b) Trade payables	7	39,69,99,309	39,69,99,309	-
	(c) Other Current Liabilities	8	14,70,55,743	14,70,55,743	-
	TOTAL		1,52,24,90,216	57,49,36,686	94,75,53,530
II.	ASSETS				
1	Noncurrent assets				
	(a) Property, plant and equipment and Intangible assets	9			
	(i) Property, plant and equipment		19,97,92,345	1,42,97,473	18,54,94,872
	(b) Noncurrent Investments	10	21,61,44,665	-	21,61,44,665
2	Current assets				
	(a) Inventories	11	4,04,83,172	4,04,83,172	-
	(b) Trade Receivables	12	45,47,30,134	45,47,30,134	-
	(c) Cash and cash Equivalents	13	55,37,01,528	3,70,00,000	51,67,01,528
	(d) Short term Loans and Advances	14	64,02,841	63,22,561	80,280
	(e) Other Current Assets	15	5,12,35,531	2,21,03,346	2,91,32,185
	TOTAL		1,52,24,90,216	57,49,36,686	94,75,53,530

18. The representative of the Regional Director, Western Region has submitted that the explanations and undertakings given by the Petitioner Companies are found to be satisfactory and that the Regional Director has no further objections to the Scheme. However, it is made clear that mere sanctioning of this Scheme will not prevent the Registrar of Companies from taking any action against the Petitioner Companies, in accordance with applicable law.
19. No objections have been received by the Tribunal opposing the Company Scheme Petition nor has any party controverted any averments made in the Company Scheme Petition.
20. The Income Tax Department will be at liberty to examine the aspect of any tax payable because of this scheme and it shall be open to the Income Tax authorities to take necessary action as permissible under the Income Tax Law.
21. Further, effectiveness of this Scheme shall not deter any regulatory authorities to initiate action, proceedings, prosecution, investigation or any regulatory action against the Demerged Company and the Resulting Company.
22. The Statutory Auditors of the Demerged Company and the Resulting Company have examined the Scheme in terms of provisions of Section 230-232 and certified that the accounting treatment contained in the Scheme is in compliance with the applicable accounting standard specified under section 133 of the Companies Act.
23. The shareholders and creditors of the Petitioner Companies are the best judges of their interest. Their decision should not be ordinarily interfered with by the Tribunal as per the decision of Hon'ble Supreme Court in **Miheer H. Mafatlal vs. Mafatlal Industries Ltd [JT 1996 (8) 205]**
24. In view of the foregoing, upon considering the approval accorded by the members and creditors of the Petitioner Companies to the proposed Scheme,

the affidavit filed by the Regional Director, the rejoinder and undertakings of the Petitioner Companies, there appears to be no impediment in sanctioning the present Scheme.

25. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
26. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petition bearing No. C.P.(CAA)/25/MB-III/2024 is approved.

ORDER

27. Consequently, sanction is hereby granted to the Scheme under Sections 230 to 232 of the Companies Act, 2013 with the following directions:
 - a. The Petitioner Companies are directed to file a certified copy of this order along with a copy of the Scheme with the concerned Registrar of Companies, electronically, in e-Form INC-28 within 30 days from the date of receipt of this order, duly certified by the Deputy Registrar or the Assistant Registrar, as the case may be, of this Tribunal.
 - b. The Certified copy of this order be also submitted to all statutory authorities.
 - c. The Petitioner Companies 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 working days from the date of receipt of the certified copy of this order.
28. While approving the Scheme, we clarify that this Order should not, in any way, be construed as an order granting exemption from payment of stamp

duty, taxes or other charges, if any, and payment in accordance with law or in respect of any permission or compliance with other requirements which may be specifically required under any law.

29. The Petitioner Companies shall comply with all the undertakings given by them.
30. The Petitioner Companies shall take all consequential and statutory steps required under the provisions of the Act in pursuance of the Scheme
31. All authorities concerned to act on a copy of this Order along with Scheme duly authenticated by the Deputy Director or Assistant Registrar, National Company Law Tribunal, Mumbai.
32. Any person interested shall be at liberty to apply to this Tribunal in the above matter for any directions that may be necessary.
33. Any concerned authorities are at liberty to approach this Tribunal for any further clarification as may be necessary.
34. Ordered Accordingly. Thus, the Company Scheme Petition with C.P.(CAA)/25/MB/C-III/2024 in CA(CAA)/239/MB/C-III/2023 stands disposed of.

“Files to be Consigned to Records”

Sd/-

CHARANJEET SINGH GULATI
MEMBER (TECHNICAL)

(Saayli, LRA)

Sd/-

LAKSHMI GURUNG
MEMBER (JUDICIAL)