

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
DIVISION BENCH (COURT- I) CHENNAI**

ATTENDANCE CUM ORDER SHEET OF THE HEARING  
HELD ON **16.06.2026** THROUGH VIDEO CONFERENCING

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**PRESENT:** HON'BLE SHRI. SANJIV JAIN, MEMBER (JUDICIAL)  
HON'BLE SHRI. VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

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**APPLICATION NUMBER** : CA(CAA)/95(CHE)/2025  
**PETITION NUMBER** : CP(CAA)/9/CHE/2026  
**NAME OF THE PETITIONER(S)** : Chennai Business Tower Pvt Ltd  
**NAME OF THE RESPONDENTS** :  
**UNDER SECTION** : Sec 230-232 of CA, 2013

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**ORDER**

Present: Ld. Counsel Shri. Ashwin Raman for the Petitioner.

Vide common order pronounced in Open Court, the scheme in CP(CAA)/9/CHE/2026 and CP(CAA)/7(CHE)/2026 is approved.

Both the petitions CP(CAA)/9/CHE/2026 and CP(CAA)/7(CHE)/2026 are disposed of.

**Sd/-**

**(VENKATARAMAN SUBRAMANIAM)**  
MEMBER (TECHNICAL)

MG

Date: 16.06.2026

**Sd/-**

**(SANJIV JAIN)**  
MEMBER (JUDICIAL)

**IN THE NATIONAL COMPANY LAW TRIBUNAL,  
DIVISION BENCH - I, CHENNAI**

**CP(CAA)/9(CHE)2026 in CA(CAA)/95/CHE/2025**

Under Sections 230 to 232 of the Companies Act, 2013

In the matter of *Scheme of Amalgamation*

Of

**CHENNAI BUSINESS TOWER PRIVATE LIMITED,**  
A COMPANY INCORPORATED UNDER COMPANIES ACT, 1956,  
HAVING ITS REGISTERED OFFICE AT, 110,  
MOUNT POONAMALLEE ROAD, PORUR,  
CHENNAI, TAMIL NADU – 600116, INDIA.

*... Petitioner/ Transferor Company*

*Along with*

**CP(CAA)/7(CHE)2026 in CA(CAA)/101/CHE/2025**

Under Sections 230 to 232 of the Companies Act, 2013

**PORUR INFRA ESTATES PRIVATE LIMITED,**  
A COMPANY INCORPORATED UNDER COMPANIES ACT, 2013,  
HAVING ITS REGISTERED OFFICE AT,  
NO. 40/44 SILANTHI KUTTAL, KALATHUR MAIN ROAD,  
CH, KOLATHUR, TIRUVALLUR, AMBATTUR,  
TAMIL NADU – 600099, INDIA.

*... Petitioner / Transferee Company*

*And*

**Their Respective shareholders and creditors**

*Order pronounced on 16<sup>th</sup> June, 2026*

CORAM :

**SANJIV JAIN, MEMBER (JUDICIAL)**  
**VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)**

*For Petitioner : Pawan Jhabakh, Advocates*

*For Regional Director : Avinash Krishnan Ravi, Advocate*

*For Official Liquidator : G.Sreekumari, for the OL  
along with Mr. B.Palani.*

*For Income Tax Department : Rajkumar Jhabakh, Advocate*

**ORDER**

*(Heard through –Hybrid mode–)*

1. Under consideration are two petitions i.e., CP(CAA)/7(CHE)2026 in CA(CAA)/101/CHE/2025 filed by **Porur Infra Estates Private Limited** (hereinafter referred to as “**Transferee Company**”) and CP(CAA)/9(CHE)2026 in CA(CAA)/95/CHE/2025 **Chennai Business Tower Private Limited** (hereinafter referred to as (“**Transferor Company**”) along with their respective shareholders under Section 230-232 of Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the Scheme of Amalgamation (hereinafter referred to as the “**SCHEME**”) proposed by the Companies herein with the Shareholders. The Scheme is appended as “*Annexure –A1*” at *Page Nos. 16 – 47* of CP(CAA)/7(CHE)2026 and *Page Nos. 16 – 57* of CP(CAA)/9(CHE)2026.

## 2. 1<sup>st</sup> Motion Application – In Brief

2.1. The Petitioner Companies had filed the First Motion Application vide CA(CAA)/95/CHE/2025 and CA(CAA)/101/CHE/2025 seeking directions as follows

	EQUITY SHAREHOLDERS	SECURED CREDITORS	UNSECURED CREDITORS	UNSECURED SERIES 1 COMPULSORILY CONVERTIBLE DEBENTURES	UNSECURED SERIES 2 COMPULSORILY CONVERTIBLE DEBENTURES
TRANSFEROR COMPANY	To Dispense with the meeting	To Dispense with the meeting	To Dispense with the meeting	N/A	N/A
TRANSFeree COMPANY	To Dispense with the meeting	N/A	N/A	To Dispense with the meeting	To Dispense with the meeting

2.2 Based on the Application moved under Sections 230-232 of the Companies Act, 2013, this Tribunal, vide common order dated 02.02.2026 in CA(CAA)/95(CHE)/2025 and CA(CAA)/101(CHE)/2025 dispensed with the meetings of equity shareholders, secured creditors, unsecured creditors and unsecured compulsorily convertible debenture holders of the Petitioner Companies.

2.3 Subsequently, the second motion petition CP(CAA)/7(CHE)2026 was filed on 13.02.2026 and CP(CAA)/9(CHE)2026 was filed on 19.02.2026 for the sanction of Scheme of Amalgamation.

2.4 This Tribunal vide order dated 06.03.2026 directed the Petitioner Companies to issue notice to the Regional Director, Registrar of Companies, Income Tax Authorities, Official Liquidator and other

sectoral regulators. The Petitioners were also directed to issue notice in The Indian Express (English) & Daily Thanthi (Tamil) in terms of Rule 7 of the Companies (Companies Arrangements and Amalgamation) Rules, 2016.

2.5 In compliance of the order dated 06.03.2026, the Petitioners filed Affidavit of Service dated 06.05.2026 evidencing proof of service. A perusal of the same discloses that the Petitioner Companies effected paper publications as directed by the Tribunal in The Indian Express (English) & Daily Thanthi (Tamil) on 19.03.2026. It is also seen that notices have been also served to

S.No	Statutory authorities	Date of Notice
1.	Regional Director, Southern Region, Chennai	12.03.2026
2.	Registrar of Companies, Chennai	12.03.2026
3.	Income Tax Department	12.03.2026
4.	Official Liquidator	12.03.2026

### **3. RATIONALE OF THE SCHEME**

3.1. Clause 2 of the Scheme enumerates the object and rationale of the Scheme which is extracted as under:

## **"2. Rationale and purpose of the Scheme**

- a. *The Transferor Company and the Transferee Company belong to Prime Offices Fund (PRIME), a scheme of the Real Estate Strategies Trust, a Category II Alternative Investment Fund registered with Securities and Exchange Board of India with Registration No. IN/AIF2/2324/1432, managed by Nuvama and Cushman & Wakefield Management Private Limited, focusing on commercial real estate investments. As a part of the investment strategy of the scheme, it was envisaged that the businesses of the Transferor Company be carried out by the Transferee Company and hence with the ultimate objective of acquiring the ongoing business carried on by the Transferor Company, the Transferee Company entered into a Share Purchase Agreement dated July 30, 2025 with the erstwhile shareholders of Transferor Company to acquire 100% of the equity shares of the Transferor Company. This acquisition was completed by the Transferee Company on September 24, 2025, as a stepping-stone towards acquisition of the business undertaken by the Transferor Company*
- b. *Pursuant to the above referred acquisition, the Transferor Company became a wholly owned subsidiary of the Transferee Company with effect from September 24, 2025.*

*Thus, with a view to achieve the above-mentioned objective as well as the consolidation of business carried on by the Transferor Company and in order to maintain a simple corporate structure and eliminate duplicate corporate procedures, it is desirable to amalgamate Transferor Company Into the Transferee Company The amalgamation of Transferor Company into the Transferee Company shall also enable effective management and would substantially reduce duplication of administrative costs and responsibilities and multiplicity of records and legal and regulatory compliances.*

*The amalgamation of the Transferor Company into the Transferee Company with effect from the Appointed Date (as hereinafter defined) being the date on which entire share capital of the Transferor Company was acquired by the Transferee Company, is in the interest of the shareholders, creditors, employees and other stakeholders of the Transferor Company and the Transferee Company. Further, there is no likelihood that any creditor of the Transferor Company or the Transferee Company will be prejudiced as a result of the Scheme. The Scheme will neither impose any additional burden on the shareholders of the Transferor Company, nor will it adversely affect the interests of any of the shareholders or creditors of the Transferor Company and Transferee Company. Further, the Scheme is only for merger by absorption of the Transferor Company with the Transferee Company and is not an arrangement with the creditors of any of the entities involved."*

#### **4. SEQUENCE OF EFFECTIVENESS OF THE SCHEME**

4.1. In terms of Clause 5 of the Scheme, upon transfer of the undertaking of the Transferor Company to the Transferee Company, there would not be any issuance of shares since the Transferor Company is a wholly owned subsidiary of the Transferee Company. Clause 5 is extracted as under:

#### **"5. CONSIDERATION**

*5.1. Upon the coming into effect of the Scheme, and in consideration for the transfer of and vesting of the properties, assets, liabilities and undertakings of the Transferor Company in the Transferee Company in terms of this Scheme; the Transferee Company shall not be required to issue any shares, since the entire paid up share capital of the Transferor*

*Company is held by the Transferee Company along with its nominee. Accordingly, all equity shares held by the Transferee Company in the Transferor Company, either individually or jointly through nominee, shall be cancelled."*

4.2. In terms of Clause 6 of the Scheme, the Transferee Company will account for the amalgamation of the Transferor Company in its books as per 'Acquisition Method' prescribed under IND AS 103 on Business Combinations.

4.3. Further, in accordance with Clause 15 of the Scheme, the aggregate of Authorised Share Capital of Transferor Company shall be added to the Authorised Share Capital of the Transferee Company and the Transferee Company shall accordingly increase its Authorised Share Capital and reclassify the shares into equity shares in the Authorised Share Capital of the Transferee Company as on the effective date.

4.4. Clause 17 provides for the dissolution without winding up of the Transferor Company upon the Scheme becoming effective as extracted below:

**"17. DISSOLUTION OF THE TRANSFEROR COMPANY**

*17.1. Pursuant to the Effective Date, the Transferor Company shall, without any further act or deed, matter or thing, stand dissolved without winding up.*

7.2. *Even after the Scheme becomes effective, the Transferee Company shall be entitled to operate all bank accounts relating to Transferor Company and realize all the monies and complete and enforce all pending contracts and transactions in the name of Transferor Company insofar as may be necessary until the transfer and vesting of rights and obligation of Transferor Company to the Transferee Company under this Scheme is formally every by the parties concerned”*

## 5. REGIONAL DIRECTOR

5.1. On issuance of notice, he Regional Director, (hereinafter referred to as ‘RD’) Southern Region, Chennai filed his report on 20.04.2026 vide S.R. No 1732. Relevant observations in the Report are:

Para	Observations
4	<p>Clause 11 of Part C of the Scheme provides as under:</p> <p><i>“11.1 On this scheme coming into effect, all staff, workmen and employees (if any, including those on sabbatical / maternity leave) of the Transferor Company in service on the Effective Date shall stand transferred and vested and / or be deemed to have become staff workmen and employees of the Transferee Company with effect from the Effective Date without any break or interruption in their service and on the terms and conditions not less favourable than those applicable to them with reference to the Transferor Company on the Effective Date. The position rank and designation of the employees would however be decided by the Transferee Company.</i></p> <p><i>11.2 It is expressly provided that, in so far as the gratuity fund, provident fund and superannuation fund (hereinafter referred as “Fund or Funds”) created or existing for the benefit of the staff, workmen and employees of the Transferor Company are concerned, upon the Scheme coming into effect, the Transferor Company shall be substituted by the Transferee Company for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the</i></p>

	<p><i>terms provided in the respective Fund or Funds, if any, to and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such Fund or Funds shall become those of the Transferee Company and all the rights, duties and benefits of the staff, workmen and employees of the Transferor Company under such Fund or Funds shall be protected, subject to the provisions of law for the time being in force. It is clarified that the services of the staff, workmen and employees of the Transferor Company will be treated as having been continuous for the purpose of the Fund or Funds and for other benefits such as long service awards.</i></p> <p><i>11.3 In so far as the Fund or Funds created or existing for the benefit of the employees of the Transferor Company are concerned, upon the coming into effect of this Scheme, balances lying in the accounts of the employees of the Transferor Company in the Fund or Funds as on the Effective Date shall stand transferred from the respective Fund or Funds of the Transferor Company to the corresponding Fund or Funds set up by the Transferee Company."</i></p>
5	<p>Clause 5 of Part B of the Scheme provides as under:</p> <p><i>"Upon the coming into effect of the Scheme, and in consideration for the transfer of and vesting of the properties, assets, liabilities and undertakings of the Transferor Company in the Transferee Company in terms of this Scheme; the Transferee Company shall not be required to issue any shares, since the entire paid up share capital of the Transferor Company is held by the Transferee Company along with its nominee. Accordingly, all equity shares held by the Transferee Company in the Transferor Company, either individually or jointly through nominee, shall be cancelled."</i></p>
6	<p>Clause 15 of Part C of the Scheme provides as under:</p> <p><i>"Upon this Scheme becoming effective, the aggregate of Authorized Share Capital of Transferor Company, as mentioned in Clause 3.1 of Part A shall be added to the Authorized Share Capital of the Transferee Company and the Transferee Company shall accordingly increase its Authorized Share Capital and reclassify the shares into equity shares in the Authorized Share Capital of the Transferee Company as on the effective date, without any further act or deed and without any further payment of the stamp duty or the</i></p>

*registration fees and accordingly the relevant clauses in the Memorandum of Association (MOA) and Articles of Association (AOA) of the Transferee Co relating to the Authorized Share Capital shall, without any further act, instrument or deed be and stand altered, modified and amended.*

*15.2 Pursuant to the scheme, the transferee company shall file the requisite forms with the Registrar of Companies for Alteration of MOA and AOA and increase and/or reclassification of its authorized share capital.*

*15.3 Upon this scheme becoming effective, to enable the transferee company to carry on the business of the transferor company, the relevant main and ancillary objects of the transferor company shall be added to objects of the transferee company in its Memorandum of Association.*

*15.4 Pursuant immediately to the increase of Authorized share capital and the addition of objects as envisaged above, the Memorandum of Association/ Articles of association of transferee company shall automatically stand amended and altered accordingly.*

*15.5 Under the accepted principle of Single Window Clearance, it is provided that the above referred amendment in the Memorandum of Association and Articles of association of the transferee company, viz., change in the authorized share capital clause and change in objects clause shall become operative on the scheme being effective by virtue of the fact that the shareholders of the transferee company, while approving the scheme as a whole, have also resolved and accorded the relevant consents as required respectively under section 13, 14, 61, and 230-232 of Companies Act, 2013 or any other provisions of the act and shall not be required to pass separate resolutions as required under the act.*

*15.6 it is clarified that the approval of the members of the transferee company to the scheme shall be deemed to be their consent/ approval to the increase and/ or the classification to the authorized share capital and change in object clause and consequently alteration of the above to the Memorandum of Association and Articles of association of the transferee company as may be required under the act."*

In this regard, Transferee Company may be directed to pay differential fee, if any, in the event of increase in authorised capital of the company as per section 232 (3)(i) by setting off the fee, if any paid by the transferor Company on its authorised capital subsequent to the

	amalgamation
7	<p>Clause 6 of Part B of the Scheme provides that on the Scheme becoming effective the Transferee Company shall account for the merger in its books of account as under:</p> <p><i>“Upon coming into effect of this Scheme and with effect from the Appointed Date The transferee Company shall account for amalgamation of the transferor Company in its books of accounts the of accounts as per Acquisition Method in compliance with the Indian Accounting Standard 103 on Business Combinations and other Indian Accounting Standard as applicable and notified under Section 133 of the Companies Act. 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 (as amended) in the following manner:</i></p> <p><i>6.1 All the assets and liabilities of the Transferor Company and vested in the Transferee Company pursuant to the Scheme shall be recorded in the books of the Transferee Company at their respective fair values as on the Appointed Date</i></p> <p><i>6.2 Inter-company holdings and balances if any, between the Transferee Company and the Transferor Company shall stand cancelled. Any intercompany balance(s) and inter-company investments, debts, borrowings (secured or unsecured), if any between the Transferor Company and the Transferee Company shall stand cancelled and corresponding effect shall be given in the books of account and the records of Transferee Company for the reduction of any assets or liabilities, as the case may be. There would be no accrual of interest or other charges and there shall be no obligation/outstanding in that behalf in respect of any such intercompany loans, debt. securities or balances with effect from the Appointed Date. 6.3 The difference of the value of net assets recorded by the Transferee Company pursuant to Clause 6.1 after providing for adjustments as stated in Clause 6.2 above shall be recorded as goodwill. Shortfall, if any, shall be recorded as capital reserve</i></p> <p><i>6.4. In case of any difference in accounting policy between the Transferor</i></p>

	<p><i>Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.</i></p> <p><i>6.5 Any matter not dealt with in Clause hereinabove shall be dealt with in accordance with the requirement of applicable Ind AS.”</i></p>
9	Clause 17 provides for Dissolution of the Transferor Company.
10	<p>That ROC Chennai vide report dated 07<sup>th</sup> April 2026 has observed as under:</p> <p>a) A per the audited Balance Sheet of the Transferor company for the year ended 31.03.2024 the independent auditor has opined that undisputed statutory dues (GST) amounting to Rs.92,29,09,162/- are pending for the period from July 2017 to July 2021.</p> <p>In this regard, as per Para 4 of Part B of the proposed scheme, it is stated that, all the liabilities, litigations and contingent liabilities (Present, Past or Future) shall be transferred to the Transferee company. Further, the company has acknowledged that, since the litigation matter is currently pending adjudication, the Transferee Company will take appropriate actions based on the outcome of the matter. Hence, Transferee Company may be directed to file necessary undertaking in this regard.</p> <p>b. The Petitioner Companies shall comply with the provisions of section 232 (3)(i) &amp; 240 of the Companies Act, 2013. In this regard, the Petitioner Companies may be directed to undertake to comply with the provisions of Section 240 of the Companies Act, 2013 and</p>

	<p>provisions of Section 232(3)(i) of the Companies Act, 2013.</p> <p>c. In this regard, the Transferee Company may be directed to file amended MoA containing amendment to the Capital Clause for record purposes with the Registrar of Companies, with respect to increase its authorised capital.</p>
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5.2. It is stated by the RD that, after examining the scheme, he has decided not to make any objection to the Scheme of Amalgamation except the submissions made at para 10 of the Report and has left it to this Tribunal to pass order on merits.

5.3. In the Response to the Report of the Regional Director dated 06.05.2025 vide S.R.No. 1994 the Petitioners have submitted as below:

5.3.1. It is stated that in response to the observations of the Regional Director in Clause 10(b) and (c), the Transferee Company undertakes to comply with the provisions of Section 232 (3)(i) and 240 of the Companies Act 2013 and also undertakes to file the revised MoA capturing the amendment to the capital clause concerning the authorized capital post amalgamation.

5.3.2. It is stated that in response to the observations of the Regional Director at Clause 10(a), undisputed statutory dues pending adjudication, would be taken over by the Transferee Company, and the Transferee Company shall defend in accordance with law. The

Transferee Company undertakes to adopt appropriate action in accordance with law based on the outcome of such legal proceedings.

## 6. OFFICIAL LIQUIDATOR

6.1. The Official Liquidator, (*hereinafter referred to as 'OL'*) has filed the Report on 21.04.2026 vide S.R. No. 1774. It is stated that the Scheme involves the merger of the wholly owned subsidiary with the holding company. The observations made by the OL in his Report are as below,

Para	Observations
3(i)	Clauses 1.10(g) and 11.1 of the Scheme seeks to protect all staff, workmen the employees of the Transferor Company only if they are in service as on Effective Date. Hence, this Tribunal may direct the companies to submit an undertaking to this Tribunal to the effect that there would be no retrenchment of any employee who were in service as on Appointed Date (24.09.2025) as well except in the event of their resignation on their own before the Effective Date.
3(ii)	Clause 8.1 (compliance with lax laws) of the scheme provides for the auto modification of content of the scheme, post its sanction by this Tribunal. It is stated that such auto modification of the content of the scheme to be in compliance with Income Tax Law etc., without the previous specific approval / sanction of this Tribunal will be in violation of section 231(1)(b) of the Companies Act, 2013 as every modification / auto modification of the content of the Scheme requires specific approval by this Tribunal. Hence, this Tribunal may

	<p>direct the companies to delete / modify the clauses 8.1 of the scheme by way of amendment to the scheme proposed, so as to ensure that no such auto amendment / modification of the Scheme provided for in the scheme or takes place, post its sanction by this Tribunal or to submit an undertaking to this Tribunal to the effect that such auto modification of the content of the scheme will not be operative automatically or be implemented without specific prior approval of this Tribunal received by the companies under section 231(1)(b) of the Companies Act, 2013.</p>
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6.2. It is stated that the Official Liquidator is of the opinion that the affairs of the Transferor Company appear **to have not been conducted in a manner prejudicial** to the interest of its members or to public interest **subject to representation at para 3 above.**

6.3. In response to the observations made by the OL, the Petitioner Companies have made the following submissions filed on 06.05.2025 vide S.R. No. 1995:

6.3.1. The Petitioner Companies undertake that there would be no retrenchment of any employees who were in service as on the Appointed Date, except only on account of such resignation of Employees on your own prior to the Effective Date. It is stated that the interest of all employees, workman, staff is protected under the Scheme of Amalgamation, and that terms of employment along with all statutory benefits/entitlements, would continue on the same terms

and conditions as what was prevalent prior to the Scheme of Amalgamation.

6.3.2. The Petitioner Companies undertake that there would not be any automatic modification of the terms of the Scheme of Amalgamation or implementation of such modification with approaching and obtaining the prior approval of this Tribunal under section 232 (1) (b) of the Companies Act 2013.

## **7. DEPARTMENT OF INCOME TAX**

7.1. On service of notice, the Office of the Deputy Commissioner of Income Tax, LTU, Circle - 1 entered appearance and submitted its observations by a Memo dated 01.06.2026 vide S.R.No. 2321.

7.2. It is stated that the requirement to send notice to the concerned department is a procedural requirement and as such does not impact the right of the Department to proceed in accordance with the provisions of the Income Tax Act, 1961. It is prayed that this Tribunal may take the objections on record without prejudice to the rights of the Department to take all appropriate proceedings under the provisions of the Income Tax Act, 1961 to protect the interest of the government including the right to reopen the assessment. Therefore, by way of filing of this memo and the report, the Income Tax Department shall not have deemed to waive its rights to undertake all proceedings under the Income Tax Act, 1961. Reliance is placed on the judgement of

the Supreme Court in *Marshall Sons & Co India Ltd Vs Income Tax Officer (AIR 1997SC1763 & MANU/SC/0407/1997)*. It is stated that the Income Tax Department reserves its right to proceed against the Petitioner Companies through independent proceedings under the provisions of the Income Tax Act, 1961 and pass orders in accordance with law. The relevant para 17 of the Judgement is extracted as under:

*"17. We, however, make it clear that we have not expressed any opinion on the plea of the learned Counsel for the Revenue that the amalgamation itself is a device designed to evade the taxes legitimately payable by the subsidiary company. If the Income Tax authorities think that, they are entitled to raise this question in the proceedings under the Income Tax Act, it is open to them to do so by way of a separate proceeding according to law."*

*(emphasis supplied)*

7.3. In the objections to the Scheme Deputy Commissioner of Income Tax, Circle-1, Chennai vide letter has addressed to its Counsel, that all elements of the Undertaking including land, buildings (the "One Paramount" IT complex), plant, machinery, cash, and bank balances- belonging to the Transferor Company immediately before the merger are transferred to the Transferee company from the Appointed Date. Further, all debts, liabilities (including deferred tax liabilities), obligations, and contingent legal proceedings of the Transferor Company are completely assumed by the Transferee Company.

Hence, the conditions of transfer of all assets, properties and liabilities under Section 2(1B) of the Income Tax Act, 1961 are fulfilled.

7.4. It is stated that the Transferor Company is a wholly owned subsidiary of the Transferee Company, the shares of the Transferor Company are cancelled upon the implementation of the Scheme. This is in alignment with tax proceedings, pending appeals, or assessments do not abate or break, but seamlessly move to the Transferee.

7.5. The scheme preserves standard operational continuity clauses ensuring that tax proceedings, pending appeals, or assessments do not abate or break, but seamlessly move to the Transferee.

7.6. It is stated that the Transferor Company owns an operational, 2.4-million-sq.-ft. IT park called One Paramount located on Mount Poonamallee Road in Porur, Chennai. Global asset manager Keppel Ltd (Singapore) purchased 100% of CBTPL's shares in July 2024 for approximately Rs.2,200 crore. The Incoming investor is the PRIME Offices Fund, a domestic Alternative Investment Fund (AIF) co-managed by Nuvama Asset Management and Cushman & Wakefield India (In short Nuvama). To physically execute the purchase, the Nuvama-managed fund incorporated a dedicated local Special Purpose Vehicle (SPV) on 27.06.2025 named Porur Infra Estates Private Limited. In late September 2025, Nuvama's SPV (Porur Infra) bought 100% of the equity shares of CBTPL directly from Keppel Ltd (Singapore). Porur Infra Estates paid Rs.2,550 crore in cash to Keppel. (as per open-source data). Having bought it for Rs.2,200 crore and

selling it for Rs. 2,550 crores, Keppel booked a net profit of approximately Rs. 350 crores in roughly 14 months.

7.7. It is stated that since Keppel is a non-resident Singaporean entity selling shares of an Indian company that derives its value entirely from an asset in Chennai, the transaction triggers Indian domestic tax provisions. Firstly, Keppel held the unlisted shares of CBTPL for less than 24 months, Rs.350 crore gain has to be treated as Short-Term Capital Gains. It is taxed at the slab rate applicable to foreign companies, which stands at 40% plus applicable surcharges and cess (an effective rate hovering around 43.68%). This is taxable in India since 01.04.2019, when the exemption under DTAA was withdrawn by India. Under the amended India-Singapore Double Taxation Avoidance Agreement (DTAA), Singapore entities no longer enjoy a capital gains exemption on share sales in India and Keppel is fully exposed to this tax. Further, the Transferee Company was legally bound to withhold this 40% tax right at the source before sending the balance out of India under Section 195 of the Income tax Act, 1961

7.8. By consolidating the Transferor Company into the investment vehicle, the Transferee Company, Nuvama can seamlessly route the IT park's high rental yields to its fund investors. Concurrently, it uses the unabsorbed depreciation of the real estate assets to aggressively shield those rental profits from corporate income tax, lowering their net domestic tax liability for years to come. This is routine happening in amalgamations and hence not be objected. In case, the tax has not been deducted on the above transaction, provisions of the Act have to be

applied on the lapse. The capital gains have happened prior to this transaction for which the companies have to provide necessary evidence that the same has been offered to tax in India through deduction of tax at source and filing the quarterly returns evidencing the same.

7.9. It is stated that the transaction started in August 2024, when Keppel Ltd completed the acquisition of the company while it was still officially operating under its former name RMZ infinity (Chennai) Private Limited Ltd. In Feb-2025, the official name was changed to Chennai Business Tower Pvt Ltd effective from 03.02.2025 because corporation completely exited its ownership stake during the 2024 transaction. Prior to August 2024, the stake in the real estate property was owned 50% by RMZ Infinity Chennai Pvt Ltd and Millennia Realtors Pvt Ltd which serve as the ultimate holding company for the RMZ group. The remaining 50% stake was held by CPPIB's investment arm (Canada Pension Plan Investment Board (operating commercially as CPP Investments)). In August 2024, Keppel purchased the complete stake and renamed it subsequently as Chennai Business Tower Pvt Ltd. The total consideration paid by Keppel was approximately Rs.2200/-. Since the shares were held by the two above said entities, both entities would have earned Rs.1100 crores each. Whether Keppel deducted taxes at source and whether these two entities paid capital gains tax for the AY 2025-26 in their returns need to be verified. While, Millennia Realtors Pvt Ltd is assessed at Bangalore and the other fund

is a foreign fund and hence the income would be seen from the perspective of DTAA as well.

### **Response of the Petitioners to the report of the Income Tax Department**

7.10. In response to the submissions of the IT Department, the Petitioner Companies undertake to comply with the provisions of the Income Tax Act, 1961 and the rules thereunder and pay any taxes, in accordance with law. Further, the Scheme continues to protect the rights of the Income Tax Department and does not in any manner prejudice the rights of the Income Tax Department. The Petitioner Companies also undertake to make payments of any demands of tax, in accordance with law, and without prejudice to its rights under law.

### **8. VALUATION REPORT**

8.1. Since the Scheme involves the Amalgamation of the wholly owned subsidiary company with a holding company, there is no consideration being issued. Accordingly, there is no valuation report

### **9. ACCOUNTING TREATMENT**

9.1. The Petitioner Companies have stated that the Statutory Auditors of the Petitioner Companies have examined the Scheme and certified that the accounting treatment specified in the Scheme is in accordance with the accounting principles laid down under Section 133 of the Companies Act, 2013. The Auditor's Certificate of the Transferee Company in relation to the Accounting Treatment proposed in the

Scheme of Amalgamation is placed at *Pgs. 224-227* of the Petition as *Annexure A11* of the CP(CAA)/9(CHE)/2026 as *Annexure A11*. The Auditor's Certificate of the Transferee Company in relation to the Accounting Treatment proposed in the Scheme of Amalgamation is placed at *Pgs. 626-629* of the CP(CAA)/7(CHE)/2026 as *Annexure A14*.

## **10. OBSERVATIONS OF THIS TRIBUNAL**

10.1. It is seen that pursuant to the decision of the absorption of the business of the Transferor Company by the Transferee Company, the entire of equity shares of the Transferor Company were purchased by the Transferee Company on 24.09.2025. Ultimately, the control of both the Companies vest with an AIF managed by Nuvuma and Cushman & Wakefield Management Private Limited. The First motion applications CA(CAAA)/101(CHE)2025 was filed on 05.12.2025 and CA(CAAA)/95(CHE)2025 was filed on 27.11.2025. The Appointed Date in the terms of **Clause 1.2** of the Scheme is **24.09.2025** i.e., the date acquisition of the shares of the Transferor Company by the Transferee Company. Hence, the Appointed Date is as per the MCA General Circular number 9/2019 dated 29.08.2019.

## **10.2. REGIONAL DIRECTOR**

10.2.1. The Petitioners have undertaken to comply with the provisions of Section 240 and Section 232(3)(i) of the Companies Act, 2013. They have also undertaken to file the revised Memorandum of Association

(MoA). In view of the same, no further directions are required in this regard.

10.2.2. With respect to the continuance of the pending GST litigations, it is undertaken by the Petitioner Companies that appropriate action will be taken based on the outcome of such legal proceedings. Clause 10 of the Scheme also provides that pending legal proceedings by or against the Transferor Company shall be continue by or against the Transferor Company.

10.2.3. Ld. Counsel for the RD during the hearing held on 25.05.2026 has submitted that in view of the response to the report filed, RD has no further objections. **In view of undertaking submitted by the Petitioner and the submission of the RD, no further directions are required to be issued.**

### 10.3. OFFICIAL LIQUIDATOR

10.3.1. This Tribunal now analyses the objections made by the Official Liquidator (hereinafter, OL) and the submissions made by the Petitioner in this regard.

10.3.2. The Petitioner Companies have undertaken that there shall be no retrenchment of any employee in the Demerged Undertaking or the Transferor Company who was in service as on the Appointed Date, i.e., 24.09.2025, except in the event of voluntary resignation by such employee prior to the Effective Date.

10.3.3. The Petitioner Companies have undertaken that no alteration or modification to the contents of the Scheme shall be made post sanction without the specific and prior approval of this Tribunal. The OL, during the hearing 25.05.2026 submitted that the OL has no further objections. **In view of undertaking submitted by the Petitioners, no further directions are required to be issued.**

#### 10.4. INCOME TAX AUTHORITIES

10.4.1. The Deputy Commissioner of the Income Tax in its letter dated 22.05.2026, has stated that a foreign entity i.e., Keppel Ltd (Singapore) (hereinafter, Keppel) had originally purchased the shares of the Transferor Company for a sum of Rs. 2,200 Crores from RMZ Group and the Canada Pension Plan Investment Board (collectively, erstwhile shareholders). Thereafter, the shares of the Transferor Company were sold to the Transferee Company for Rs. 2,550 Crores i.e., for a profit of Rs. 350 Crores. The profit earned by Keppel is taxable in India. Since Keppel is a foreign company, the Transferee Company, being the party making payment to the foreign entity, was obligated to withhold TDS of 40% before transferring the sale consideration in terms of Section 195 of the Companies Act, 2013.

10.4.2. In this regard, the Petitioners have submitted an undertaking to the effect that the tax liabilities of the Transferor Company will be paid by the Transferee Company on demand.

10.4.3. The Income Tax Department has further contended that the consideration paid to the erstwhile shareholders of the Transferor Company by Keppel may also attract tax liability in India.

10.2.1 In the Company Petition CAA-284/ND/2018 vide Order dated 12.11.2018, the NCLT New Delhi has made the following observations with regard to the right of the IT Department in the Scheme of Amalgamation,

*“taking into consideration the clauses contained in the Scheme in relation to liability to tax and also as insisted upon by the Income Tax and in terms of the decision in RE: Vodafone Essar Gujarat Limited v. Department of Income Tax (2013)353 ITR 222 (Guj) and the same being also affirmed by the Hon’ble Supreme Court and as reported in (2016) 66 taxmann.com.374(SC) from which it is seen that at the time of declining the SLPs filed by the revenue, however stating to the following effect vide its order dated April 15,2015 that the Department is entitled to take out appropriate proceedings for recovery of any statutory dues from the transferor or transferee or any other person who is liable for payment of such tax dues, the said protection be afforded is granted. With the above observations, the petition stands allowed and the scheme of amalgamation is sanctioned.”*

10.2.2 It is seen that while the IT Department has emphasized the statutory obligation of the Transferee Company to deduct TDS, it has not made any submissions regarding the compliance of the same by

the Transferee Company nor has it passed any assessment orders on the taxability of the capital profits earned by Keppel. **Be that as it may, the approval of the Scheme by this Tribunal does create any embargo on the rights of the Income Tax Department to assess the aforesaid transactions and undertake appropriate recovery proceedings in accordance with law.**

**Conclusion:**

10.5. After analyzing the Scheme in detail, this Tribunal is of the considered view that the scheme as contemplated amongst the Petitioner Companies seems to be *prima facie* beneficial to the Company and will not be in any way detrimental to the interest of the shareholders of the Company. In the absence of any other objections having been placed on record before this Tribunal and since all the requisite statutory compliances having been fulfilled, this Tribunal sanctions the Scheme.

10.6. Notwithstanding the above, if there is any deficiency found or, violation committed qua any enactment, statutory rule or regulation, the sanction granted by this Tribunal will not come in the way of action being taken, albeit, in accordance with law, against the concerned persons, directors and officials of the petitioners.

10.7. While approving the Scheme as above, it is clarified that this order should not be construed as an order in any way granting exemption from payment of stamp duty, taxes or any other charges, if

any, payment is due or required in accordance with law or in respect to any permission/compliance with any other requirement which may be specifically required under any law.

**11. THIS TRIBUNAL DO FURTHER ORDER:**

- (i) That the entire business and undertaking of the Transferor Company shall, under the provisions of Section 230 to 232 of the Companies Act, 2013, without further act or deed, be transferred to and vest in or be deemed to have been transferred and vested in the Transferee Company.
- (ii) That all the assets and properties of the Transferor Company, whether movable or immovable, as mentioned in Schedule A of the Scheme, shall be transferred to the Transferee Company, without further deed or instrument of conveyance and accordingly the same become the property of the Transferee Company.
- (iii) That all the debts, liabilities, duties and obligations of the Transferor Company shall be transferred to the Transferee Company and accordingly the same become the liabilities and duties of the Transferee Company.
- (iv) That the Appointed date for the Scheme shall be **24.09.2025** as mentioned in *Clause 1.2* of the Scheme.
- (v) That all proceedings now pending by or against the Transferor Companies be continued by or against the Transferee Company.

- (vi) That all the employees of the Transferor Companies in service from the Appointed Date till the date on which the Scheme finally takes effect, shall become the employees of the Transferee Company without any break or interruption in their service.
- (vii) That the Transferee Company shall file the revised Memorandum and Articles of Association with the Registrar of Companies and further make the requisite payments of the differential fee (if any) for the enhancement of authorized capital of the Transferee Company after setting off the fees paid by the Transferor Companies.
- (viii) That the Transferor Companies and the Transferee Company, shall within thirty days of the date of receipt of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration. That as per *Clause 14* of the Scheme, on such certified copy being so delivered, the Transferor Companies shall be dissolved without the process of winding up and the Registrar of Companies shall place all documents relating to the Transferor Company registered with him on the file kept by him in relation to the Transferee Company and the files relating to the said company shall be consolidated accordingly.
- (ix) That any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary.

**12.** The Scheme is **approved** subject to the directions issued above.

13. Company Petition *CP(CAA)/7(CHE)2025* in  
*CA(CAA)/101(CHE)2025* and *CP(CAA)/9(CHE)2025* in  
*CA(CAA)/95(CHE)2025* are accordingly, stands **disposed of** on the  
aforementioned terms.

14. Files be consigned to records.

**-Sd-**  
**VENKATARAMAN SUBRAMANIAM**  
MEMBER (TECHNICAL)

**-Sd-**  
**SANJIV JAIN**  
MEMBER (JUDICIAL)