IN THE NATIONAL COMPANY LAW TRIBUNAL
COURT IV, NEW DELHI
DIVISION BENCH

COMPANY PETITION NO. (CAA) – 91/ND/2025
CONNECTED WITH
COMPANY APPLICATION NO. CA (CAA) 61/ND/2025

Under Section 230-232 and other applicable provisions of the Companies Act, 2013 r/w the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016)

IN THE MATTER OF:

PROMPT STEELS PRIVATE LIMITED

A company incorporated under the provisions of Companies Act, 1956

Through its Authorized Representative: Mr. Mukesh Kumar

Registered Office: B-3/7, 1st Floor, Yamuna Vihar, Delhi, 110053

CIN: U27100DL2010PTC201451

PAN: AAGCP5182R

Income Tax Jurisdiction: ITO, Circle 19 (1), C R Building, I.P. Estate, New Delhi- 110002

...TRANSFEROR COMPANY 1/ PETITIONER COMPANY 1

AND

FANCY MULTITRADE PRIVATE LIMITED

A company incorporated under the provisions of Companies Act, 1956

Through its Authorized Representative: Mr. Mukesh Kumar

Registered Office: B-3/7, 1st Floor, Yamuna Vihar, Delhi, 110053

CIN: U52100DL2009PTC187775

PAN: AABCF3350Q

Income Tax Jurisdiction: ITO, Ward 9(1), C R Building, I.P. Estate, New Delhi - 110002

...TRANSFEROR COMPANY 2/ PETITIONER COMPANY 2

WITH

PROMPT ENTERPRISES PRIVATE LIMITED

A company incorporated under the provisions of Companies Act, 1956

Through its Authorized Representative: Mr. Mukesh Kumar

Registered Office: B-3/7, 1st Floor, Yamuna Vihar, Delhi, 110053

CIN: U51909DL2003PTC123366

PAN: AADCP3982G

Income Tax Jurisdiction: ITO, Circle 19 (1), C R Building, I.P. Estate,

New Delhi - 110002

...TRANSFEREE COMPANY / PETITIONER COMPANY 3

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

[For the sake of brevity, Transferor Company No. 1 and Transferor Company No. 2, are hereinafter collectively referred to as "Transferor Companies". Further, Transferor Companies and Transferee Company are hereinafter collectively referred to as "Petitioner Companies"].

Order Delivered on: 10.07.2026

CORAM:

SHRI MAHENDRA KHANDELWAL **HON'BLE MEMBER (JUDICIAL)**	**SHRI ATUL CHATURVEDI** **HON'BLE MEMBER (TECHNICAL)**

PRESENT:

For the Applicant	:	PCS Bunny Sehgal
For the Income Tax	:	Mr. Gaurav Gupta, SSC, Mr. Shivendra Singh, JSC, Mr. Yojit Pareek, JSC, Mr. Prassant Kumar Sharma, Adv.
For the RD	:	Mr. P. Ganguli, Deputy Director

<u>**ORDER**</u>

<u>**PER: MAHENDRA KHANDELWAL, MEMBER (JUDICIAL)**</u>

1. The present Joint Petition has been filed by Prompt Steels Private Limited (**"Transferor Company No. 1"**), Fancy Multitrade Private Limited (**"Transferor Company No. 2"**) and Prompt Enterprises Private Limited (**"Transferee Company"**) under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the National Company Law Tribunal Rules, 2016, seeking sanction of the proposed **Scheme of Amalgamation** amongst the Petitioner Companies and their respective shareholders and creditors. A copy of the Scheme of Amalgamation has been placed on record.

2. The Transferor Company No. 1/Petitioner Company No. 1 i.e., Prompt Steels Private Limited, CIN: U27100DL2010PTC201451 is an unlisted private limited company incorporated on 12.04.2010 under the provisions of the Companies Act, 1956, having its registered office situated at B-3/7, 1st Floor, Yamuna Vihar, Delhi, 110053. Thus, the registered office of the Company falls within the territorial jurisdiction of this Tribunal. The Authorized Share Capital, Issued, Subscribed, and Paid-up Share Capital of the Company is mentioned at Page no. 28 of the Petition.

3. The Transferor Company No. 2/Petitioner Company No. 2 i.e., Fancy Multitrade Private Limited, CIN: U52100DL2009PTC187775 is an unlisted private limited company incorporated on 19.02.2009 under the provisions of the Companies Act, 1956, having its registered office situated at B-3/7, 1st Floor, Yamuna Vihar, Delhi, 110053. Thus, the registered office of the Company falls within the territorial jurisdiction of this Tribunal. The Authorized Share Capital, Issued, Subscribed, and Paid-up Share Capital of the Company is mentioned at Page no. 28 of the Petition.

4. The Transferee Company /Petitioner Company No. 3 i.e., Prompt Enterprises Private Limited, CIN: U51909DL2003PTC123366 is an unlisted private limited company incorporated on 05.12.2003 under the provisions of the Companies Act, 1956, having its registered office situated at B-3/7, 1st Floor, Yamuna Vihar, Delhi, 110053. Thus, the registered office of the Company falls within the territorial jurisdiction of this Tribunal. The Authorized Share Capital, Issued, Subscribed, and Paid-up Share Capital of the Company is mentioned at Page no. 28 of the Petition.

5. The Petitioner Companies submit that the proposed Scheme of Amalgamation would have the following rationale: -

   a) The Amalgamation of the Transferor Companies into the Transferee Company would enable the Transferee Company to consolidate all the business activities pertaining to the said Transferor Companies into one single entity i.e., the Transferee Company. The said amalgamation would also result in streamlining the group structure especially by combining all of them into one single entity and would provide several benefits such as easing the regulatory, statutory and compliance requirements of all the companies and would also work to the advantage of the shareholders of the Companies as the said amalgamation would result in rationalizing the costs/expenses incurred.

   b) Further, this arrangement would bring concentrated management focus, integration, streamlining of the management structure, seamless implementation of policy changes and shall also help to enhance the efficiency and control of the Transferor Companies and Transferee Company.

   c) The proposed arrangement will provide greater integration and flexibility to the Transferee Company and strengthen its position in the industry, in terms of the asset base, revenues and service range.

d) In addition to the foregoing advantages as mentioned above, the other benefits of the proposed amalgamation include:

   i) Optimum and efficient utilization of financial resources and rationalisation of capital, resources and facilities;
   ii) Benefit of obtaining synergy benefits;
   iii) Structured and better management focusing on holistic growth of the businesses.
   iv) Simplify shareholding structure and reduce shareholding tiers.

   Further, there is no adverse effect of this Scheme on the directors, key management personnel, promoters, non-promoter members, creditors and employees of the Companies and the same would be in the best interest of all stakeholders.

6. The Appointed Date under the proposed Scheme of Amalgamation is 1st April, 2025.

7. The First Motion Joint Application being C.A. (CAA) No. 61/ND/2025 was filed before this Tribunal. Vide Order dated 03.09.2025, this Tribunal dispensed with the requirement of convening and holding the meetings of the Equity Shareholders and Unsecured Creditors of Petitioner Company No.1 and Petitioner Company No.2, in view of the consent affidavits placed on record. This Tribunal further noted that Petitioner Company No.1 and Petitioner Company No.2 did not have any Secured Creditors as on the relevant date and, accordingly, the requirement of convening and holding the meetings of their Secured Creditors did not arise.

8. With regard to Petitioner Company No.3, this Tribunal directed convening and holding of the meetings of its Equity Shareholders, Secured Creditors and Unsecured Creditors for the purpose of consideration and approval of the proposed Scheme of Amalgamation, with or without modification. The said meetings were duly convened on 12.11.2025, wherein the Equity

Shareholders, Secured Creditors and Unsecured Creditors of Petitioner Company No.3 unanimously approved and voted in favour of the proposed Scheme of Amalgamation.

9. The Chairperson filed the Report dated 19.11.2025 before this Tribunal in respect of the meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of Petitioner Company No.3.

10. This Tribunal, vide Order dated 02.12.2025, directed issuance of notice to the authorities specified under Section 230(5) of the Companies Act, 2013 read with Rules 8 and 16 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 for submitting their representation, if any. The Petitioner Companies were further directed to take steps for service of notice in Form CAA-3 upon the Central Government through the Jurisdictional Regional Director, the concerned Registrar of Companies, the concerned Official Liquidator, and the concerned Income Tax Authorities, through the relevant email addresses mentioned in Annexures I to IV to the said Order. Notice was also directed to be published in “Business Standard” (English, Delhi Edition) and “Jansatta” (Hindi, Delhi Edition) in terms of Rule 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. The Petitioner Companies were further directed to file an affidavit evidencing proof of service and an affidavit evidencing proof of publication.

11. The Petitioner Companies have filed an Affidavit dated 18.12.2025 affirming compliance of the Order dated 02.12.2025 and disclosing that they have effected publication in “Business Standard” (English, Delhi Edition) and “Jansatta” (Hindi, Delhi Edition), both dated 13.12.2025. In addition to the public notice, notices were duly served upon the Regional Director, the Registrar of Companies, the Official Liquidator, and the Income Tax Authorities, in compliance with the Order dated 02.12.2025.

12. Pursuant to the notices issued by this Tribunal, the Regional Director, Northern Region, Ministry of Corporate Affairs, the Official Liquidator and the Income Tax Authorities have filed their respective reports/responses in the matter.

13. The Regional Director, Northern Region, Ministry of Corporate Affairs, in its Affidavit dated 09.02.2026, has placed on record the observations contained in the Report of the Registrar of Companies, NCT of Delhi & Haryana dated 28.01.2026 with regard to the proposed Scheme of Amalgamation. The Petitioner Companies have filed an Additional Affidavit dated 18.02.2026 furnishing their response to the said observations. The observations of the Registrar of Companies, as reproduced in the Affidavit of the Regional Director, and the response of the Petitioner Companies are summarised as under:

Observations made by the Regional Director vide Affidavit dated 09.02.2026	**Response of the Petitioner Companies vide Additional Affidavit dated 18.02.2026**
(i) As per the financial statements for the year ended 31.03.2024, Transferor Company No.1 and Transferor Company No.2 have nil operational revenue for the last two financial years. Clarification was sought in this regard	i.The Petitioner Companies submitted that Transferor Company No.1 and Transferor Company No.2 have reported nil operational revenue as they have not carried out active business operations during the relevant period. However, they continue to maintain their corporate existence and statutory compliances. The proposed Amalgamation is intended to consolidate operations, achieve administrative efficiency and ensure better utilization of resources. The absence of operational revenue does not in any manner affect the legality or viability of the Scheme of Amalgamation nor is it prejudicial to the interests of any stakeholders.

(ii) In the case of the Transferee Company, MSME dues amounting to Rs. 259.58 lakhs have been disclosed. Clarification was sought in this regard.	ii. The Petitioner Companies submitted that the MSME dues represent normal trade payables arising in the ordinary course of business. It was further submitted that all dues payable to MSME creditors are being paid by the Transferee Company within 45 days from the date of invoice in compliance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006. The Scheme of Amalgamation does not seek to extinguish, reduce or compromise any lawful liability and all such dues shall continue to be duly honoured and discharged by the Transferee Company in the ordinary course of business.
(iii) Reference was made to Clause 26 of the Scheme, which provides that all costs, charges, taxes, duties, levies and other expenses arising out of or incurred in connection with the implementation of the Scheme shall be borne by the Transferee Company.	iii. The Petitioner Companies submitted that Clause 26 of the Scheme clearly provides that all costs, charges, taxes, duties, levies and other expenses arising out of or incurred in connection with the implementation of the Scheme and matters incidental thereto shall be borne by the Transferee Company. The Petitioner Companies further undertook to comply with the said provision in letter and spirit and confirmed that all statutory dues, costs and expenses relating to the Scheme shall be duly discharged by the Transferee Company in accordance with applicable law.

14. The Official Liquidator, attached to the Hon'ble High Court of Delhi, has filed its Report dated 18.02.2026 pursuant to the notice issued by this Tribunal. The Official Liquidator has stated that, upon receipt of the notice, the Petitioner Companies were called upon to furnish the requisite information and records, which were duly submitted. It has further been reported that no complaint has been received against the proposed Scheme of Amalgamation from any person interested in the Scheme. The Official Liquidator has also taken note of the capital structure of the Transferor Companies and the Transferee Company as reflected in the Scheme.

15. The Official Liquidator has further reported that, based on the information and documents furnished by the Petitioner Companies, the Balance Sheets, Memorandum and Articles of Association and the e-forms available on the MCA-21 Portal, the affairs of the Transferor Companies do not appear to have been conducted in a manner prejudicial to the interests of their members or to public interest. Accordingly, the Official Liquidator has submitted that this Tribunal may pass such order(s) as it may deem fit and proper in the facts and circumstances of the case.

16. Pursuant to the notices issued by this Tribunal, the concerned Income Tax Authorities have filed their respective reports/letters in respect of Petitioner Company No.1/Transferor Company No.1, Petitioner Company No.2/Transferor Company No.2 and Petitioner Company No.3/Transferee Company. The Petitioner Companies have thereafter filed an Additional Affidavit dated 18.02.2026 in response to the observations made by the Income Tax Authorities. The observations of the Income Tax Authorities and the response of the Petitioner Companies are summarised as under:

Observations of the Income Tax Authorities	**Response of the Petitioner Companies in Additional Affidavit dated 18.02.2026**
a) Petitioner Company No.1 / Transferor Company No.1 – Prompt Steels Private Limited: The Income Tax Department reported that there was no outstanding demand and no assessment proceedings pending against the Company. However, it reserved its right to initiate or continue proceedings under the Income-tax Act, 1961, determine the tax	The Petitioner Companies submitted that the sanction of the Scheme shall not restrict or curtail the rights and powers of the Income Tax Department to pursue recovery of any tax demand or to continue any investigation, scrutiny, proceedings and assessments against the Petitioner Companies in accordance with law. They further confirmed that any demand raised by the Income Tax Department or any other competent

implications arising out of the proposed Scheme, recover any lawful demand, and stated that the provisions of the Income-tax Act, 1961 shall prevail over anything contrary contained in the Scheme. The Department further stated that it had no objection to the proposed Scheme subject to the observations contained in its report.	authority subsequent to the sanction of the Scheme shall be duly paid.
(b) Petitioner Company No.2 / Transferor Company No.2 – Fancy Multitrade Private Limited: The Income Tax Department reported that there was no outstanding demand against the Company and conveyed its no objection, subject to the condition that if any demand is raised in future, the same shall be paid together with applicable interest under Section 220(2) of the Income-tax Act, 1961.	The Petitioner Companies submitted that any demand raised by the Income Tax Department or any other competent authority subsequent to the sanction of the Scheme shall be duly paid in accordance with the applicable provisions of law.
(c) Petitioner Company No.3 / Transferee Company – Prompt Enterprises Private Limited: The Income Tax Department reported that it had no objection to the proposed Scheme subject to the observations/conditions contained in its report and reserved its rights under the provisions of the Income-tax Act, 1961.	The Petitioner Companies submitted that the Transferee Company shall be liable and responsible for any future proceedings as permissible under the provisions of the Income-tax Act, 1961, which may be initiated against any of the Transferor Companies. The Petitioner Companies further confirmed that the Transferee Company shall not object to or dispute the validity of any notice issued by the Income Tax Department pertaining to any of the Transferor

	Companies merely on the ground that the Scheme has become effective.

17. This Tribunal has heard the submissions advanced by the Learned Authorised Representative appearing on behalf of the Petitioner Companies and has carefully perused the record of the case, including the Scheme of Amalgamation, the pleadings, the reports/representations filed by the Regional Director, Northern Region, Ministry of Corporate Affairs, the Official Liquidator and the Income Tax Authorities, together with the replies/affidavits filed by the Petitioner Companies in response thereto.

18. Certificates issued by the Statutory Auditors of the Petitioner Companies have been placed on record certifying that they have examined the proposed accounting treatment specified in the Scheme of Amalgamation in terms of the provisions of Sections 230 to 232 of the Companies Act, 2013 and the rules framed thereunder. The Statutory Auditors have further certified that the accounting treatment contained in the Scheme is in conformity and compliance with all the applicable Accounting Standards notified by the Central Government under Section 133 of the Companies Act, 2013.

19. The Hon'ble Supreme Court in ***Miheer H. Mafatlal vs Mafatlal Industries Ltd JT 1996 (8) 205*** while considering the scope of the jurisdiction of the Company Court in respect of matters of Sanction of the Scheme of Amalgamation as per the provisions of Section 391 to Section 394 of the Companies Act, 1956, observed as under:

> *"it is the commercial wisdom of the parties to the scheme who have taken an informed decision about the usefulness and propriety of the scheme by supporting it by the requisite majority vote that has to be kept in view by the Court. The Court certainly would not act as a court of appeal and sit in judgment over the informed view of*

the concerned parties to the compromise as the same would be in the realm of corporate and commercial wisdom of the concerned parties. The Court has neither the expertise nor the jurisdiction to delve deep into the commercial wisdom exercised by the creditors and members of the company who have ratified the Scheme by the requisite majority. Consequently the Company Court's jurisdiction to that extent is peripheral and supervisory and not appellate."

20. In view of the law laid down by the Hon'ble Supreme Court in *Miheer H. Mafatlal* (supra), this Tribunal is not required to examine the commercial merits or demerits of the proposed Scheme or substitute its own commercial wisdom for that of the shareholders and creditors who have approved the Scheme in accordance with law. The jurisdiction of this Tribunal is supervisory in nature and is confined to examining whether the statutory provisions have been complied with and whether the Scheme is fair, reasonable and not contrary to law or public policy.

21. This Tribunal has carefully considered the Scheme of Amalgamation, the reports/representations filed by the Regional Director, Northern Region, Ministry of Corporate Affairs, the Official Liquidator and the Income Tax Authorities, together with the replies/affidavits filed by the Petitioner Companies in response thereto. It is also noted that the Scheme has been approved by the requisite stakeholders in accordance with law. The affairs of the Transferor Companies do not appear to have been conducted in a manner prejudicial to the interests of their members or to public interest. Having regard to the entire material placed on record, this Tribunal is satisfied that the Scheme is fair, reasonable and not contrary to any provision of law or public policy. Accordingly, there appears to be no legal impediment in sanctioning the present Scheme.

22. Accordingly, the Scheme of Amalgamation annexed with the Company Petition is hereby sanctioned under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, subject to the condition that all liabilities accruing in the Transferor Companies shall stand transferred to the Transferee Company without prejudice to the provisions of Section 240 of the Companies Act, 2013. It is further clarified that the provisions of the Companies Act, 2013, including Section 6 thereof, shall prevail in the event of any inconsistency between the Scheme and the provisions of the Act. It is further clarified that the sanction of the Scheme shall not prejudice the right of any statutory authority, including the Income Tax Department, to proceed in accordance with law in respect of any existing or future statutory liability, demand or claim.

23. Consequently, sanction is hereby granted to the Scheme of Amalgamation under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, with the following directions: -

(i) The Petitioner Companies shall remain bound to comply with all the statutory requirements in accordance with law.

(ii) Notwithstanding the sanction granted herein, if any deficiency is found or any violation is committed qua any provision of the Companies Act, 2013 or any other applicable law, statutory rule or regulation, the sanction granted to the Scheme shall not preclude the competent authorities from taking appropriate action, in accordance with law, against the concerned persons, directors or officials of the Petitioner Companies.

(iii) While sanctioning the Scheme, it is clarified that this Order shall not be construed as granting any exemption from payment of stamp duty, taxes, cess, charges or any other statutory dues, if any, payable in accordance with law, nor shall it be construed as granting exemption from obtaining any approval, permission or compliance which may be required under any applicable law.

24. This Tribunal further directs with respect to the Transferor Companies and the Transferee Company, as under: -

(i) The Appointed Date proposed under the Scheme of Amalgamation, i.e., 01.04.2025, is approved.

(ii) Upon the Scheme becoming effective in accordance with its terms, the Transferor Companies shall stand dissolved without undergoing the process of winding up.

(iii) All the assets, rights, title, interests, contracts, permits, licences, approvals and other entitlements of the Transferor Companies shall, in terms of the Scheme of Amalgamation, stand transferred to and vest in the Transferee Company without any further act, deed or instrument.

(iv) All the employees of the Transferor Companies shall become the employees of the Transferee Company with effect from the Appointed Date, without any interruption in service and on terms and conditions not less favourable than those applicable to them immediately preceding the Effective Date, including in respect of remuneration and all statutory and terminal benefits.

(v) All the liabilities, duties and obligations of the Transferor Companies shall, in terms of the Scheme of Amalgamation and the applicable provisions of the Companies Act, 2013, stand transferred to and become the liabilities, duties and obligations of the Transferee Company.

(vi) All legal, judicial, quasi-judicial or other proceedings pending by or against the Transferor Companies shall continue by or against the Transferee Company in accordance with the provisions of the Scheme and applicable law.

(vii) Liberty is reserved to any person interested to approach this Tribunal for such further directions as may be considered necessary in relation to the implementation of the Scheme.

25. The Petitioner Companies shall, within thirty days from the date of receipt of a certified copy of this Order, cause the same to be delivered to the Registrar of Companies, NCT of Delhi & Haryana, for registration. Upon such certified copy being delivered and registered in accordance with law, the Transferor Companies shall stand dissolved without undergoing the process of winding up, and the Registrar of Companies shall place all documents relating to the Transferor Companies on the file maintained in respect of the Transferee Company and consolidate the records of all the Petitioner Companies accordingly.

26. In compliance with the requirement of Section 232(7) of the Companies Act, 2013 read with Rule 21 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Transferee Company shall, until the Scheme is fully implemented, file with the Registrar of Companies a statement in Form No. CAA-8, along with the prescribed fee, within 210 days from the end of each financial year, duly certified by a Chartered Accountant or a Cost Accountant or a Company Secretary in Practice, indicating whether the Scheme is being complied with in accordance with the Order of this Tribunal.

27. The Company Petition stands disposed of in the above terms.

Let a copy of the Order be served upon the parties.

Sd/-	**Sd/-**
ATUL CHATURVEDI **MEMBER (TECHNICAL)**	**MAHENDRA KHANDELWAL** **MEMBER (JUDICIAL)**