

October 18, 2023

National Stock Exchange of India Limited BSE Limited

Exchange Plaza,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East)
Mumbai - 400051

Corporate Relations Department,
1st Floor, New Trading Ring,
P.J. Towers, Dalal Street,
Mumbai – 400001

Kind Attention: Listing Department/Department of Corporate Communications

Subject: Disclosure of events under Regulation 51 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Dear Sir/Ma'am,

This is in furtherance to our letters dated January 13, 2023, March 24, 2023, October 13, 2023 and other communications in relation to the amalgamation of L&T Finance Limited ("**LTFL**"), L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited) ("**Company**") and L&T Mutual Fund Trustee Limited ("**LTMFTL**") with L&T Finance Holdings Limited ("**LTFHL**"), by way of merger by absorption pursuant to a scheme of arrangement under the provisions of Sections 230 – 232 read with Section 52 of the Companies Act, 2013, and other applicable regulatory requirements (the "**Scheme**") and pursuant to Regulation 51 of the Listing Regulations.

Please note that the Hon'ble National Company Law Tribunal ("NCLT"), Kolkata at the hearing held on October 17, 2023 has pronounced the order and the copy of the order approving the Scheme was made available on the NCLT website on October 18, 2023.

The copy of the order is enclosed and is also available at [gen.pdf.php\(nclt.gov.in\)](http://gen.pdf.php(nclt.gov.in))

As previously informed, the Hon'ble NCLT, Mumbai had at the hearing held on October 13, 2023 had pronounced and made available the order approving the Scheme on the same day.

The certified copy of the orders of both NCLT Kolkata and Mumbai are awaited.

Please note that the effectiveness of the Scheme is subject to completion of the conditions stipulated therein.

We request you to take the aforesaid on records.

Thanking you.

Yours faithfully,

For **L&T Infra Credit Limited**
(Formerly known as L&T Infra Debt Fund Limited)

Savita Kodain
Company Secretary and Compliance Officer

Encl: as above

L&T Infra Credit Limited
(formerly known as L&T Infra Debt Fund Limited)

Registered Office
Plot No. 177, CTS No. 6970, 6971, Vidyanagari Marg
CST Road, Kalina, Santacruz (East)
Mumbai 400 098, Maharashtra, India
CIN: L67100MH2013PLC241104

T +91 22 6212 5000
F +91 22 6212 5553
E idf@ltfs.com

www.ltfs.com

**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT NO. II
KOLKATA**

Company Petition (CAA) No. 154 (KB) 2023
Connected With
Company Application (CAA) No. 116 (KB) 2023

A Petition under Section 230 to 232 read with section 52 and other applicable provisions of the Companies Act, 2013 read with the provisions of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

IN THE MATTER OF:

A Scheme of Amalgamation and Arrangement (Final Motion):

L&T Finance Limited, a company incorporated under the provisions of the Companies Act, 1956 and having Company Identification Number (**CIN: U65910WB1993FLC060810**) and having its Registered Office at 15th Floor, PS Srijan Tech Park, Plot No. 52, Block DN, Sector - V, Salt Lake City, Kolkata – 700091 in the State of West Bengal;

... **Petitioner Company / Amalgamating Company 1/ Transferor Company 1**

And

L&T Infra Credit Limited, (formerly known as L&T Infra Debt Fund Limited), a company incorporated under the provisions of the Companies Act, 1956 and having Company Identification Number (**CIN: L67100MH2013PLC241104**) and having its Registered Office at Plot No. 177, CTS No. 6970, 6971, Vidyanagari Marg, CST Road, Kalina, Santacruz (East), Mumbai – 400098 in the State of Maharashtra;

... **Amalgamating Company 2/Transferor Company 2**

And

L&T Mutual Fund Trustee Limited, a company incorporated under the provisions of the Companies Act, 1956 and having Company Identification Number (**CIN: U65993MH1996PLC211198**) and having its Registered Office at Brindavan, Plot No. 177, CST Road, Kalina, Santacruz (East), Mumbai – 400098 in the State of Maharashtra;

... **Amalgamating Company 3/Transferor Company 3**

And

L&T Finance Holdings Limited, a company incorporated under the provisions of the Companies Act, 1956 and having Company Identification Number (**CIN: L67120MH2008PLC181833**) and having its Registered Office at Brindavan, Plot No. 177, CST Road, Kalina, Santacruz (East), Mumbai – 400098 in the State of Maharashtra.

... **Amalgamated Company/Transferee Company**

And

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (COURT-II)
KOLKATA**

C.P. (CAA) no. 154(KB)2023
Connected With
C.A. (CAA)no. 116(KB)2023

IN THE MATTER OF:

- | | | |
|----|---------------------------------|----------------------------|
| 1. | L&T Finance Limited | ... Petitioner Company |
| 2. | L&T Infra Credit Limited | ... Non-Petitioner Company |
| 3. | L&T Mutual Fund Trustee Limited | ... Non-Petitioner Company |
| 4. | L&T Finance Holdings Limited | ... Non-Petitioner Company |

Date of hearing: October 11, 2023

Date of Pronouncement: October 17, 2023

CORAM:

SMT. BIDISHA BANERJEE, HON'BLE MEMBER (JUDICIAL)

SHRI. ARVIND DEVANATHAN, HON'BLE MEMBER (TECHNICAL)

Appearance (via video conferencing/physically):

Mr. Joy Saha, Sr. Adv.]	For the Petitioner Company
Mr. Rohit Das, Adv.]	
Mr. Rahul Auddy, Adv.]	
Mr. Manish Chandel, Assistant Director]	For RD(ER), MCA

ORDER

Per: Bidisha Banerjee, Member (Judicial)

1. This Court is congregated through hybrid mode.
2. Heard the Ld. Senior Counsel, Adv. Joy Saha and the Authorized person represented the RD (ER), MCA, Kolkata.
3. The instant petition has been filed under Section 230(6) read with Section 232(3) and Section 52 of the Companies Act, 2013 (“Act”) seeking sanction to the Scheme of Amalgamation by way of merger by absorption among **L&T Finance Limited** (hereinafter referred to as “**Petitioner Company**” / “**Amalgamating Company 1**” / “**Transferor Company 1**” as the context may admit), **L&T Infra Credit Limited** (formerly known as L&T Infra Debt Fund Limited) (hereinafter referred to as “**Amalgamating Company 2**” / “**Transferor Company 2**” as the context may admit), **L&T Mutual Fund Trustee Limited** (hereinafter referred to as “**Amalgamating Company 3**” / “**Transferor Company 3**” as the context may admit) (hereinafter Transferor Company 1, Transferor Company 2 and Transferor Company 3 are together referred to as “**Transferor Companies**”) and

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (COURT-II)
KOLKATA**

C.P. (CAA) no. 154(KB)2023
Connected With
C.A. (CAA)no. 116(KB)2023

L&T Finance Holdings Limited (hereinafter referred to as “**Amalgamated Company**” / “**Transferee Company**” / “**LTFH**” as the context may admit) and Arrangement (hereinafter referred to as the “**Scheme**”) whereby and whereunder, *inter alia*, the Transferor Companies, which includes the Petitioner Company, are proposed to be amalgamated with the Transferee Company from the Appointed Date, viz **April 01, 2023** in the manner and on the terms and conditions stated in the Scheme. Transferor Company 2, Transferor Company 3 and Transferee Company are hereinafter collectively referred to as “Non-Petitioner Companies”.

4. This Petition has now come up for final hearing. The Ld. Senior Counsel, Adv. Joy Saha for the Petitioner Company submits as follows:
- a) The Scheme was approved unanimously by the respective Boards of Directors of the Petitioner Company and Non-Petitioner Companies at their respective board meetings all held on January 13, 2023.
 - b) The circumstances which substantiate and justify and/or have necessitated the Scheme and the benefits and rationale of the Scheme, are, *inter alia*, as follows:
 - I. The Amalgamated Company, being a Core Investment Company (CIC) and the holding company for the financial services businesses of the L&T Group, namely L&T Finance (“**LTF**”) which is currently undertaken through two lending entities (both having an NBFC-ICC registration pursuant to the corporate restructuring exercise undertaken within LTF in FY 2021-2022 in accordance with its strategy of ‘*Right Structure*’). Amalgamated Company also holds a few other financial / non-financial services businesses / entities. With the objective of creation of a single large unified operational lending entity and mitigate potential operational and business inefficiencies of having two lending entities with the same NBFC-ICC registration,

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (COURT-II)
KOLKATA**

C.P. (CAA) no. 154(KB)2023
Connected With
C.A. (CAA)no. 116(KB)2023

it is proposed to consolidate the businesses of the lending entities with the holding company. Further, it is also proposed to include a non-operating entity as part of this consolidation. This will help reduce the number of companies within the group (including Non-Banking Financial Company's ("NBFCs") to achieve optimal and efficient utilization of capital; enhance operational and management efficiencies and have a simplified organizational structure.

II. Thus, the Amalgamation pursuant to this Scheme would, *inter alia*, have the following benefits:

- (i). Achieve simplification of holding structure of entities forming part of the group, improve operational and management efficiencies, streamline business operations and decision-making process and enable greater economies of scale.
- (ii). Creation of a single large lending entity with a wider and stronger capital and asset base, having greater capacity for conducting its operations more efficiently and competitively
- (iii). Achieve greater transparency, operational efficiency and better utilization of management bandwidth by having one operating NBFC to house all lending businesses.
- (iv). Enable access to business relationships and other intangible benefits that the Amalgamating Companies have built over decades.
- (v). Companies have a proven track record in the respective businesses of credit and consolidation which will lead to pooling of knowledge and expertise.
- (vi). Ease of compliance with revised regulatory framework applicable to NBFC under Scale Based Regulations (SBR): A Revised Regulatory Framework for NBFCs, issued by the

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (COURT-II)
KOLKATA**

C.P. (CAA) no. 154(KB)2023
Connected With
C.A. (CAA)no. 116(KB)2023

Reserve Bank of India (“RBI”) dated October 22, 2021 and as amended from time to time, including circulars specified by RBI from time to time.

- c) The accounting treatment specified in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act. The certificates from the statutory auditor of the Transferee Company dated January 13, 2023 and February 7, 2023 are annexed to the Company Petition.
- d) That clause 41 of the Scheme states that all equity shares of Transferor Companies shall stand cancelled and no new shares shall be issued by the Transferee Company. The valuation report dated January 12, 2023 is annexed to the Company Petition.
- e) There are no proceedings pending under Chapter XIV of the Act against the Petitioner Company, based on the information and records available with the Petitioner Company.
- f) That the shares of the Petitioner Company are not listed on the stock exchanges but the non-convertible debentures of the Petitioner Company are listed on the BSE Limited (“BSE”) and the National Stock Exchange Limited (“NSE”) (collectively referred to as “the Stock Exchanges”).
- g) That BSE by its letter dated April 26, 2023 and NSE by its 3 separate letters all dated April 26, 2023 have respectively given their “no adverse observation / no-objection” therein and mentioning the observations provided by the Securities Exchange Board of India (“SEBI”) and incremental observations by the Stock Exchanges on the Scheme, for consideration of this Tribunal. The BSE and NSE letters all dated April 26, 2023 are annexed to the Company Petition.
- h) That the Petitioner Company is an NBFC duly registered with the RBI and is holding a valid Certificate of Registration issued by RBI. The Senior

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (COURT-II)
KOLKATA**

C.P. (CAA) no. 154(KB)2023
Connected With
C.A. (CAA)no. 116(KB)2023

Advocate for the Petitioner Company submits that the RBI has vide its letter dated March 24, 2023 given its “no objection” to the Scheme. The RBI letter dated March 24, 2023 is annexed to the Company Petition.

- i) That the registered office of the Petitioner Company/Transferor Company 1 is situated within the jurisdiction of this Tribunal, Kolkata and as such appropriate proceeding was filed in this regard before the National Company Law Tribunal, Kolkata Bench by the Petitioner Company. In so far as the Non-Petitioner Companies are concerned, their registered offices are situated at Mumbai and separate joint Petition has been filed by them before the National Company Law Tribunal (“NCLT”) Mumbai Bench being **C.P.(CAA) No. 229/MB/2023** connected with **C.A.(CAA)/124/MB/2023**. The NCLT Mumbai Bench order sanctioning the Scheme is awaited.
- j) By an original Order dated June 28, 2023 read along with Corrigendum Order dated June 28, 2023 in Company Application (CAA) 116/KB/2023 (hereinafter, collectively referred to as the “the Orders”), this Tribunal issued the following direction with regards to the meetings of the shareholders and creditors under 230(1) read with Section 232(1) of the Act.
 - (i). **Meetings dispensed:** Meeting of the Equity Shareholders of the Petitioner Company is dispensed with under Section 230(1) read with Section 232(1) of the Act.
 - (ii). **Hold Meetings:**
 - I. Meeting of the secured creditors (including debenture holders) on August 17, 2023 at 11:00 a.m.; and
 - II. Meeting of the unsecured creditors (including debenture holders) on August 17, 2023 at 2:00 p.m. or so soon after the meeting of the secured creditors (including debenture holders)

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (COURT-II)
KOLKATA**

C.P. (CAA) no. 154(KB)2023
Connected With
C.A. (CAA)no. 116(KB)2023

of the Petitioner Company.

- (iii). **Chairperson and Scrutinizer: Ms. Jayati Chowdhury, Advocate** was appointed as the Chairperson and **Mr. Gopal Kumar Khetan, FCA** was appointed as the Scrutinizer for the aforesaid meetings.

k) Accordingly, the aforesaid meetings were held as under:

- (i). Meeting of the secured creditors (including debenture holders) was held on August 17, 2023 and the Scheme was approved with more than the requisite majority of the secured creditors (including debenture holders) representing three fourth in value, exercising voting rights in favour through remote e-voting and by way of ballot paper at the said meeting as under the Act and relevant rules thereunder, the relevant circulars issued by the SEBI and the Ministry of Corporate Affairs (“MCA”), and the Orders. Ms. Jayati Chowdhury, Advocate appointed as the Chairperson for the said meeting has filed her Report on August 18, 2023 and the same is annexed to the Company Petition.
- (ii). Meeting of the unsecured creditors (including debenture holders) was held on August 17, 2023 and the Scheme was approved with more than the requisite majority of the unsecured creditors (including debenture holders) representing three fourth in value, exercising voting rights in favour through remote e-voting and by way of ballot paper at the said meeting as under the Act and relevant rules thereunder, the relevant circulars issued by SEBI and MCA, and the Orders. Ms. Jayati Chowdhury, Advocate appointed as the Chairperson for the said meeting has filed her Report on August 18, 2023 and the same is annexed to the Company Petition.

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (COURT-II)
KOLKATA**

C.P. (CAA) no. 154(KB)2023
Connected With
C.A. (CAA)no. 116(KB)2023

- l)** Ms. Jayati Chowdhury, Advocate appointed as the Chairperson for the aforesaid meetings has filed her Reports of the aforesaid meetings of the secured creditors (including debenture holders) and the unsecured creditors (including debenture holders), respectively, copies of which are annexed to the Company Petition.
- m)** Consequently, the Petitioner Company presented the instant Company Petition seeking sanction to the Scheme. By an order dated September 21, 2023, the instant Company Petition was admitted by this Tribunal and fixed for hearing on October 11, 2023 upon issuance of notices to the statutory authorities and newspaper advertisement of date of hearing, as directed. In compliance of the said order dated September 21, 2023, the Petitioner Company has duly served such notices and advertised the date of hearing, the particulars of which are in a tabular form below:

SN	Date	Particular
THROUGH HAND DELIVERY		
1)	September 29, 2023	Regional Director, ER, MCA, Kolkata
2)	September 29, 2023	Registrar of Companies, West Bengal, Kolkata
3)	September 29, 2023	Concerned Income Tax Department
4)	September 29, 2023	The Official Liquidator, High Court at Calcutta
NEWS PAPER PUBLICATION		
5)	September 29, 2023	“ <i>Business Standard</i> ” (in all its editions) in English
6)	September 29, 2023	“ <i>Anandabazar</i> ” in Bengali

An affidavit proving service, as aforesaid, has also been filed by the Petitioner Company on September 30, 2023. No further service was required on BSE, NSE, SEBI and RBI in lieu of the “no adverse observation / no-objection” certificates provided by the respective authorities as stated in the order dated September 21, 2023.

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (COURT-II)
KOLKATA**

C.P. (CAA) no. 154(KB)2023
Connected With
C.A. (CAA)no. 116(KB)2023

- n) All statutory formalities required for obtaining sanction to the Scheme have been duly complied with by the Petitioner Company. The Scheme has been made bona fide and is in the interest of all concerned.
5. Pursuant to the aforesaid advertisements and notices, the Regional Director, Eastern Region, MCA, Kolkata (“RD(ER)”) and the Official Liquidator, High Court at Calcutta (“OL”) has filed their representations with this Tribunal.
6. The Official Liquidator, the Hon’ble High Court at Calcutta has filed his report dated September 26, 2023 and stated that
- “That the Official Liquidator on the basis of information submitted by the Petitioner Company is of the view that the affairs of the aforesaid Transferor Company I do not appear to have been conducted **in a manner prejudicial to the interest of its members or to public interest as per the provisions of the Companies Act, 1956 / the Companies Act, 2013 whichever is applicable.**”*
7. The RD(ER) has filed his report dated September 29, 2023 (“RD Report”) which have been dealt with by the Petitioner Company in its Affidavit in Rejoinder dated October 4, 2023 (“Rejoinder”). The observations in the RD Report and the responses of the Petitioner Company in the Rejoinder are summarized as under:

Paragraph 2(a) of the RD Report

- (a) *It is submitted that the Transferor Companies namely L&T Infra Credit Limited, L&T Mutual Fund Trustee Limited and the Transferee Company namely L&T Finance Holdings Limited are registered in the State of Maharashtra which is not under this jurisdiction of this Deponent, Hence, this Deponent has no comments on it.*

Paragraph 4 of the Rejoinder

So far as the observation in paragraph 2(a) of the Report is concerned, the Petitioner Company submits that the contents thereof are correct factual

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (COURT-II)
KOLKATA**

C.P. (CAA) no. 154(KB)2023
Connected With
C.A. (CAA)no. 116(KB)2023

observations and thus, does not require any response.

Paragraph 2(b) of the RD Report

That it is submitted that as per available records, it appears that no complaint and/or representation regarding the proposed Scheme of Amalgamation has been received/pending so far in respect of Applicant/Transferor Company, L&T Finance Limited. Further, the Applicant company is updated in filing their financial statement and annual return in respect of financial year ended 31/03/2022.

Paragraph 5 of the Rejoinder

So far as the observation in paragraph 2(b) of the Report is concerned, the Petitioner Company submits that the contents thereof are factual observations and thus, does not require any response. I further say that the Petitioner Company has filed financial statements and the annual return up to March 31, 2023.

Paragraph 2(c) of the RD Report

That the Petitioner Company should comply with the provision of section 232(3)(i) of the Companies Act, 2013 in regard to adjustment of fees upon clubbing of Authorized Share Capital(s) of the Transferor Company (ies) with the Authorized Share Capital of the Transferee Company in post-amalgamation.

Paragraph 6 of the Rejoinder

So far as the observation in paragraph 2(c) of the Report is concerned, the Petitioner Company undertakes that the Transferee Company would comply with the provisions set out in Section 232(3)(i) of the Companies Act, 2013 (“Act”) and that the fees, if any after setting off the fees already paid by the Petitioner Company, Transferor Company 2 and Transferor

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (COURT-II)
KOLKATA**

C.P. (CAA) no. 154(KB)2023
Connected With
C.A. (CAA)no. 116(KB)2023

Company 3, would be paid by the Transferee Company for increase of the share capital.

Paragraph 2(d) of the RD Report

That the Petitioner Company should be directed to pay applicable stamp duty on the transfer of the immovable properties from the Applicant/Transferor Company to the Transferee Company.

Paragraph 7 of the Rejoinder

So far as the observation in paragraph 2(d) of the Report is concerned, the Petitioner Company undertakes to file for adjudication of stamp duty through the Transferee Company, on effectiveness of the Scheme and the Transferee Company would consider to pay the stamp duty as properly adjudicated and applicable under law for the transfer of the immovable properties from the Petitioner Company to the Transferee Company, if any, in accordance with law.

Paragraph 2(e) of the RD Report

That in clause 40(i) of Part IV of the Scheme provides for Change in name of Amalgamated Company and accordingly the name of the Amalgamated Company shall stand changed to L&T Finance Limited or such other name as approved by the Board of the Amalgamated Company. Further, in clause 40(ii), it is inter alia, stated that consequently upon the Change in name of the Amalgamated Company, without any further act or instrument or deed, Clause 1 of the Memorandum of Association and Articles of Association of the Amalgamated Company shall be altered to reflect the name as approved by the relevant Governmental Authorities. However, it is pertinent to mention here that in view of functions of MCA21 system is completely online and in order to get the Fresh Certificate of Incorporation

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (COURT-II)
KOLKATA**

C.P. (CAA) no. 154(KB)2023
Connected With
C.A. (CAA)no. 116(KB)2023

consequent upon Change of Name of the Amalgamated Company, upon the Scheme coming into effect, the said company is required to file the relevant e-form(s) and other documents through online in MCA V3 portal as per provision of section 13(2) of the companies Act, 2013 read with the relevant rules of the Companies (Registration Offices and Fees) Rules, 2014 as amended from time to time.

Paragraph 8 of the Rejoinder

So far as the observation in paragraph 2(e) of the Report is concerned, the Petitioner Company undertakes that the Transferee Company shall file the relevant e-form(s) and other documents as per the relevant provisions of the Act read with the relevant rules of the Companies (Registration Offices and Fees) Rules, 2014 and any other applicable rules under the Act, in regards to the change of name of the Transferee Company from “L&T Finance Holdings Limited” to “L&T Finance Limited”.

Paragraph 2(f) of the RD Report

It is submitted that the Transferor Company, L&T Finance Limited being the Applicant in the proposed Scheme is a registered NBFC with RBI (CoR No. B-05.06200). The Reserve Bank of India vide its letter no.DOS.Co.RSG.No.S8750/02.13.001/ 2022-23 dated 24/03/2023 addressed to the Chairman, L&T Finance Holding Limited, Mumbai stated that the Bank has ‘No Objection’ to the proposed Scheme wherein L&T Finance Limited, L&T Infra Credit Limited, and L&T Mutual Fund Trustee Ltd will merge into L&T Finance Holding Limited. However, the said ‘No objection’ is valid for six months from the date of issue of that letter i.e. 24/03/2023 (Copy of the said letter of RBI marked as Annexure-1 is enclosed herewith for perusal and ready reference.)

Paragraph 9 of the Rejoinder

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (COURT-II)
KOLKATA**

C.P. (CAA) no. 154(KB)2023
Connected With
C.A. (CAA)no. 116(KB)2023

So far as the observation in paragraph 2(f) of the Report is concerned, the Petitioner Company submits that the Reserve Bank of India (“**RBI**”) has given its “No-Objection” to the Scheme vide its letter dated March 24, 2023. It is pertinent to note that the “No-Objection” from RBI does not stipulate any time period for the validity of the “No-Objection” issued. The Petitioner Company submits that the “No-Objection” given vide the letter dated March 24, 2023 is valid and does not stipulate any validity period. The Hon’ble Tribunal is requested to take the factual correction on record.

Paragraph 2(g) of the RD Report

That it is submitted that the Transferor Company, L&T Finance Limited has its non-convertible debentures listed on the BSE and NSE. The BSE vide its letter dated 26/04/2023 addressed to Transferee Company and the Applicant company and NSE vide its letter dated 26/04/2023 addressed to the Applicant company have respectively given their “No Adverse Observation/No Objection” therein respectively mentioning the observations provided by SEBI and incremental observation by the Stock Exchanges on the Scheme. Further, as per said letters, the validity of the said ‘Observation Letters’ shall be six months from 26/04/2023. However, Exchanges reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/incorrect/ misleading/false or for any contravention of Rules, Bye Laws and Regulation of the Exchanges, Listing Regulation, Guidelines/ Regulations issued by Statutory Authorities. (Copies of such letters collectively marked as Annexure-II are enclosed herewith for perusal and ready reference)

Paragraph 10 of the Rejoinder

So far as the observation in paragraph 2(g) of the Report is concerned, the Petitioner Company submits that the validity period of six months

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (COURT-II)
KOLKATA**

C.P. (CAA) no. 154(KB)2023
Connected With
C.A. (CAA)no. 116(KB)2023

stipulated in the respective “No Adverse Observation / No Objection” given by BSE Limited and National Stock Exchange of India Limited vide their letters all dated April 26, 2023 is only for the purpose of submitting the Scheme to the Hon’ble Tribunal and the Petitioner Company has duly filed the Scheme with the Hon’ble Tribunal on May 03, 2023, i.e., well within the stipulated time period. The Petitioner Company submits that in no way does the validity of the “No Adverse Observation / No Objection” given by the Securities and Exchange Board of India and stock exchanges, i.e., BSE Limited and National Stock Exchange of India Limited impact this Hon’ble Tribunal’s consideration of sanction to the Scheme.

Paragraph 2(h) of the RD Report

The Income Tax Department vide letter dated 28/08/2023 addressed to this Deponent sent its report, which is self- explanatory, in the matter of Scheme of Amalgamation. A copy of the said letter of the Income Tax Department marked as Annexure-III is enclosed herewith for perusal and ready reference.

Paragraph 11 of the Rejoinder

So far as the observation in Paragraph 2(h) of the Report and the observations of the Income Tax Department, Circle 5(1), Kolkata in its letter dated August 28, 2023 is concerned, the Petitioner Company submits that the contents thereof are correct factual observations and the Income Tax Department, Circle 5(1), Kolkata in the said letter clearly stated that “*this office does not have any objection to the proposed scheme of amalgamation*”. The Petitioner Company therefore submits that the Income Tax Department has provided its no objection to the Scheme.

8. Thereafter, the RD(ER) has filed an Affidavit dated October 10, 2023. The

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (COURT-II)
KOLKATA**

C.P. (CAA) no. 154(KB)2023
Connected With
C.A. (CAA)no. 116(KB)2023

observations in the said Affidavit and the response of the Petitioner Company thereto during oral submissions, are summarized as under:

Paragraph 2(a) of the Affidavit dated October 10, 2023

*2(a) That in furtherance to the earlier representations of the Central Government dated 29/09/2023, it is submitted that the Registrar of Companies, West Bengal by letter dated 10/10/2023 submitted his report in which the ROC, WB, inter alia, stated that some prosecutions concerning the then Auditor of the Transferor Company, L&T Finance Limited (Formerly known as Family Credit Limited), which arose in respect Balance Sheet as at 31/03/2012, are pending before **Ld. CJM, Kolkata** (Copy of the said Report of ROC, WB marked as Annexure – I is enclosed herewith for perusal and ready reference.)*

Response of the Petitioner Company

The Learned Senior Advocate on behalf of the Petitioner Company submitted that the said proceedings are against the statutory auditor of the Petitioner Company and the Petitioner Company is not a party to the said proceedings.

Paragraph 2(b) of the Affidavit dated October 10, 2023

2(b) In respect of para 2(f) of the earlier representation dated 29/09/2023, it is submitted that the Transferor Company, L&T Finance Limited being the Applicant in the proposed Scheme is a registered NBFC with RBI (CoR No. B-05.06200). The Reserve Bank of India vide its letter no. DOS.Co.RSG.No.S8750/02.13.001/2022-23 dated 24/03/2023 addressed to the Chairman, L&T Finance Holdings Limited, Mumbai stated that the Bank has 'No Objection' to the proposed Scheme wherein L&T Finance Limited, L&T Infra Credit Limited, and L&T Mutual Fund Trustee Ltd. will merge into L&T Finance Holdings Limited. Further, in the said letter, the

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (COURT-II)
KOLKATA**

C.P. (CAA) no. 154(KB)2023
Connected With
C.A. (CAA)no. 116(KB)2023

RBI advised the Petitioner Company to submit certain documents within 15 days of receipt of Hon'ble NCLT order (Copy of the said letter of RBI marked as Annexure- II is enclosed herewith for perusal and ready reference.)

Response of the Petitioner Company

The Senior Advocate appearing for the Petitioner Company on instructions undertakes on its behalf that the Petitioner Company shall file the requisite documents as directed by the Reserve Bank of India within 15 days of the receipt of this order of the Hon'ble NCLT.

9. Ld. Sr. Counsel for the Petitioner Company further submits that the Petitioner Company has complied with the directions contained in the orders passed by this Tribunal and have affected service upon the concerned Income Tax Department. The Income Tax authority has provided their no objection to the proposed Scheme and the same is mentioned in the RD Report. Further, the Income Tax Department under whose jurisdiction the Non-Petitioner Companies are assessed to tax have not made any observation on the notice served upon them.
10. Heard the submissions made by the Senior Advocate for the Petitioner Company and the RD(ER). Upon perusing the records and documents in the instant proceedings and considering the submissions, we allow this Company Petition and make the following orders: -
 - (a) The Scheme mentioned in this Company Petition being **Annexure A** is hereby sanctioned by this Tribunal from **April 01, 2023** (“**Appointed Date**”) and the same shall be binding on the Transferor Companies and Transferee Company and their respective shareholders and creditors and all others concerned in respect of sanctioning the scheme of non-petitioner companies named hereinabove by the respective bench(es) of NCLT under whose jurisdiction these companies fall. This sanction is limited to the issue related to the Petitioner Company situated under the jurisdiction of this

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (COURT-II)
KOLKATA**

C.P. (CAA) no. 154(KB)2023
Connected With
C.A. (CAA)no. 116(KB)2023

Bench of this Tribunal.

- (b) All the property, rights and interests of the Petitioner Company be transferred from the said Appointed Date, without further act or deed, to the Transferee Company and, accordingly the same shall pursuant to Section 232(4) of the Act, be transferred to and vested in the Transferee Company for all the estate and interest of the Petitioner Company therein but subject nevertheless to all encumbrances now affecting the same, as provided for in the Scheme;
- (c) All the debts, defaults, guarantees, liabilities, duties and obligations of the Petitioner Company be transferred from the said Appointed Date, without further act or deed to the Transferee Company and, accordingly, the same shall pursuant to Section 232(4) of the Companies Act, 2013, be transferred to and become the debts, liabilities, duties and obligations of the Transferee Company, as provided for in the Scheme;
- (d) Upon effectiveness of the Scheme and subjugated to any compliances and requisite approval of appropriate authority including the Reserve Bank of India, Ministry of Corporate Affairs and the Registrar of Companies having jurisdiction, as an integral part of the Scheme as *inter alia* stated in clause 40 of the Scheme, there would be a change of name such that the name of the Transferee Company shall stand changed to “L&T Finance Limited” or any other name as approved by the Bard of the Amalgamated Company;
- (e) All the workmen and employees of the Petitioner Company shall be engaged by the Transferee Company, as provided for in the Scheme. All the obligations/ liabilities of the Transferor Company with regard to their workmen and employees shall be the responsibilities of the Transferee Company;
- (f) All proceedings and/or suits and/or appeals now pending by or against the Transferor Company be continued by or against the Transferee Company,

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (COURT-II)
KOLKATA**

C.P. (CAA) no. 154(KB)2023
Connected With
C.A. (CAA)no. 116(KB)2023

as provided in the Scheme; and the sanctioning of the scheme by this tribunal shall not come in the way of any proceedings pending/ contemplated against any of the petitioner companies, for which the relevant records shall be preserved by the Transferee company who is any way responsible for attending to any such proceedings on behalf of the constituent companies.

- (g) In case of any default including any Provisions of Income Tax Act in this respect of the Transferor Company the Income Tax department, the Registrar of Companies, West Bengal, and all other Statutory Department shall be at liberty to initiate appropriate proceedings against the Transferee Company, which after the sanction of the scheme by this Tribunal is in any case responsible for the liabilities/non-compliance of the Transferor Companies also. The transferee company shall preserve all the records of the transferor companies as per the requirement of the Companies act 2013, in this regard.
- (h) With effect from the Appointed Date and up to and including the Effective Date, all legal, arbitration, and tax assessment proceedings/appeals of whatsoever nature by or against the Transferor Companies pending and/or arising on or after the Appointed Date shall be continued and/or enforced by or against the Transferee Company. Any compounding/penalties/liabilities/taxes required to be done on behalf of the Transferor Companies for any violation of the Companies' Act shall be the responsibility of the Transferee Company. The Transferee Company shall also preserve the necessary records in respect of any such pending proceedings, at least till the culmination of such proceedings.
- (i) In terms of prosecutions concerning the then Auditor of the L&T Finance Limited (Transferor Company, herein) pending for adjudication before the Court of Ld. Chief Judicial Magistrate, Alipore, as raised by the ROC, we

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (COURT-II)
KOLKATA**

C.P. (CAA) no. 154(KB)2023
Connected With
C.A. (CAA)no. 116(KB)2023

would indicate that this scheme will not come in the way of such proceedings and/or any other proceedings. In this context, we would rely upon the judgment passed by the **Hon'ble Apex Court** in the case of ***Religare Finvest Limited v. State of NCT of Delhi, Criminal Appeal No(s). 2242 OF 2023*** reported in MANU/SC/1004/2023 that:

*“32. Every scheme of amalgamation is statutory and sanctioned under the Banking Act. Such amalgamation is to ensure that the interests of the depositors, the creditors and others who had invested, or given credit to in the erstwhile bank, before its sickness, and that the general public are protected. It aims at securing larger public interest and health of the banking industry. Late intervention into the affairs of a bank can result in a "run" on it, resulting in serious loss of confidence in the intricately woven banking and financial system. If one sees this and the overall objective of the scheme, it is to ensure recovery of what are the bank's dues and ensuring protection of the creditors. Clause 3 (3) of the scheme, therefore, has to be considered from this backdrop. **In this context, the express mention of directors and such other individuals in the proviso means that it is to that extent only that prosecutions or other criminal proceedings can continue; in the ordinary sense, criminal liability can neither be attributed to DBS nor its directors, brought in after the amalgamation, whose appointments were approved by the RBI.**”*

(Emphasis Added)

- (j) The Transferee Company do without further application issue and allot to the shareholders of the Transferor Companies, the shares in the Transferee Company to which they are entitled in terms of the Scheme;
- (k) Leave is granted to the Petitioner Company to file a Schedule of assets of

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (COURT-II)
KOLKATA**

C.P. (CAA) no. 154(KB)2023
Connected With
C.A. (CAA)no. 116(KB)2023

the Petitioner Company in the form as prescribed in the Schedule to Form No. CAA7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 within three weeks from the date of receiving a copy of this order, if applicable.

- (l) The Petitioner Company and the Transferee Company shall each within thirty days of the date of the receipt of certified copy of this order, cause a certified copy thereof to be delivered to the concerned Registrar of Companies for registration and on such certified copies being so delivered, the Petitioner Company shall be dissolved without Winding up with effect from the date or last of the dates of filing of the certified copy of the order, as aforesaid and the concerned Registrar of Companies shall place all documents relating to the Petitioner Company and registered with him on the file kept by him in relation to the Transferee Company and the files relating to the said companies shall be consolidated accordingly;
 - (m) That any person(s) and/or authority(ies) interested and/or aggrieved, shall be at liberty to apply to this Tribunal in the above matter for any directions that may be necessary;
 - (n) The Transferee Company shall lodge a copy of this Order along with the Scheme duly authenticated / certified by the Registry of this Tribunal, with the concerned Collector / Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, within 60 days from the date of receipt of the certified copy of this Order from the Registry of this Tribunal.
11. The Petitioner Company shall supply a legible print out of the Scheme and schedule of assets, if any, in acceptable form to the department and the department will append such printout, upon verification, to the certified copy of this order.

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (COURT-II)
KOLKATA**

C.P. (CAA) no. 154(KB)2023
Connected With
C.A. (CAA)no. 116(KB)2023

12. This instant Company Petition, **Company Petition (CAA) NO. 154/KB/2023** connected with **Company Application, (CAA) NO. 116/KB/2023** is disposed of accordingly.
13. Urgent certified copy of this order, if applied for, be supplied to the parties, subject to compliance with all requisite formalities.

Arvind Devanathan
Member (Technical)

Bidisha Banerjee
Member (Judicial)

This order signed on the 17th Day of October, 2023

Bose, R. K. [LRA]