



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

ATTENDANCE CUM ORDER SHEET OF THE HEARING  
HELD ON **27.03.2026** THROUGH VIDEO CONFERENCE

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

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Application No : CA(CAA)/49(CHE)/2025  
Petition No : CP(CAA)/85(CHE)/2025  
Name of Petitioner :  
& Cultfit Healthcare Pvt. Ltd  
Name of Respondent :  
Section : 230-232 of CA, 2013

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**ORDER**

**CP(CAA)/85(CHE)/2025**

Present: Mr. Inbaraju R, Ld. Counsel for the Petitioner.  
Ms. Pankhuri Yadav, Ld. Counsel for the Income Tax Department.

Vide separate order pronounced in the open Court, Scheme is approved.

File be consigned to records.

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**[VENKATARAMAN SUBRAMANIAM]**  
**MEMBER (TECHNICAL)**

MS

-sd-

**[SANJIV JAIN]**  
**MEMBER (JUDICIAL)**

Date: 27.03.2026



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

**CP(CAA)/85(CHE)/2025**

**in**

**CA(CAA)/49(CHE)/2025**

*(Under Sections 230 to 232 of the Companies Act, 2013)*

*In the matter of Composite Scheme of Arrangement between*

**CULTFIT HEALTHCARE PRIVATE LIMITED**

CIN: U74999TN2016PTC176668

New No.10, Old No.28, Shankaralaya,  
3rdcross Street RK Nagar, RA Puram,  
Raja Annamalaipuram, Chennai,  
Tamil Nadu, India, 600028

Represented by Mr. Sivaram Narayanan (Authorized Signatory)

*... Petitioner No.1/ Demerged Company-1 /  
Transferee Company*

**CUREFIT SERVICES PRIVATE LIMITED**

CIN: U74110TN2016PTC176487

New No.10, Old No.28, Shankaralaya,  
3rdcross Street RK Nagar, RA Puram,  
Raja Annamalaipuram, Chennai,  
Tamil Nadu, India, 600028

Represented by Mr. Sivaram Narayanan (Authorized Signatory)

*.... Petitioner No.2/DemergedCompany-2/  
Transferor Company*

**CUREFIT HEALTHCARE PRIVATE LIMITED**

CIN: U74999TN2016PTC176669

New No.10, Old No.28, Shankaralaya,  
3rdcross Street RK Nagar, RA Puram,  
Raja Annamalaipuram, Chennai,  
Tamil Nadu, India, 600028

Represented by Mr. Sivaram Narayanan (Authorized Signatory)

*.... Petitioner No.3/ Resulting Company*



Order Pronounced on 27<sup>th</sup> March, 2026

**CORAM**

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

Present:

For Petitioner(s): R. Inbaraju, Advocate

**ORDER**

1. This is a Petition Viz., CP(CAA)/49(CHE)/2025 filed by the Companies, namely **Cultfit Healthcare Private Limited** (for brevity “Demerged-1/Transferee Company”) and **Curefit Services Private Limited** (for brevity “Demerged-2/Transferor Company”) and **Curefit Healthcare Private Limited** (for brevity “Transferor Company”) and its 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 Composite Scheme Arrangement (hereinafter referred to as the “SCHEME”) proposed by the Petitioner Companies herein with its Shareholders. The Scheme is placed at **Page No. 576** as **Annexure - 18** of the Petition Typeset.

2. The **RATIONALE OF THE SCHEME** is as under:

*This Composite Scheme of Arrangement would result in an efficient corporate structure with focused management and streamlined shareholding. It is expected that the Composite Scheme shall result in unlocking the following benefits:*

- 1. Demerger of the Cult Demerged Undertaking, and Services Demerged Undertaking into the Resulting Company will enable the Resulting Company to*



*consolidate similar business operations, resulting in more efficient management and control while enabling the Demerged Companies to enhance its residual business operations by concentrated management efforts, streamlining business processes and optimization of operational efficiency;*

*2. Amalgamation of Transferor Company into Transferee Company would generate economies in administrative and managerial costs by consolidating similar operations and reduce duplication of administrative responsibilities and multiplicity of records and legal and regulatory compliances;*

*3. Simplification of the overall group structure by eliminating multiple companies within the group; and*

*4. Segregation of businesses through the Composite Scheme would result in concentrated management efforts, operational synergies and value creation to the direct and indirect stakeholders of the Demerged Companies, Transferor Company, Resulting Company and Transferee Company.*

*In view of the aforesaid, the Board of Directors of the Demerged Company No. 1/Transferee Company, Demerged Company No. 2/ Transferor Company, and Resulting Company have considered the Composite Scheme in its entirety, in order to benefit the direct and indirect stakeholders of the companies involved in the Composite Scheme. Accordingly, the Board of Directors of the respective companies have formulated this Composite Scheme for demerger and vesting of the Cult Demerged Undertaking and Services Demerged Undertaking into the Resulting Company and the merger of Transferor Company with and into the Transferee Company, pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013, to the extent*



*applicable and in compliance with the applicable provisions of the Income-tax Act, 1961.*

### **Purpose of the Scheme**

*(a) Demerger, transfer and vesting of the Cult Demerged Undertaking (defined hereinafter) of Cultfit Healthcare Private Limited (hereinafter referred to as "Cultfit Healthcare" or "Demerged Company No. 1") and of the Services Demerged Undertaking (defined hereinafter) of Curefit Services Private Limited (hereinafter referred to as "Curefit Services" or "Demerged Company No. 2") ("Demerged Company No. 1" and "Demerged Company No. 2" are collectively referred to as "Demerged Companies") into Curefit Healthcare Private Limited (hereinafter referred to as "Curefit Healthcare" or "Resulting Company") on a going concern basis; and*

*(b) Subsequent to the demerger of the Demerged Undertaking No. 2 of the Demerged Company No. 2 with effect from the Demerger Appointed Date, the Amalgamation of Remaining Business No. 2 of Curefit Services Private Limited ("Transferor Company") with and into Cultfit Healthcare Private Limited ("Transferee Company") and on a going concern basis.*

### **Definition as mentioned in the scheme**

- *"Demerged Undertaking No. 1"*
- *"Demerged Undertaking No.1" or "Cult Demerged Undertaking" shall mean and include the business of servicing memberships under the CultPass Elite and CultPass Pro offerings which includes personal training, monetisation from marketing etc., including all activities, properties, investments, liabilities specifically related to such identified business.*



- *"Demerged Undertaking No. 2" or "Services Demerged Undertaking" shall mean and include business of CultPass Elite and CultPass Pro membership subscription which including all activities, properties, investments, liabilities specifically related to such identified business.*
- *Remaining Business No.1 or 'Cult Remaining Business' means the undertaking, operations, and activities of operating and running premium gym and fitness centres, under the brand name of Fitness First, Pilates Circle by Cult, Volt and Reset including all the assets, investments, and liabilities of the Demerged Company No.1, other than the business forming part of the Demerged Undertaking No.1.*
- *Remaining Business No.2 or Services Remaining Business means the undertaking, operations, activities, including all the assets, investments, and liabilities of the Demerged Company No.2, other than the business forming part of the Demerged Undertaking No.2.*

### 3. 1<sup>ST</sup> MOTION APPLICATION – IN BRIEF

3.1. The Petitioner companies had filed First Motion Application vide CA(CAA)/49/(CHE)/2025 seeking directions as follows

	EQUITY SHAREHOLDERS	PREFERENCE SHAREHOLDERS	SECURED CREDITORS	UNSECURED CREDITORS
APPLICANT COMPANY-1/DEMERGED COMPANY-1	To Dispense with the meeting	To Dispense with the meeting	To Dispense with the meeting	To Dispense with the meeting
APPLICANT COMPANY-2/TRANSFEROR COMPANY	To Dispense with the meeting	Nil	Nil	To Dispense with the meeting
APPLICANT COMPANY - 3/RESULTING COMPANY	To Dispense with the meeting	To Dispense with the meeting	To Dispense with the meeting	To Dispense with the meeting



3.2. Based on the application moved under Sections 230-232 of the Companies Act, 2013, directions were issued by this Tribunal, vide order dated 11.09.2025. Petitioner Company No.1 was directed to hold meeting of the Unsecured Creditors, Petitioner Company No.2 was directed to hold meeting of the Unsecured Creditors, Petitioner Company 3 was directed to hold meeting of Equity Shareholders, Preference Shareholders, and Unsecured Creditors.

3.3. The Chairman's Report was filed on 30.10.2025. As per the Chairman's Report, the Unsecured Creditors of Petitioner Company No.1 and No.2 have voted in favour of the Composite Scheme of arrangement. The Equity Shareholders, Preference Shareholders and Unsecured Creditors of Petitioner Company 3 have also voted in favour of the Composite Scheme of Arrangement.

#### 4. 2<sup>ND</sup> MOTION PETITION

4.1. Subsequently, second motion petition was filed before this Tribunal on 04.11.2025 for sanction of the Composite Scheme of Arrangement.

4.2. In the second motion petition filed by the Petitioner Companies, this Tribunal vide order dated **19.11.2025** directed the Petitioner Companies to issue notice to the Statutory / Regulatory Authorities viz. (i) Regional Director (Southern Region), Chennai (ii) ROC, Chennai, (iii) Official Liquidator(Transferor Company) and (iv) the Jurisdictional Income Tax Office, and other sectoral regulators, who govern the working of the respective companies, as well as for paper publication to be made in **"Business Standard", English (All India Edition) and "Makkal Kural" Tamil (Tamil Nadu Edition).**



5. In compliance to the directions issued by this Tribunal, the Petitioner Companies filed affidavit of service dated 28.11.2025. A perusal of the same discloses that the Petitioner Companies effected paper publications in “Business Standard” (All India Edition) in English and “Makkal Kural” (Tamil Nadu Edition) in Tamil on **27.11.2025** respectively. It is also seen that notices were served to

S.No	Statutory authorities	Date of Notice
1.	Regional Director, Southern Region, Chennai	27.11.2025
2.	Registrar of Companies, Chennai	27.11.2025
3.	Income Tax Department	27.11.2025
4.	Official Liquidator	27.11.2025
5.	Reserve Bank of India	03.12.2025
6.	Competition Commission of India	27.11.2025

6. Pursuant to the service of notice of the petition, the following statutory authorities have responded as follows:

**6.1. Regional Director**

6.1.1. The Regional Director, (*hereinafter referred to as ‘RD’*) Southern Region, Chennai has filed his report dated 29.12.2025 before this Tribunal and the same is as follows:



Para	Observations
11	<p>As per Clause 30.1 of Part D of the Scheme, upon coming into effect of this Composite Scheme, the authorised share capital of the Transferor Company shall be transferred to the Transferee Company and the Transferee Company's authorised share capital in terms of its Memorandum of Association and Articles of Association shall automatically stand enhanced without any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees payable to the registrar of companies, and the memorandum of association and articles of association of the Transferee Company (relating to the authorised share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended and the consent of the shareholders to the Composite Scheme shall be deemed to be sufficient for the purpose of effecting this amendment, and no further resolution(s) under Section 13, Section 14, Section 61 or any other applicable provisions of the Act shall be required to be separately passed. For this purpose, the Transferee Company shall comply with the requirements of the Act and shall pay fee, if any, on increase in its authorised share capital subsequent to the amalgamation, after claiming set-off of fee already paid by the Transferor Company on such authorised share capital.</p>



20	<p>That ROC Chennai vide its report dated 19.12.2025 has made the following observations:</p> <p>a. The Petitioner Companies are regular in filing their statutory returns and have filed up to Financial year 31.03.2025.</p> <p>b. There are no prosecution/ complaint/ inspection or investigation pending against the Companies involved in the Scheme of Arrangement.</p> <p>c. Statutory Auditors for the Petitioner Companies have certified that the accounting treatment for the proposed Scheme of Arrangement is in compliance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.</p> <p>d. Resulting Company and Transferee Company may be asked to file the amended MoA containing amendment to the capital clause for record purposes.</p>
21	<p>That as per the MCA21 portal, the Demerged Company 1/Transferee Company has 7 active charges created with 2 Secured Creditors. In this regard, the Demerged Company 1/Transferee Company may be directed to submit an affidavit enclosing NOC/Consent from the Secured Creditors whose charges are created in the MCA portal after the date of issuance of certification from the Auditor.</p>
22	<p>That as per the petition, there are NIL Secured Creditors for Demerged Company 2/ Transferor company. Hence, this NCLT has dispensed the necessity for convening,</p>



	<p>holding and conducting the meeting of Secured Creditors of Demerged Company 2/ Transferor Company. However, as per MCA portal one active charge is pending with IDFC First Bank Ltd amounting to Rs.40,00,00,000/- which has been created on 19.06.2025. Therefore, Demerged Company 2 may be directed to submit an affidavit enclosing NOC/consent from the Secured Creditor whose charge is created in MCA portal after the date of issuance of certificate from Auditor. Register of Charges of the Demerged Company 21 Transferor company as per MCA portal is enclosed as Annexure- B.</p>
23	<p>That as per the MCA21 portal, the Resulting Company has 12 active charges created with 8 Secured Creditors. In this regard, the Resulting Company may be directed to submit an affidavit enclosing NOC/Consent from the Secured Creditors whose charges are created in the MCA portal after the date of issuance of certification from the Auditor.</p>
24	<p>That the petitioner companies may be directed to undertake to comply with the provisions of Section 240 of the Companies Act, 2013 and provisions of Section 232(3)(i) of the Companies Act, 2013.</p>
25	<p>That 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>



### 6.1.2. Reply to the RD's Objections

<b>Relevant para of RD Report</b>	<b>Reply to the relevant para of RD Report</b>
Para 21	<p>It is stated that the Petitioner Company No. 1 has 10 (Ten) Active charges created with 3 (Three) Secured Creditors namely HDFC Bank Limited, Kotak Mahindra Bank Limited and Axis Bank Limited as on the Cut-off date i.e, June 24, 2025. The same has been certified by an Independent Chartered Accountant vide certificate dated June 24, 2025. All the 3 (Three) Secured Creditors have provided their consent to the Composite Scheme in the form of an Affidavit. Copy of the Chartered certificate and the consent affidavits are enclosed in Part 4 of the Petition as Annexure 23 &amp; Annexure 24 bearing Page No. 701 &amp; 702-734 respectively.</p> <p>No charge has been created post the Cut-off date and after the issuance of Chartered Accountant Certificate, thus obtaining fresh consent and/or No objection letter does not arise. Copy of the Master Data of the Petitioner Company No. I including the Index Of charges are enclosed herewith as ANNEXURE 3.</p>



Para 22	<p>It is stated that the active charge in favour of IDFC First Bank Limited amounting to Rs. 40.0 (Rupees Forty Crores Only) created on 19.06.2025, pertains solely to a working capital credit facility availed by the Petitioner Company No. 2. The working capital facility and the corresponding charge were created as part of routine business operations. Further on the date of issuance of the Chartered Accountant certificate certifying the list of Secured Creditors and as on the Cut-off date i.e., June 24, 2025, the working capital facility sanctioned by IDFC First Bank Limited, and the charge having been created on 19.06.2025, has not been drawn down / utilised and had not crystallised into an outstanding secured borrowing in the books of the Petitioner Company No. 2 and thus as on the Cut-off date, there were Nil Secured Creditors.</p> <p>Without prejudice to the above submission, it is submitted that the implementation of the Composite Scheme shall not, in any manner whatsoever, prejudice, dilute, impair or adversely affect the rights, security or interests of IDFC First Bank Limited.</p> <p>It is stated that the Petitioner Company No. 2 in the Composite Scheme is identified as a Demerged Company No. 2 in Part C of the Composite Scheme (Demerger) and as a Transferor Company in Part D of the Composite Scheme (Amalgamation) and with regard to Demerger it is submitted that upon the effectiveness of the Composite</p>
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S:heme, in accordance with the terms thereof, the Demerged Undertaking NO. 2 (as defined in Clause 1.10 of the Composite Scheme) shall be transferred to the Petitioner Company No.3 /Resulting Company viz., Curefit Healthcare Private Limited.

With regard to the amalgamation, it is submitted that upon the effectiveness of the Composite Scheme, in accordance with the terms thereof, remaining business no.2 (as defined in Clause 1.21 of the Composite Scheme) shall be transferred to the Petitioner Company No.1 / Demerged Company No.1/ Transferee Company viz., Cultfit Healthcare Private Limited.

Accordingly, any demand, liability and /or obligation, whether existing or arising in the future, in respect of the Demerged Undertaking No.2 and the Remaining Business No.2 shall be borne and discharged by the Resulting Company and the Transferee Company, respectively, strictly in accordance with the applicable terms, conditions and covenants governing the respective charges and credit facilities pursuant to which such liabilities have been created, thus, the interest of such Secured Creditor is protected. An Undertaking affidavit sworn on behalf of the Resulting Company and Transferee Company to this effect is enclosed herewith as Annexure 4 and Annexure 5 respectively.



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It is submitted that while the cut-off date for determining the list of Secured Creditors for the purpose of obtaining consents was fixed as June 24, 2025, the table below reflects all active charges appearing in the MCA portal as on date, including charges created subsequent to the cut-off date, which have been incurred in the ordinary course of business.

The details of the active charges Of the Petitioner Company No. 3 / Resulting Company along with the purpose thereof are set out below:

S. No	Name of the Charge holder	Date of Creation	Purpose	Remarks
1.	HDFC Bank Limited	November 27, 2025	Loan for Cultfit Healthcare Private Limited	This charge has been created after the cut-off date i.e., June 24, 2025, in the ordinary course of business. The facility pertains to a loan availed by Cultfit Healthcare Private Limited, and Petitioner Company No. 3 (Curefit Healthcare Private Limited) has only furnished a corporate guarantee. No borrowing has been undertaken by Petitioner Company No. 3 and no liability has crystallised in its books. Accordingly, the same does not constitute a secured debt of Petitioner Company No. 3.
2.	The Hongkong and Shanghai Banking	March 28, 2025	Working Capital Limit for Curefit Healthcare Private Limited	This charge relates to a working capital facility availed by Curefit Healthcare Private Limited and is duly reflected





	Axis Bank Limited	September 27, 2022	Working Capital Limit for Cultsport Private Limited	This charge pertains to a working capital facility availed by Cultsport Private Limited, for which Petitioner Company No. 3 has provided a corporate guarantee. No borrowing has been undertaken by Petitioner Company No. 3 and the guarantee has not been invoked.
8.	The Hongkong and Shanghai Banking Corporation Limited	July 9, 2022	Working Capital Limit for Cultsport Private Limited	The charge relates to a working capital facility of Cultsport Private Limited. Petitioner Company No. 3 has only extended a corporate
				guarantee. No liability has crystallized under the said guarantee and no secured debt exists in the books of Petitioner Company No. 3.
9.	Kotak Mahindra Bank Limited	April 27, 2021	ECLGS Loan for Cultfit Healthcare Private Limited	This charge was created in respect of an ECLGS loan availed by Cultfit Healthcare Private Limited. Petitioner Company No. 3 has furnished a corporate guarantee in support of the facility. No borrowing has been undertaken by Petitioner Company No. 3 and the guarantee has not been invoked.
10.	Kotak Mahindra Bank Limited	January 08, 2020	Working Capital Limit for Cultfit Healthcare Private Limited	The charge relates to a working capital facility availed by Cultfit Healthcare Private Limited. Petitioner Company No. 3 has only provided a corporate guarantee and no loan has been borrowed by it. The said guarantee remains uninvoked.
11.	Axis Bank Limited	December 17, 2019	Working Capital Limit for Cultfit Healthcare Private Limited	This charge pertains to a working capital facility availed by Cultfit Healthcare Private Limited. Petitioner Company No. 3 has furnished a corporate guarantee in the ordinary course of business. No liability has crystallized under the guarantee.
12.	Kotak Mahindra Bank Limited	June 12, 2019	Working Capital Limit for Cultfit Healthcare Private Limited	The charge relates to a working capital facility availed by Cultfit Healthcare Private Limited. Petitioner Company No. 3 has provided a corporate guarantee. No borrowing has been undertaken by Petitioner Company No. 3 and the guarantee has not been invoked or triggered.



It is stated that, the chargeholders/secured creditors who do not form part of the Chartered Accountant's Certificate and/or in whose favour the charge has been created after the Cut-Off date, pertain only to corporate guarantees furnished by the Petitioner Company No.3. Since said guarantees have not been invoked or triggered as on the cut-off date, no liability has been crystallised thereunder and accordingly the same has not been reflected as secured debt or as secured creditors in the books of the Petitioner Company No.3, thus obtaining fresh consent/ no objection letter does not arise.

Further the Secured Creditors forming part of the Chartered Accountant's Certificate as on the Cut-off date have provided their respective consents in the form of an affidavit.

Without prejudice to the above submission, it is submitted that the implementation of the Composite Scheme shall not, in any manner whatsoever, prejudice, dilute, impair or adversely affect the rights, security or interests of any charge holder. Further the Resulting Company in the Composite Scheme continues to exist post effectiveness of the Composite Scheme, thus any demand, liability and/or obligation, whether existing or arising in the future, in respect of the Resulting Company shall be duly borne and discharged by the Resulting Company itself, strictly in accordance with the applicable terms, conditions and covenants governing the respective charges and credit



	<p>facilities pursuant to which such liabilities have been created, thus the interest of such Secured Creditors are protected. An Undertaking affidavit sworn on behalf of the Resulting Company to this effect is enclosed herewith as ANNEXURE 4.</p>
24	<p>It is stated that the Petitioner Company No. 2 is identified as Transferor Company in Part D of the Composite Scheme (Amalgamation). In this regard it is affirmed and undertaken on behalf of the Petitioner Company No.2 that in compliance to 240 of Companies Act, 2013, the liability in respect of offences committed under the Companies Act, 2013 by the officers in default, if any of Transferor Company prior to its amalgamation shall continue after such amalgamation. A Separate undertaking affidavit in this regard sworn on behalf of the Transferor Company is enclosed herewith as ANNEXURE 6.</p> <p>Further with regard to Section 232(3)(i) of the Companies Act, 2013, it is affirmed that as the Transferor Company i.e., the Petitioner Company No.2 shall be dissolved pursuant to Clause 34 of the Composite Scheme, the fee, if any, paid by the Transferor Company on its authorised capital shall be set-off against any fees payable by the Transferee Company i.e., the Petitioner Company No.1 on its authorised capital subsequent to the amalgamation. An undertaking affidavit sworn on behalf of the Transferor Company and Transferee</p>



	Company is enclosed herewith as Annexure 6 and Annexure 5 respectively.
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## 6.2. Official Liquidator

6.2.1. The Official Liquidator, (hereinafter referred to as 'OL') has filed the Report dated 31.12.2025. It is stated that, they had appointed M/s. Durairaj & Associates, Chartered Accountants firm from the panel maintained by their office to verify the affairs of the Petitioner Companies. The Chartered Accountants appointed by the OL have reviewed the books and records of the Transferor Companies for the last 3 financial years. i.e. F.Y. 2022-2023, F.Y. 2023-2024 & F.Y. 2022-2023. The observations made by the Chartered Accountant are as below,

Para	Observations
3(i)	<p><b>Undertaking to fix Record Date immediately after sanction of the scheme:</b></p> <p>That, the Amalgamation Record Date is defined under clause 1.18 of Part A of the Scheme as the date to be fixed jointly by the Board of Directors of both transferor and transferee companies. However, it is silent on the need to fix it immediately after sanction of the scheme and before the dissolution of the Transferor Company on dissolution date / effective date. Hence, this Tribunal may direct the</p>



	<p>companies to submit an undertaking to fix the amalgamation record date immediately after sanction of the scheme and before the dissolution / Effective Date.</p>
3(ii)	<p><b>Undertaking not to adopt auto modification of content of scheme, post its sanction, without prior consent of Tribunal:</b></p> <p>That, the clause 9.1 (Demerged Company-1), clause 19.1 (Demerged Company-2) and clause 29.1 (Amalgamation) of the scheme provide for auto modification of content of the scheme, post its sanction by this Tribunal. It is submitted 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 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 direct the companies to delete / modify the clauses 9.1, 19.1 and 29.1 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</p>



	<p>Tribunal received by the companies under section 231(I)(b) of the Companies Act, 2013.</p>
3(iii)	<p><b>Employee protection undertaking:</b></p> <p>That, the clause 1.8(vi) and 1.10(vi) of the scheme provide for protection of employees of demerged undertaking-I &amp; demerged undertaking-2 respectively, only if they are in service immediately preceding the sanction of the scheme by this Tribunal. However, corresponding clause 6.1 and 16.1 of the scheme provide for such employees of demerged undertaking 1 &amp; demerged undertaking 2 respectively, only if they are in service on the Effective Date. Further, clause 26.1 of the scheme provide for protection of employees of remaining undertaking of Transferor Company, only if they are in service on Effective Date and 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 (1.4.2025) as well except in the event of their resignation on their own before the Effective Date.</p>
3(iv)	<p><b>Details of actual list of assets and liabilities forming part of demerged undertaking 1 and 2 etc, not disclosed in the Scheme:</b></p> <p>That the full details of assets and liabilities that sought to be actually transferred through Demerger 1 &amp; 2 are not on record of this scheme. Hence, this Tribunal may direct the</p>



	<p>companies to furnish the list of assets and liabilities of demerged undertaking 1 &amp; 2 that sought to be transferred / vested into the resulting company through the scheme and also such list of assets and liabilities of remaining undertaking of Demerged Company-1 and remaining business of Transferor Company matching with their total figures as on 31.3.2025 (Appointed Date 01.04.2025) to this Tribunal.</p>
3(v)	<p><b>Observations in CA Report:</b></p> <p>That, the CA appointed by the Official Liquidator to scrutinize the books of the accounts of the Transferor company reported, inter-alia, vide para no. 13 of the report (as reproduced in bold at page no.15 of this report) regarding provision of Rs. 150 Cr. towards impairment loss of investment in Jogo Technologies Pvt. Ltd, has observed that the subsidiary of the Transferor Company acquired with investment of Rs 374.99 Cr. but its valuation has been written down to Rs 224.99 Cr. as on 31.3.2025. This issue requires reply and clarification by the company along with supporting documentary evidence and requires submission of full information in order to submit further report by the Official Liquidator, if required.</p>
4	<p>It is submitted 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</p>



	of its members or to public interest subject to representation at para 3, and subject to verification of various details of information/clarifications etc. pending to be received as detailed in para 3 above.
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### 6.2.2. Reply to the OL Observations

6.2.3. The Petitioner Companies have filed an affidavit dated 03.01.2026 and provided reply to OL observations.

<b>Relevant para of OL</b>	<b>Reply to the relevant para</b>
3(i)	In this regard it is submitted that the Record date for determining the shareholders of the Transferor Company to whom the equity shares of the Transferee Company shall be allotted pursuant to the Composite Scheme shall be mutually fixed by the Board Of Directors of the Transferor Company and the Transferee Company immediately after the sanction of the Composite Scheme by this Tribunal and prior to the Dissolution of the Transferor Company/Effective date Without prejudice to Clause 1.18 Of the Composite Scheme. Accordingly, undertaking affidavit sworn on behalf of the Transferee Company and Transferor Company are annexed herewith as Annexure 3 & Annexure 4 respectively.



3(ii)	<p>It is submitted that though Clause 9.1, 19.1 and 29.1 of the Composite Scheme provide for modification of the Composite Scheme to comply with the applicable laws, such modification shall not be operative, implemented or given effect to without obtaining specific prior approval of this Tribunal under Section 231(1)(b) of the Companies Act, 2013. Undertaking affidavits sworn on behalf of the Petitioner Company No.1, Petitioner Company No.2 and Petitioner Company No.3 are annexed herewith as Annexure 3, Annexure 4 and Annexure 5 respectively.</p>
3(iii)	<p>It is stated that there has been no retrenchment of any employee of the Petitioner Company No.1/Demerged Company No.1/Transferee Company and Petitioner Company No.2/Demerged Company No.2/ Transferor Company who were in service as on the Demerger Appointed Date i.e., March 31, 2025 and Amalgamation appointed date i.e., April 01, 2025 and till date.</p> <p>It is solemnly undertaken that there shall be no retrenchment of any such employee except in the event of resignation by the employee on their own volition prior to the effective date. An undertaking affidavit in this regard sworn on behalf of the Petitioner Company No.1 and Petitioner Company No.2 are annexed herewith as Annexure 3 and Annexure 4 respectively.</p>



3(iv)	<p>It is submitted that the detailed indicative lists of assets and liabilities forming part of Demerged Undertaking—1 and Demerged Undertaking—2 as well as the remaining businesses of Petitioner Company No. 1 and Petitioner Company No. 2, as on the Appointed Date, are enclosed herewith as ANNEXURE 6 and ANNEXURE 7 respectively.</p>
3(v)	<p>The provision of INR 150 Crores towards impairment loss of investment in Jogo Technologies Private Limited is a non-cash accounting adjustment made strictly in accordance with the applicable Indian Accounting Standards (Ind AS), based on a valuation exercise carried out by the management of the Transferor Company. The key driver for impairment is a significant underperformance against the original business plan. While the investment thesis assumed a revenue CAGR of approximately 50%, the actual revenue growth has been closer to 10% over the recent periods post-acquisition. This deviation reflects slower- than-expected ramp-up of new centres, subdued customer acquisition, and increased competitive intensity in key markets. Further, operating margins of the existing centres have declined or remained stagnant due to higher fixed cost absorption, increased manpower and rental costs, and limited pricing flexibility. These factors have adversely impacted projected cash flows and reduced the recoverable amount of the investment below its carrying value. Based on revised cash flow</p>



	<p>projections and sensitivity analysis performed, management has concluded that the impairment loss recognized is appropriate and reflects current economic realities.</p> <p>It is submitted that the said impairment does not involve any outflow of funds, does not result in any diversion, siphoning, or misapplication of assets, and does not prejudice or adversely affect the interests of the creditors or other stakeholders of the Transferor Company. The said impairment has been duly reflected in the audited financial statements for the finance year ended 31 March 2025 and has been reviewed and reported upon by the statutory auditors of the Transferor Company.</p>
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### 6.3. **Income Tax Authorities**

6.3.1. The Assistant Commission of Income Tax Circle, Bangalore has filed a memo dated 05.12.2025 provided objections.

6.3.2. It is stated that in the case of M/s Cultfit Healthcare Private Limited, there are pending proceedings for the Assessment Year 2024-2025.

6.3.3. It is stated that, the Transferee Company shall be held responsible for any demand or liability which may arise in the name of Transferor Company. In this regard, indemnity bond has also been sought from Cultfit Healthcare Private Limited (Petitioner Company No.1/Demerged Company No.1/ Transferee Company) and Curefit Services Private Limited (Petitioner Company No.2/ Demerged



Company No.2/Transferor Company) and Curefit Healthcare Private Limited (Petitioner Company No.3 / Resulting Company).

#### 6.3.4. **Reply to Income Tax Authorities**

6.3.5. It is stated that any demand, proceedings, or tax liability that may arise in the future in respect of Demerged Undertaking No.1 shall be duly discharged by the Resulting Company, in accordance with the applicable provisions of the Income Tax Act, 1961.

6.3.6. It is stated that the indemnity bond has already been submitted to the income tax department. Accordingly, any demand, proceedings, or tax liability that may arise in the future in respect of the Demerged Undertaking No.1 shall be duly discharged by the Resulting Company, in accordance with the applicable provisions of the Income Tax Act, 1961. Further, an undertaking affidavit sworn on behalf of the Resulting Company to this effect is provided along with the reply to the Income Tax authorities memo.

#### 6.4. **Reserve Bank of India**

6.4.1. Pursuant to the notice dated 03.12.2025 the Reserve Bank of India has provided its reply dated 12.12.2025.

<b>Para</b>	<b>RBI reply</b>
1	We are in receipt of applications referring petition number CP(CAA) NO. 85/CHE/2025 connected with CA(CAA) NO. 49/CHE/2025, informing that the petition has been



	<p>filed before the National Company Law Tribunal, Chennai Bench - I for sanctioning the proposed Scheme of Arrangement between M/s. Cultfit Healthcare Private Limited (transferee company), M/s. Curefit Services Private Limited (transferor company), M/s. Curefit Healthcare Private Limited (Resulting Company) and their respective shareholders and creditors.</p>
2	<p>We submit that it is the duty of the companies undergoing corporate action i.e. compromise/ arrangement/ merger/ amalgamation/ demerger/ reduction in share capital, to comply with the requirements of various laws including the rules, regulations and guidelines prescribed by RBI, viz., the companies may have to comply with Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder. It is submitted that as a regulator it will not be ethical on the part of RBI to vet individual cases, as it will preclude it from taking action on contravention, if any, committed by such companies.</p>

#### 6.4.2. Reply to the RBI Letter dated 12.12.2025

6.4.3. The Petitioner Companies have provided their reply dated 18.12.2025 and stated that the Resulting Company and Transferee Company shall upon the effectiveness of the proposed Composite Scheme, comply with all applicable rules, regulations, guidelines, and



statutory requirements prescribed by the Reserve Bank of India and under the Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder, in relation to the Demerged Undertaking No.1, Demerged Undertaking No.2 and Remaining Business No.2 respectively.

#### 6.5. Competition Commission of India (CCI)

6.5.1. It is stated that the proposed composite scheme falls within the threshold prescribed under Section 5 of the Competition Act, 2002 and requires prior approval from the Competition Commission of India.

6.5.2. The Petitioner Companies have filed the notification issued by the CCI on 22.08.2025. It is stated that CCI vide its communication dated 09.12.2025 under Regulation 28(1) of the CCI Combination regulations, 2024, has approved the Composite Scheme as proposed by the Petitioner Companies.

6.5.3. The extract of the approval provided by the CCI is provided below:



Annexure-2



Dated: 09<sup>th</sup> December, 2025

**Press Release 89/ 2025-26**

*Commission approves the proposed combination involving, inter alia, Curefit Healthcare Private Limited (Curefit Healthcare), Cultfit Healthcare Private Limited (Cultfit), Curefit Services Private Limited (Curefit Services), and Fitness First Luxembourg S.C.A (FF Lux)*

The Proposed Combination includes the following:

- Demerger of (i) the business of servicing memberships under the CultPass Elite and CultPass Pro offerings of Cultfit and (ii) the business of CultPass Elite and CultPass Pro membership subscription of Curefit Services with and into Curefit Healthcare.
- Merger of the residual business of Curefit Services with and into Cultfit (Cultfit Merged Entity) and buyback of shares in Cultfit Merged Entity from all shareholders, except Curefit Healthcare.

Curefit Healthcare is involved in the development of suitable IT-enabled technologies and intellectual property in the fitness and healthcare sector. Curefit Healthcare is engaged, whether as principal, agent, partner, proprietor, manager, operator, investor, joint venture, franchisee or otherwise, in the business of creating/developing, licensing and/or distribution of technologies, intellectual property, products and services in the areas of healthcare, sports, apparel & merchandise and fitness.

Cultfit is a subsidiary of Curefit Healthcare. It is primarily engaged in the business of operating fitness centres.

Curefit Services is a subsidiary of Curefit Healthcare. It is engaged in the business of providing fitness subscription services in both online and offline channels.

FF Lux is engaged in the business of operating fitness and sports centres across various jurisdictions. In India, FF Lux is only present through its investments in Curefit Healthcare and Cultfit and does not hold any other investments.

Detailed order of the Commission will follow.

## 6.6. Valuation Report

6.6.1. The Petitioner Companies have annexed Valuation Report obtained from Mahalingam Suresh Kumar (Registration No. IBBI/RV/06/2019/10919), Registered Valuer. The valuation report is placed as Annexure 40,41 & 42 at Page No. 937-988 of the Petition



typeset. The Valuation Analysis of the Independent valuer is extracted hereunder for reference.

A)

Swap Ratio for Demerger of Cult Demerged Undertaking of the Cultfit Healthcare Private Limited (Petitioner Company No. 1 / Demerged Company No. 1) into Curefit Healthcare Private Limited (Petitioner Company No. 3 / Resulting Company):

Upon this Composite Scheme becoming effective, the Resulting Company shall, without any further application or deed, but subject to necessary approvals, if any, issue and allot Equity Shares or Series F-1 Compulsorily Convertible Preference Shares ("Series F-1 CCPS") or Series F-2 Compulsorily Convertible Preference Shares ("Series F-2 CCPS") as the case may be, credited as fully paid-up, to the

shareholders of the Petitioner Company No. 1 / Demerged Company No. 1 except to the Resulting Company itself, holding fully paid up shares whose names appear in the register of members of the Demerged Company No. 1 as on the Record Date No. 1 in the following proportion:

For Equity shareholders:

- (I) For every 1 (One) Equity Share of face value of INR 1/- (Rupees One Only) each fully paid-up held in the Demerged Company No. 1, 1.98875 fully paid-up Equity Shares of face value of INR 1/- (Rupees One Only) each of the Resulting Company shall be issued and allotted as fully paid-up.

For Series A1 CCPS holders:

- (II) For every 1 (One) Series A1 CCPS of face value of INR 1/- (Rupees One Only) each fully paid-up held in the Demerged Company No. 1, at the election of the holder of such CCPS:
- i) 1.76867 fully paid-up Equity Shares of face value of INR 1/- (Rupees One Only) each of the Resulting Company shall be issued and allotted as fully paid-up; or
  - ii) 1.76867 fully paid-up Series F-1 CCPS of face value of INR 1/- (Rupees One Only) each of the Resulting Company shall be issued and allotted as fully paid-up. Or



For Series A2 CCPS holders:

(III) For every 1 (One) Series A2 CCPS of face value of INR 1/- (Rupees One Only) each fully paid-up held in the Demerged Company No. 1, at the election of the holder of such CCPS:

- i) 1.98875 fully paid-up Equity Shares of face value of INR 1/- (Rupees One Only) each of the Resulting Company shall be issued and allotted as fully paid-up; or
- ii) 1.98875 fully paid-up Series F-1 CCPS of face value of INR 1/- (Rupees One Only) each of the Resulting Company shall be issued and allotted as fully paid-up.

For Series B CCPS holders:

For Cultfit Healthcare Private Limited

(IV) For every 1 (One) Series B CCPS of face value of INR 1/- (Rupees One Only) each fully paid-up held in the Demerged Company No. 1, at the election of the holder of such CCPS:

- i) 1.98875 fully paid-up Equity Shares of face value of INR 1/- (Rupees One Only) each of the Resulting Company shall be issued and allotted as fully paid-up; or
- ii) 1.98875 fully paid-up Series F-1 CCPS of face value of INR 1/- (Rupees One Only) each of the Resulting Company shall be issued and allotted as fully paid-up.

For Series C CCPS holders:

(V) For every 1 (One) Series C CCPS of face value of INR 1/- (Rupees One Only) each fully paid-up held in the Demerged Company No. 1, at the election of the holder of such CCPS:

- i) 1.98875 fully paid-up Equity Shares of face value of INR 1/- (Rupees One Only) each of the Resulting Company shall be issued and allotted as fully paid-up; or
- ii) 1.98875 fully paid-up Series F-2 CCPS of face value of INR 1/- (Rupees One Only) each of the Resulting Company shall be issued and allotted as fully paid-up.



For Series D CCPS holders:

(VI) For every 1 (One) Series D CCPS of face value of INR 1/- (Rupees One Only) each fully paid-up held in the Demerged Company No. 1, at the election of the holder of such CCPS:

- i) 1.98875 fully paid-up Equity Shares of face value of INR 1/- (Rupees One Only) each of the Resulting Company shall be issued and allotted as fully paid-up; or
- ii) 1.98875 fully paid-up Series F-1 CCPS of face value of INR 1/- (Rupees One Only) each of the Resulting Company shall be issued and allotted as fully paid-up; or
- iii) 1.98875 fully paid-up Series F-2 CCPS of face value of INR 1/- (Rupees One Only) each of the Resulting Company shall be issued and allotted as fully paid-up.

B)

Swap Ratio for Demerger of Services Demerged Undertaking of the Curefit Services Private Limited (Petitioner Company No. 2 / Demerged Company No. 2) into Curefit Healthcare Private Limited (Petitioner Company No. 3 / Resulting Company);

Upon this Composite Scheme becoming effective, the Resulting Company shall, without any further application or deed, but subject to necessary approvals, if any, issue and allot Equity Shares, credited as fully paid-up, to the shareholders of the Petitioner Company No. 2 / Demerged Company No. 2 except to the Resulting Company itself, holding fully paid up shares whose names appear in the register of members of the Demerged Company No. 2 as on the Record Date No. 2 in the following proportion:

"25,000 fully paid-up Equity Shares of face value of INR 1/- (Rupees One Only) each of the Resulting Company shall be issued and allotted as fully paid-up for every 41,053 Equity Shares of face value of INR 1/- (Rupees One Only) each fully paid-up held in the Petitioner Company No. 2 / Demerged Company No. 2".

C)



46. Swap Ratio for Amalgamation of Curefit Services Private Limited (Petitioner Company No. 2 / Transferor Company) into Cultfit Healthcare Private Limited (Petitioner Company No. 1 / Transferee Company):

Upon this Composite Scheme becoming effective and in consideration for the Amalgamation of Curefit Services Private Limited, (Petitioner Company No. 2 / Demerged Company No. 2 / Transferor Company) into Cultfit Healthcare Private Limited (Petitioner Company No. 1 / Demerged Company No. 1 / Transferee Company), Cultfit Healthcare Private Limited (Petitioner Company No. 1 / Demerged Company No. 1 / Transferee Company) shall without any further application, act, instrument or deed issue and allot the Equity Shares to the shareholders of Curefit Services Private Limited (Petitioner Company No. 2

/ Demerged Company No. 2 / Transferor Company) as on the Record Date No. 3, to the extent as mentioned in Composite Scheme.

*"3,200 fully paid-up Equity Shares of face value of INR 1/- (Rupees One Only) each of the Transferee Company shall be issued and allotted as fully paid-up for every 10,000 Equity Shares of face value of INR 1/- (Rupees One Only) each fully paid-up held in the Transferor Company".*

## 6.7. Accounting Treatment

6.7.1. The Petitioner Companies have stated that the Statutory Auditors have examined the Scheme and certified that the Scheme is in confirmatory with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013. The Certificates issued by the Statutory Auditors certifying the Accounting Treatment of Petitioner Companies are annexed along with the petition as Annexure- 43, 44, 45 & 46 at Page No.989-1005.



## 7. Observations and Findings of this Tribunal

### 7.1. Regional Director (RD)

7.1.1. On perusal of the report of RD, this Tribunal notices that the RD has raised observations regarding the charges created in favour of secured creditors for the Petitioner Companies.

7.1.2. In regards to Petitioner Company 1/Demerged Company 1, the RD has observed that there are 7 active charges with 2 secured creditors and the Demerged Company 1 be directed to obtain NOC from the Secured Creditors. The Petitioner Company 1 has provided an affidavit and stated that, the NOC from all the secured creditors have already been placed before this Tribunal.

**7.1.3. Since, NOC from all secured creditors of Demerged Company 1 have been annexed with the Petition, no further action is called for qua the Demerged Company 1.**

7.1.4. RD has observed that there is an active pending charge in favour of IDFC First Bank in the MCA portal, however, auditors certificate provided by the Petitioner Company states that there are NIL Secured Creditors. In reply to this observation, the Petitioner Company 2 has stated that on 19.06.2025 charge was created in favour of IDFC Bank. Although the working capital facility was sanctioned by IDFC First Bank, the loan was not drawn upon. Since, no liability had arisen, the auditor certificate dated 25.06.2025 does not take IDFC loan into account of Secured Creditor.



**7.1.5. The Petitioners have filed a memo dated 23.03.2026 and annexed NoC/consent from the IDFC First Bank Ltd for the Composite Scheme of Arrangement. Since, NOC/consent from IDFC First Bank Ltd has been annexed along with the memo dated 23.03.2026, no further action is called for qua Petitioner Company 2.**

7.1.6. The RD has observed that in relation to Petitioner Company 3 there are 12 active charges and NOC from all the secured creditors to be obtained. In reply to the RD's observation the Petitioner Company-3 has provided clarification that, consent affidavits from secured creditors have already been annexed along with the Petition.

**7.1.7. Since, all the creditors of Petitioner Company 3/Resulting Company have provided consent to the proposed Scheme, this Tribunal holds that no further action against Petitioner Company No.3 is warranted.**

## **7.2. Official Liquidator**

### **7.2.1. I) Record date**

7.2.1.1. Official Liquidator has stated that the Scheme is not clear qua providing time frame for fixing the Record Date. The Petitioner Companies in their reply have provided affidavit that the Record date shall be fixed immediately after the Scheme is approved by the Tribunal.

**7.2.1.2. In view of affidavit provided by the Petitioner Companies to fix the record date immediately after the approval of the**



**Scheme, this Tribunal holds that the Petitioner Companies have provided sufficient reply to the objection.**

#### **7.2.2. II) Auto Modification in Scheme**

7.2.2.1. Official Liquidator has objected to Clause 9.1, 19.1 & 29.1 of the Scheme which provides for auto modification of Scheme. Petitioner Companies in their reply have provided an undertaking by way of affidavit stating that, the Scheme shall not be auto modified without prior permission of the Tribunal.

**7.2.2.2. This Tribunal holds that the affidavit provided by the Petitioner Companies is sufficient and therefore objection of OL regarding auto modification of the Scheme stands sufficiently answered.**

#### **7.2.3. III) Employee Protection Undertaking**

7.2.3.1. Official Liquidator has stated that, the Scheme provides for protection of employees of the Petitioner Companies only if the employees are in service immediately before the effective date and not on appointed date. Petitioner Companies in their reply provided an undertaking by way of an affidavit and stated that no employee has been retrenched as on the date of appointed date and no employee will be retrenched except if the employee resigns on their own volition.

**7.2.3.2. This Tribunal holds that the affidavit provided by the Petitioner Companies is sufficient and therefore the objection**



of OL regarding Employee retrenchment stands sufficiently answered.

#### 7.2.4. IV) Details of list of assets and liabilities of Demerger Undertaking I and Demerger Undertaking II

7.2.4.1. Official Liquidator has stated that the details of list of assets and liabilities of Demerger Undertaking I and Demerger Undertaking II are not provided in the Scheme. The Petitioner Companies in their reply have provided the list of assets and liabilities of Demerger Undertaking I and Demerger Undertaking II. **This Tribunal holds that the requirements of OL have been sufficiently met with by the Petitioner Companies.**

#### 7.2.5. V) Impairment Loss of 150 Crores

7.2.5.1. Official Liquidator has sought for clarification regarding the books of accounts of Transferor Company which records Rs.150 Cr provision for impairment loss of investment in Jogo Technologies Pvt. Ltd, the subsidiary of Transferor Company. The Petitioner Companies in their reply have stated that the impairment loss of investment in Jogo Technologies Pvt Ltd is a non-cash accounting adjustments made in accordance with the applicable Indian Accounting Standards. Since, the investment entity had a significant underperformance against the original business plan, the impairment loss is reflected in the audited financial statements and has been reviewed and reported upon by the statutory auditors of the Transferor Company.



7.2.5.2. **Since the impairment loss in the accounts book of Transferor Company has been reported upon by the statutory auditors, this Tribunal holds that the reply provided by the Petitioner Companies is sufficient.**

7.3. **Further during the proceedings held on 07.01.2026, the Official Liquidator has stated that he has no substantial objection in view of the response provided by the Petitioner Companies.**

7.4. As per the Report of the Chartered Accountant appointed by the OL, M/s. Durairaj & Associates, Chartered Accountants, the affairs of the Transferor Companies were not conducted in a manner prejudicial to the interest of their members, creditors or public. The OL has not raised any objections to the Chartered Accountant report qua the approval of the Scheme. The Statutory Auditors of the Petitioner Companies have 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.

7.5. The Official Liquidator has sought to fix the remuneration payable to the Auditor who has investigated into the affairs of Transferor Company. **In this regard, this Tribunal directs the Transferor Companies to pay a sum of Rs. 40,000/- + GST (Rupees Forty Thousand + GST if applicable) to the Official Liquidator for the payment of fees to the Auditor who has investigated into the affairs of the Transferor Company**

7.6. Income Tax Authorities vide reply dated 05.12.2025 have stated that, there are pending proceedings against the Petitioner Company 1. In this regard this Tribunal refers to the Order dated 12.11.2018 passed by NCLT



Delhi in Company Petition CAA-284/ND/2018 vide Order dated 12.11.2018, where 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.”*

7.7. During the hearing held on 18.03.2026 this Tribunal directed the Petitioners to clarify whether Fitness First Luxembourg SCA is a party to the Scheme and whether any buy back of shares is involved in the Scheme. In compliance to the Order dated 18.03.2026, the Petitioners have filed a memo dated 23.03.2026. It is stated that Fitness First Luxembourg SCA is a shareholder but not a party to the Composite Scheme of Arrangement. Further, the proposed composite Scheme of Arrangement does not involve buy back of shares under Section 68 of the Companies Act, 2013.



7.8. The Other relevant Statutory Authorities i.e., Reserve Bank of India, Competition Commission of India, have not provided any objections to the Scheme of Arrangement as proposed by the Petitioner Companies.

## CONCLUSION

7.9. After analysing 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 of Arrangement (Page 576-653) appended as “Annexure –18” with the Company Petition as well as the prayer made therein.

7.10. In the present petition, the Appointed date is stated as 31.03.2025 and 01.04.2025 and the Application in CA(CAA)/49/2024 before this Tribunal was filed on 27.06.2025. Since the Appointed date is not predated by more than a year from the date of application before this Tribunal, the need for providing justification does not arise as per MCA circular having Circular No. 09/2019 dated 21.08.2019.

7.11. 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.



7.12. 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.

8. THIS TRIBUNAL DO FURTHER ORDER:

**8.1. Demerger of Cult Demerged Undertaking of the Demerged Company No.1 into Resulting Company and Demerger of the Services Demerged Undertaking of the Demerged Company No.2 into Resulting Company.**

8.1.1. That all properties, rights and interests relating to the Demerged Undertakings shall, pursuant to Section 232(3) 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 Resulting Company in terms of the Scheme.

8.1.2. That all the liabilities, powers, engagements, obligations and duties relating to the Demerged Undertakings shall pursuant to Section 232(3) 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 Resulting Company in terms of the Scheme.

8.1.3. That the Appointed date for the Demerger shall be 31.03.2025 as mentioned in Part A, Clause 1.6 of the Scheme.

8.1.4. That all proceedings now pending by or against the Demerged Undertakings be continued by the Resulting Company.



8.1.5. That all the employees/workmen engaged in the Demerged Undertakings in service on the date immediately preceding the date on which the Scheme finally takes effect shall become the employees of the Resulting Company without any break or interruption in their service with all the benefits as per the Scheme.

## **8.2. Amalgamation of the Transferor Company into the Transferee Company and dissolution of the Transferor Company without winding up.**

8.2.1. That all entire business and undertaking of the Transferor Companies shall under the provisions of Section 230 to 232 of the Companies Act, 2013, shall without further act or deed be transferred to and vest in or be deemed to have been transferred and vested in the Transferee Company.

8.2.2. That all the assets of the Transferor Companies 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 in terms of the Scheme.

8.2.3. That all the debts, liabilities, duties and obligations of the Transferor Companies shall be transferred to the Transferee Company and accordingly the same become the liabilities and duties of the Transferee Company in terms of the Scheme.

8.2.4. That all proceedings now pending by or against the Transferor Companies be continued by or against the Transferee Company.

8.2.5. In terms of the Scheme all the employees of the Transferor Companies in service on 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.

8.2.6. That the Appointed date for the Amalgamation shall be 01.04.2025 as mentioned in Part A - Clause 1.3 of the Scheme.

8.2.7. That as per 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 follow the procedures in accordance with the Companies Act and relevant rules.

8.3. That the Petitioner 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 Company.

8.4. That the Petitioner Companies, 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.

8.5. That any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary.

9. Accordingly, the Company Petition stands allowed on the aforementioned terms.

**-Sd-**

**VENKATARAMAN SUBRAMANIAN**  
MEMBER (TECHNICAL)

**-Sd-**

**SANJIV JAIN**  
MEMBER(JUDICIAL)