



**IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH**

*[Through Physical hearing/ VC Mode (Hybrid)]*

**ITEM No.17**  
**C.P. (CAA) No.42/BB/2025**

**IN THE MATTER OF:**

Tritonvalves Climatech Pvt Ltd

... Petitioner

**Petition under Section 230-232 of C.A 2013**

**Order delivered on: 29.05.2026**

**CORAM:**

**SHRI SUNIL KUMAR AGGARWAL**  
**HON'BLE MEMBER (JUDICIAL)**

**SHRI RADHAKRISHNA SREEPADA**  
**HON'BLE MEMBER (TECHNICAL)**

**COUNSELS PRESENT:**

For the Petitioner : Shri Inbaraju

**ORDER**

**C.P (CAA) No.42/BB/2025 is allowed by separate order. File be consigned to record room**

-Sd-

-Sd-

**RADHAKRISHNA SREEPADA**  
**MEMBER (TECHNICAL)**

**SUNIL KUMAR AGGARWAL**  
**MEMBER (JUDICIAL)**

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**IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH**  
**(HYBRID MODE)**

**C.P.(CAA) No.42/BB/2025**

Under Sections 230, 231 & 232 read with Section 66 & other Applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

**IN THE MATTER OF:**

**TRITONVALVES CLIMATECH PRIVATE LIMITED**

Registered Office at: Sunrise Chambers,  
22 Ulsoor Road,  
Bangalore -560042.

...**Petitioner CompanyNo.1/  
Transferor Company**

**TRITON VALVES LIMITED**

Registered Office at: Sunrise Chambers,  
22 Ulsoor Road,  
Bangalore -560042.

...**Petitioner CompanyNo.2/  
Transferee Company**

**Order delivered on: 29.05.2026**

**CORAM:** Shri Sunil Kumar Aggarwal, Hon'ble Member (Judicial)  
Shri Radhakrishna Sreepada, Hon'ble Member (Technical)

**COUNSELS PRESENT:**

For the Petitioner : Shri R Inbaraju

**ORDER**

1. This second motion petition filed on 23.09.2025 for sanction of Scheme of Amalgamation of the Tritonvalves Climatech Private Limited (Petitioner Company No.1/Transferor Company) with Triton Valves Limited (Petitioner Company No.2 /Transferee Company) and their respective Shareholders and Creditors enclosed as **Annexure A-16** to the petition.




2. In the first Motion Application bearing **C.A (CAA) No. 01/BB/2025** meetings of the equity shareholders, secured creditors and unsecured creditors of petitioner companies were dispensed with vide order dated 28.08.2025.
3. On 26.09.2025, the petitioner was directed to serve notices upon Statutory Authorities in terms of Section 230 (5) of the Companies Act, 2013 and Rule 8 of the Companies (Companies Arrangements and Amalgamation) Rules, 2016 calling upon them to submit their responses besides issuing public notices in daily newspapers in terms of first motion order. On the direction being complied with, the Petitioner Companies informed that no representation whatsoever is received within a period of 30 days and it may be presumed that no Authorities have no objection to the proposed Scheme in view of Rule 8 of the Companies Rules, 2016.
4. The main objects, dates of Incorporation, authorized, issued and paid-up share capital, rationale of the scheme and interest of employees have been considered during the first motion proceedings. The Board Resolution of the Petitioner Companies approving the Scheme is **Annexure-A9 & 10**.
5. Subsequently, Board of Directors of the Petitioner Companies passed a resolution on 13.08.2025 authorizing **Mr. Aditya Maruti Gokarn**, Managing Director, as the authorised signatory for filing this present petition. The Copy of the said Board Resolution is annexed and marked as **Annexure – A10**.
6. It is submitted that the Certificate of Statutory Auditors of the Petitioner Companies stating that accounting treatment proposed in the Scheme is in conformity with Accounting Standard as prescribed under Section 133 of the Companies Act, 2013, as **Annexure - 21**.
7. The latest audited financial statement as on 31.03.2025 of the Petitioner Companies annexed as **Annexure A4 & A8**.
8. As per the Scheme, the "**Appointed date**" means **01.04.2025** or such other date as may be fixed by this NCLT or such other authorities.



## **9. REPORT OF THE RD & ROC:**


On being notified, the Regional Director (RD) and the Registrar of Companies (ROC) have filed their common report vide Dairy No.7168 dated 23.12.2025 making following observations

- 3 (a) That as per financial statements filed as on 31.03.2025 of the Transferor Company, Triton Valves Ltd, Transferee Company, holds equity shares of 99.99% in the Transferor Company and as per financial statements as on 31.03.2025 of the Transferee Company, Mrs. Anuradha Maruti Gokam, an individual holds the major equity shares of the 26.66% in the Transferee Company.
- b) That as per Clause 1.2 of Part A of the Scheme, the appointed date is 01.04.2023. Since the appointed date is ante dated beyond 1 year, it must not be prejudicial to public interest.
- c) That as per MCA records, the Transferor Company, originally incorporated on 14.01.2020 as a Private Limited Company with the name TRITONVALVES CLIMATECH PVT LTD under the jurisdiction of Registrar of Companies, Karnataka and the Transferee Company, originally incorporated on 10.09.1975 as a Private Limited Company with the name TRITON VALVES LIMITED under the jurisdiction of Registrar of Companies, Karnataka.
- d) That as per MCA records, there are common Directors in the Petitioner Companies.
- e) That as per MCA records, both the Transferor and Transferee Companies have open charges. Hence the companies have to obtain and furnish No Objection Certificate/s from the concerned charge holder/s before the scheme is allowed.
- f) That the Transferee Company is a listed company. Hence, NOC from SEBI and Stock Exchanges, as applicable is to be provided.
- g) That the Transferee Company, being a public company, has filed the board resolution regarding approval of the scheme as per



Section 117 (3) (g) read with section 179 (3) (i) of the Act vide MGT-14 AA6910941.

- h) That as per Hon'ble NCLT, Bengaluru Bench order dated 28.08.2025, the meetings of the Equity Shareholders, Secured Creditors and also the meeting of the Unsecured Creditors of the Transferor and Transferee Companies have been dispensed with.
- i) That as per Clause 12.1 of Part –B of the Scheme, the Transferor Company is a wholly owned subsidiary of the transferee Company, as the Transferee Company being the holding company of the Transferor Company, there shall not be any issue of shares as consideration to the shareholders of the Transferor Company and the shares held by the Transferee Company in the Transferor Company shall without any further application, act, instrument, or deed be deemed to have been automatically cancelled with from the date of Effective.
- j) That as per clause 11.4 of Part-B of the Scheme, the holding of 10,000 equity shares of Rs.10/- each in the Transferor Company held by the Transferee Company shall get cancelled and will stand extinguished.
- k) That as per the latest Audited Financial Statements for the year ending 31.03.2024, Transferee Company is a profit-making entity and Transferor Company is a loss-making entity.
- l) That as per Note no.17 and 22 of the Financial Statements for the year ending 31.03.2024, the Transferor Company has undisputed statutory due to the tune of Rs.7.67 lakhs and 34.03 lakh/s respectively. The Petitioner Companies may be directed to furnish an undertaking to Hon'ble NCLT to the effect that it will settle the statutory dues immediately, if not settled so far.
- m) That as per note no.16 and 20 of the Audited Financial Statements for the year ending 31.03.2025, both the Transferor and Transferee Companies have total outstanding dues to Micro,



Small and Medium Enterprises to the tune of Rs.56.63 lakhs and 937.30 lakhs respectively exist. The Companies may be asked to show as to how it has complied with Micro, Small and Medium Enterprises Development Act, 2006 and may be directed to furnish an undertaking to the Hon'ble NCLT to the effect that it will settle the dues as per the said Act immediately, if not settled so far.

- n) That as per Clause 11.1, Part B of the scheme provides for clubbing of Authorized Share Capital wherein it is stated that the authorized share capital of the Transferee Company shall stand increased. IN this regard, the Transferee Company shall comply with the provisions of the Section 232 (2) (i) of the Act and pay the difference of fee, after setting off the fee already paid by the Transferor Company on its respective capital.
- o) That the Accounting Treatment as mentioned in the Scheme needs to be as per prescribed Accounting Treatment in the Companies Act, 2013 and the applicable Accounting Standards issued from time to time.
- p) That the Petitioner Companies are required to comply with the provisions of Section 239 of the Companies Act, 2013 with respect to preservation of books and papers of Amalgamated Company. The Hon'ble Tribunal may be pleased to direct the Petitioner Companies to furnish an undertaking in this regard.
- q) That as per Section 240 of the Companies Act, 2013, the liability in respect of offences committed under the Companies act by the Officers in default, of the Transferor Company prior to merger, amalgamation or acquisition shall continue after such merger, amalgamation, or acquisition.
- r) That there are no open complaints, no prosecution, Technical Scrutiny/Inquiry Inspection and Investigation pending in this office against the Transferor and Transferee Companies.



4. The report of the Official Liquidator has been filed before the Hon'ble Tribunal on 22.10.2025 which may kindly be taken on record by the Hon'ble NCLT and the observations if any, shall be complied by the Petitioner Companies before the scheme is approved.
5. With reference to this Directorate's letter dated 30.10.2025, issued to the Addl. Commissioner of Income Tax, Bangalore, till date no reply/comments in the matter has been submitted to this Directorate. Hon'ble Tribunal may be pleased to direct the Petitioner Companies to furnish an undertaking that, if any demand arises from the Income Tax Department with respect to Transferor Companies and Transferee Company, Transferee Company is ready to pay the said dues as per rules.
6. On examination of the contents of the scheme, replies of the Petitioner companies and apart from the observations stated in Para 3 above, the observation of the Deponent is as under:
  - a) That Transferor Company is a wholly owned Subsidiary of Transferee Company and hence there will not be any allotment of shares.
  - b) The Appointed date mentioned in the Scheme is 01.04.2023 and since the same is old, the appointed date may be changed to a latest date as may be decided by the Hon'ble Tribunal.
  - c) That the equity shares of Transferee Company are listed on BSE Limited and the Company has served notice dated 04.09.2023. Since Transferor Company is the wholly owned subsidiary of Transferee Company, the Company has issued notice.
  - d) That as per Clause 11 of the Scheme, the Authorized Share Capital of the Transferor Company shall be merged with Authorized Share Capital of the Transferee Company. In this regard, the Transferee Company may be directed to comply with the provisions of Section 232 (3) (i) of the Companies Act, 2013 and pay the differential fee after setting off the fee already paid by the Transferor Company and furnish an undertaking before Hon'ble Tribunal.



- e) That as per Clause 8 of the Scheme, it is stated that the employees of the Transferor Company shall be transferred to the Transferee Company upon approval of the Scheme. In this regard, the Transferee Company may be directed to furnish an undertaking before the Hon'ble Tribunal stating that the interests of the employees are being protected by the Transferee Company.
- f) That the Transferor Company has incurred cash loss of Rs.180.13 lakhs and Rs.317.47 lakhs during the current and previous financial years. Hence, Transferor Company is a loss making company which is amalgamating with a profit making company.
- g) That Regional Directorate office has received a letter No.BLR.FED.EXP.No.S702/06-06031/2025-26, dated 24.11.2025 from RBI, Bangalore stating that it is the duty of the companies undergoing compromise/arrangement/amalgamation 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 and 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 contraventions, if any, committed by such companies. Hence, this Tribunal may kindly look into the reply of RBI.

**9.1 REPLY AFFIDAVIT TO THE REPORT OF RD & ROC:**


The Petitioner Companies has filed reply affidavit to the common report, inter-alia stating as under:

- a) **Reply to Paragraph no. 3(a) of the RD Report:** The authorised signatory of the Petitioner Company No.2/Transferee Company, confirms that the statement made in the above paragraph is true and factual in nature. Mrs. Anuradha Maruti Gokam, an individual, holds the major equity shares of 26.66% in the Transferee Company.



b) **Reply to Paragraph no. 3(b) of the RD Report:** It is submitted that, in terms of **General Circular No. 09/2019 dated 21st August, 2019** issued by the Ministry of Corporate Affairs, an application for compromise or arrangement under Sections 230 to 232 of the Companies Act, 2013 is required to be filed within a period of one year from the Appointed Date. Accordingly, the Petitioner Companies had filed the joint application before this Hon'ble Tribunal on 31st March, 2024, which was within the period of one year reckoned from the originally proposed Appointed Date of 01.04.2023 was in compliance with the applicable provisions of law and did not cause any prejudice to the shareholders, creditors, or public interest. However, pursuant to the suggestion/observation made by the Office of the Official Liquidator, the Board of Directors of the Petitioner Companies at the respective meetings, have approved **the change of meetings, have approved the change of the Appointed Date in Clause No. 1.2 of the Scheme from 01st April, 2023 to 01st April, 2025.** The proposed change in the Appointed Date will facilitate proper compliance with the applicable accounting standards and income tax filings and will ensure smooth implementation of the Scheme. Copies of the relevant Board Resolutions passed by the Petitioner Companies and the amended Scheme of Amalgamation reflecting the revised Appointed Date are enclosed and marked as **Annexure 2 (colly) and Annexure 3 respectively.**

It is submitted that the audited financial statements as on 31st March, 2025, of the Transferor Company and the Transferee Company have already been filed before this Hon'ble Tribunal along with the Second Motion Petition. In this regard, reference is invited to Annexure No.4 (Page No. 55 to 89) and **Annexure**




**No. 8** (Page No. 128 to 186) of the said Petition. Accordingly, no further documents are required to be filed on this count.

Further, it confirms on behalf of Petitioner Company No. 2/Transferee Company that the revised Appointed Date of 01st April, 2025 shall not be prejudicial to the interests of its shareholders, creditors, or the public at large. An Undertaking Affidavit of the Petitioner Company No.2/ Transferee Company confirming the above is enclosed and marked as **Annexure 4**.

Accordingly, the Petitioner Companies respectfully pray that this Hon'ble Tribunal may be pleased to take the above submission on record and approve the Scheme of Amalgamation with the **revised Appointed Date of 01.04.2025** in the interest of justice and equity.

- c) **Reply to Paragraph no. 3(c) of the RD Report**: The authorised signatory of the Petitioner Company No.2/Transferee Company, confirms that the statement made in the above paragraph is true and factual in nature. However, it is respectfully clarified that the Transferee Company was originally incorporated on 10.09.1975 as a Public Limited Company under the name TRITON VALVES LIMITED under the jurisdiction of the Registrar of Companies, Karnataka. Except for the above clarification, the contents of the said paragraph do not require to be traversed and does not require to be traversed.
- d) **Reply to Paragraph no. 3(d) of the RD Report**: The authorised signatory of the Petitioner Company No.2/Transferee Company, confirms that the statement made in the above paragraph is true and factual in nature and does not require to be traversed.
- e) **Reply to Paragraph no. 3(e) of the RD Report**: It is submitted that the statement made in the Common report is true to the best of their knowledge, the Petitioner Companies has open of the charges are enclosed and marked as Annexure – 5



(Colly). Petitioner Companies had obtained the consent affidavit from all the Secured Creditors which have been already submitted in the first motion application. Copy of the same are enclosed and marked as **Annexure 6 & 7 respectively**.

- f) **Reply to Paragraph no. 3(f) of the RD Report**: The Authorized Signatory of the Petitioner Company No. 2/ Transferee Company confirms that, pursuant to Regulation 37(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) read with Master Circular No. SEBI Circular CFD/DIL3/CIR/2017/21 dated June 22, 2023 issued by the Securities and Exchange Board of India (“SEBI”), the requirement of obtaining prior approval of the stock exchanges has been exempted in case of merger of a wholly owned subsidiary company with its holding company and the listed holding company is only required to file the draft Scheme of Amalgamation along with the board resolution passed by the Board of Directors of the Transferee Company for the purpose of disclosure and thus, it is not required to obtain approval of the stock exchanges in terms of the aforesaid regulatory requirements.

Accordingly, the Petitioner Company No. 2/Transferee Company has duly filed the draft Scheme of Amalgamation along with the board resolution passed by the Board of Directors of the Transferee Company approving such Scheme, as per Regulation 37(6) of the SEBI Listing Regulations on October 17, 2024. A copy of the said disclosure submitted by the Transferee Company, as per Regulation 37(6) of Listing Regulations read with Master Circular No. SEBI Circular CFD/DIL3/CIR/2017/21 dated June 22, 2023, is annexed and marked as **Annexure 8**.



- g) **Reply to Paragraph no. 3(g) of the RD Report:** The Authorized Signatory of the Petitioner Company No. 2/ Transferee Company confirms that the statement made in the above paragraph is true and factual in nature and does not require to be traversed.
- h) **Reply to Paragraph no. 3(h) to (k) of the RD Report:** The Authorized Signatory confirms that the statement made in the above paragraph is true and does not require to be traversed.
- i) **Reply to Paragraph no. 3(l) of the RD Report:** It is submitted the statement made in the RD Report is true to the best of my knowledge and as per the clause no. 5 of the scheme, all debts, liabilities, loans, borrowings, bills payable, deposits, security, deposits, interest accrued, and duties and obligations of the Transferor Company including contingent liabilities not provided in their books and any accretions and additions or reductions thereto after the appointed date shall also transferred or be deemed to be transferred without any further act or instrument or deed to the Transferee Company. Hence, it is undertaken and confirms that upon the scheme become effective, the Transferee Company will settle all the statutory dues of the Transferor Companies as and when crystallized. An undertaking affidavit of the Transferee Company to give effect to the above statement is attached and marked as Annexure – 4.
- j) **Reply to Paragraph no. 3(m) of the RD Report:** The Authorized Signatory confirms that, upon the Scheme becoming effective the Transferee Company will settle the respective companies outstanding dues towards Micro, Small and Medium Enterprises arises as and when the claims are crystallized.
- k) **Reply to Paragraph no. 3(n) of the RD Report:** The Authorized signatory of the Petitioner Company No.2/ Transferee Company confirms that, as per clause 11.1 of the scheme, upon the scheme become effective the authorized capital of the Transferor Company



will be clubbed with the Authorized capital of the Transferee Company.

Further, undertaken and confirms that the Transferee Company shall comply with the provisions of Section 232(3) (i) of the Companies Act, 2013, and pay the differential fee after setting off the fee already paid by the Transferor Company. An undertaking affidavit of the Transferee Company to give effect to the above statement enclosed and marked as Annexure - 4.

- l) **Reply to Paragraph no. 3(o) of the RD Report:** It is undertaken and confirms that Accounting Treatment as mentioned in the Scheme is as per the prescribed Accounting Treatment in the Companies Act, 2013 and the applicable Accounting Standards issued from time to time.
- m) **Reply to Paragraph no. 3(p) of the RD Report:** Authorized Signatory of the Petitioner Companies has undertaken that all books and papers of the Transferor Company shall be preserved and maintained by the Transferee Company in accordance with the statutory requirements under the Act for the Period prescribed therein.
- n) **Reply to Paragraph no. 3(q) of the RD Report:** The Authorized Signatory of the Petitioner Company No. 2/ Transferee Company undertaken and confirms that, if any liability is incurred or becomes payable in respect of offences committed under the Companies Act, 2013, by the officers of the Transferor Company and/or Transferee Company prior to the amalgamation proposed in the Scheme, the Transferor and/or Transferee Company shall make good the offence and comply with all the directions of Ministry of Corporate Affairs and settle any liabilities that may arise thereon. An Undertaking Affidavit by the Transferee Company to give effect to the same is already enclosed and marked as Annexure 4.
- o) **Reply to Paragraph no. 3(r) of the RD Report:** The Authorized Signatory of the Petitioner Company No. 2/ Transferee Company



undertaken and confirms that the Petitioner Company has received the copy of Official Liquidator's Report vide Report No. 67/2025 on 24th October, 2025. Further, the Petitioner Companies has submitted their Reply to the observations, pointed out by the Official Liquidator before the Hon'ble Tribunal is filed by the company.

- p) **Reply to Paragraph no. 5 of the RD Report:** The Authorised Signatory of the Petitioner Company No.2 / Transferee Company, confirms that the statement made in the Common Report is confirmed by the Transferee Company to be true to the best of its knowledge. Further, the Transferee Company has undertaken that, upon the Scheme becoming effective the Transferee Company will settle the dues as and when the claim is crystallized.
- q) **Reply to Paragraph no. 6 (a) of the RD Report:** The Authorised Signatory of the Petitioner Company No.2 / Transferee Company, confirms that the statement made in the Common Report is true and does not require to be traversed.
- r) **Reply to Paragraph no.6 (b) of the RD Report:** As responded to the point no.5(b) of this reply affidavit, the Petitioner Company amend the Appointed date from **01.04.2023 to 01.04.2025** and copies of the Board resolution of the Petitioner Company for the amendment of the scheme and the amended scheme already attached as Annexure No.4 & 5 to the reply affidavits.  
In view of the above submissions, the Petitioner Company No.2 requested to take the above submission on record and approve the amended appointed date 01.04.2025, in the interest of justice, equity, and good conscience.
- s) **Reply to Paragraph no.6 (c) of the RD Report:** The Authorised signatory of the Petitioner Company No.2/Transferee Company, confirms that the statement made in the above paragraph is true and does not require to be traversed.



- t) **Reply to Paragraph no.6 (d) of the RD Report:** It is undertaken and confirms that upon the approval of the Scheme of Amalgamation, the Petitioner Company No.2/Transferee Company shall comply the provision of Section 232(3) (i) of Companies Act, 2013 and the Petitioner Companies shall settle the difference fee, if any, after setting off the fee already paid by the Transferor Company on its respective Authorized share capital. An Undertaking Affidavit duly signed by the Authorized Signatory of Petitioner Company No. 2/ Transferee Company, undertaking and confirming to this effect is already enclosed to this affidavit in **para no 3(n) as Annexure 3.**
- u) **Reply to Paragraph no. 6(e) of the RD Report :** It is undertaken and confirms that as per Clause 8 of Part B of the scheme all staff, workmen, and employees of the Transferor Company shall be absorbed into the Transferee company. Further, the Petitioner Company No.2/Transferee Company hereby clarify that the interests of the employees of the Transferor Company will be fully safeguarded during and after Amalgamation process. The Transferee Company is committed to ensuring that all employees of the Transferor Company will continue their employment with the Transferee Company on terms and conditions no less favorable than those enjoyed by them in the Transferor Company. An undertaking affidavit of the Petitioner Company No. 2/Transferee Company to give effect the same is enclosed and marked as **Annexure 3.**
- v) **Reply to Paragraph no.6(f) of the RD Report** The Authorized signatory of the Petitioner Company No.2/Transferee Company, hereby confirm that the statement made in the above paragraph is true and does not require to be traversed.
- w) **Reply to Paragraph no.6(g) of the RD Report :** The Authorized signatory of the Petitioner Company No.2/Transferee Company, undertaken and confirms that the Petitioner Companies have not

received any such communication directly from the Reserve Bank of India till the date of filing of the present Affidavit.

Without prejudice to the above, i hereby give an undertaking on behalf of the Transferee Company, that upon the Scheme becoming effective, if any liability, obligation, or compliance requirement arises under the provisions of the Foreign Exchange Management Act, 1999, or any rules, regulations, directions, or guidelines issued by the Reserve Bank of India against the Transferor and Transferee Companies, the Transferee Company shall duly comply with the same. Further, in the event any demand, levy, or payment is determined or crystallized by the Reserve Bank of India or any competent authority, the Transferee Company undertakes to discharge such liability in accordance with law, as and when the same is lawfully crystallized. Copy of an Undertaking Affidavit of the Transferee Company to give effect to the above statement enclosed and marked as **Annexure No. 3**.

**10. REPORT OF THE OFFICIAL LIQUIDATOR:**

The Official Liquidator observations vide dy.no.5792 dated 24.10.2025 made observations as follows:

- a) The Board of Directors of Transferor Company & Transferee Company have approved the scheme on 04.09.2023. The Transferor Company vide their letter dated 09.10.2025 have informed that currently there are 2 Equity shareholders as on 01.03.2024, 2 Secured Creditors with amount due to Rs.7,19,27,278/- as on 29.02.2024 and 17 Unsecured Creditors with amount due to Rs.7,69,26,045/- as on 30.06.2025, and have given their consent to the proposed scheme.
- b) As per Balance Sheet as at 31.03.2024, Transferor Company have dues of MSME. The Transferee Company needs to settle the MSME dues as per the MSME Act.
- c) From the Financial Statement of the Transferor Company for the FY ending 31.03.2024 & 31.03.2025 it is observed that the



Company is a going concern and has Revenue from operations to the extent of Rs.17,04,36,000/- and Rs.42,89,93,000/-.

- d) As per the Financial Statements of the Transferor Company as at 31.03.2025 is Rs.1,03,54,000/- is shown towards Employee benefit expenses. Further, in the scheme **as per Part 'B' of Clause 8 of the Scheme: Staff, Workmen & Employees:****

*8.1 Upon the Scheme becoming effective, any the staff, workmen and other employees in the service of the Transferor Company immediately before the Effective Date shall become the staff, workmen and employees of the Transferee Company, on the basis that:*

- a) Their services shall have been continuous and shall not have been interrupted by reason of such transfer as if such transfer is affected under Section 25FF of the Industrial Disputes Act, 1947.*
- b) The terms and conditions of employment applicable to the said employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately before the transfer.*
- c) In the event of retrenchment of such employees, the Transferee Company shall be liable to pay compensation in accordance with law on the basis that the services of the staff, workmen, or other employees shall have been continuous and shall not have been interrupted by reason of such transfer; .....*

- e. As per Part 'B' Clause 12 of the Scheme: Consideration:**

*"The entire share capital of the Transferor Company is held by the Transferee Company and its nominee(s). Upon this Scheme becoming effective, as the Transferee*



*Company is the holding company of the Transferor Company, there shall not be any issue of shares as consideration to the shareholders of the Transferor Company.”*

10.1 **REPLY AFFIDAVIT:**

The Petitioner Companies have filed reply to the OL Dept. vide dy.no.194 dated 15.01.2026.

- a) **Reply to Para (a) of OL report:** It is undertaken and confirms that statement made in the paragraph is true and factual in nature and does not require to be traversed. A memo dated 01.08.2025 has been filed confirming that, with respect to the unsecured creditors of the Transferor Company, Triton Valves Ltd. (the holding Company) being one among the 17<sup>th</sup> unsecured creditors and holding approximately 93.05% of the total unsecured debt, has accorded its consent for the approval of the Scheme of Amalgamation.
- b) **Reply to Para (b) of OL report:** It is undertaken and confirms that upon the Scheme becoming effective, the Transferor Company shall cease to exist, and the Transferee Company shall continue to exist. Accordingly, all MSME dues shall be discharged by the Transferee Company as per MSME Act as and when required. An undertaking is enclosed and marked as **Annexure -4**.
- c) **Reply to Para (c) & (d) of OL report:** The statement made in the paragraph is true and factual in nature and does not require to be traversed.
- d) **Reply to Para (e) of OL report:** The statement made in the paragraph is true and factual in nature and does not require to be traversed, as per Part B, Clause 12 of the Proposed Scheme.

11. **REPORT OF THE INCOME TAX DEPARTMENT:**

**With respect to Transferor Company**

The Income Tax Department has filed its report vide Diary No.6813 dated 04.12.2025 in respect of **Transferor Company**, it is stated that




no IT demands are due for payment as well as no other proceedings are pending.

All tax assessment proceedings and appeals of whatsoever nature, by or against the transferor Company, pending or arising as at effective date shall be continued and /or enforced against the transferee company. The department reserves its rights to determine the tax implications of the transferor company contemplated under the scheme in accordance with the provisions of IT Act, 1961 and the provisions under the Act shall prevail over anything contrary provided under the scheme.

**With respect to Transferee Company:**

It is stated that IT demands are due for payment and other proceedings are pending. The details are as under:

- 1) **Outstanding I.T dues** : 11,20,09,636/- (Annexure -1)
- 2) **Proceedings pending:**
  - (i) Penalty Proceedings u/s.270A for the A.Y.2017-18 & 2020-21 and u/s. 271FA for the A.Y.2023-24 are pending before Faceless Assessment Officer. (**Annexure-3**).
  - (ii) Assessment Proceedings u/s. 143(3) r.w.s 260 for the A.Y.2022-23 is pending before Non-Faceless Assessing Officer and Assessment Proceedings u/s.143(3) for the 2014-15 & 2024-25 are pending before Faceless Assessing Officer. (**Annexure-2**)
- 3) **Objection for merger or demerger:** The outstanding demands need to be settled prior to any merger or demerger.
- 4) **Unlawful tax planning or tax avoidance:** NA
- 5) **Details of return of income filed:** As per e-filing portal, latest ITR has been filed up to A.Y.2024-2025 declaring gross total income of Rs.10,89,29,330/- (Anneuxre-4).
- 6) All tax assessment proceedings and appeals of whatsoever /nature, by or against the transferee Company, pending or arising as at effective date shall be continued and /or enforced against the transferee company. The department reserves its rights to determine the tax implications of the transferor



company contemplated under the scheme in accordance with the provisions of IT Act, 1961 and the provisions under the Act shall prevail over anything contrary provided under the scheme.

**11.1 REPLY TO THE INCOME TAX REPORT:**

- a. The Petitioner has filed reply to the IT report vide dy.nos.192 & 193 on 15.01.2026. In particular, Point Nos. 1, 2 and 3 of the report categorically confirms that:
    - i. The Transferor Company and Transferee Company does not have any outstanding tax demands;
    - ii. No proceedings are pending against the Transferor Company before the Income-Tax Department and
    - iii. The Income-tax Department has no objection to the proposed Scheme of the Amalgamation.
    - iv. Accordingly, the Income tax report does not raise any fiscal or legal impediment to the sanction of the Scheme.
  - b. In compliance with Para 3 of the Order dated 16.01.2026, the Petitioner Companies filed an affidavit vide Dy. No. 940 dated 25.02.2026. It is submitted that the Petitioner Company had already filed the requisite undertaking affidavit along with the IT Reply Affidavit on 15.01.2026 vide Dy. No. 195, duly sworn and affirmed, undertaking to deposit any income tax liability of the Transferee Company as and when the same crystallises and is demanded by the Income Tax Authorities. Accordingly, the same may be treated as complete and sufficient compliance with the direction issued under Para 3 of the Order dated 16.01.2026.
- 12.** Heard Learned Counsels for the Petitioner Companies and ROC/RD, OL and I.T Department.
- 13.** The observations of statutory authorities and responses thereto of the petitioner have been reproduced above in sufficient detail where after, no further points have been raised by the former reflecting their satisfaction with the responses/compliance by the petitioner. Similar



schemes have already been dealt with and approved by this Bench in other referred cases. It thus leaves no impediment to the approval of Scheme.

14. Hence, the Scheme of Amalgamation ***is hereby approved w.e.f. 01.04.2025*** (to allow for the formalities to be completed in between) and it shall be binding on all the shareholders and creditors of the Petitioner Company. While approving the Scheme, it is clarified that this order should not be construed as an order in anyway granting exemption from payment of stamp duty, taxes, or any other charges, if any, and payments thereof shall be made in accordance with applicable law or in respect of any permission/compliance with any other requirement which may be specifically required.

**AND THIS TRIBUNAL DOES FURTHER ORDER:**

- (i) That the Petitioner Company do, within 30 days after the date of receipt of this Order, cause a certified copy of this Order to be delivered to the Registrar of Companies, Karnataka for registration. The concerned Registrar of Companies shall place all documents relating to the Transferor Company registered with him on the file relating to the Petitioner Company registered with him on the file relating to the said Petitioner Company and the files relating to Petitioner Company shall be consolidated accordingly, as the case may be; and
- (ii) The Petitioner Company is directed to ensure compliance to the provisions of Section 170A of the Income Tax Act, 1961 within the stipulated period of time.
- (iii) The Petitioner Company is directed to Comply with provisions of TDS on the amounts being paid out and also comply with the provisions relating to FEMA in case of any outgoing amounts being paid to persons residing outside the Country.



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

(v) The approval/sanctioning of the Scheme shall not be construed as an exemption from any of the provisions under the Income Tax Act, 1961 or the Companies Act, 2013 and that the authorities under both the Acts, are at liberty to take appropriate action, in accordance with law, if so advised.

(vi) The Petitioner Companies have given various undertaking in response to observations made in ROC/RD, IT Department & RBI reports. They are directed to ensure compliance of the same.

15. Registry to issue formal Orders in Form No. CAA-7 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, on the Transferee Company filing Schedule of the Properties i.e.,

(i) freehold property of the Transferor Company and

(ii) leasehold property of the Transferor Company by way of affidavit of the Transferor Company respectively.

16. Accordingly, **C.P. (CAA) No.42/BB/2025 is disposed of.**

17. Copy of this Order be provided to the Petitioner Companies through their Counsel.

- Sd-

**RADHAKRISHNA SREEPADA  
MEMBER (TECHNICAL)**

-Sd-

**SUNIL KUMAR AGGARWAL  
MEMBER (JUDICIAL)**