IN THE NATIONAL COMPANY LAW TRIBUNAL

ALLAHABAD BENCH, PRAYAGRAJ

CA (CAA) NO.15/ALD/2026
(FIRST MOTION)

(Under Sections 230 to 232 of the Companies Act, 2013 r/w the companies (compromises, arrangements and amalgamations) Rules, 2016) and other applicable rules made thereunder)

<u>IN THE MATTER OF SCHEME OF AMALGAMATION OF</u>:

ROTO ENERGY SYSTEMS LIMITED
CIN: U29120UP2021PLC144352
Through Mr. Anurag Gupta
Authorised Representative

<u>Regd. Office:</u> 31, Sector Ecotech XII Greater Noida,
Gautam Buddha Nagar, Noida-201008, Uttar Pradesh
Email: anuraggupta@rotopumps.com

......Applicant No.1/ Transferor Company

AND

ROTO PUMPS LIMITED
CIN: L28991UP1975PLC004152
Through Mr. Ashwani Verma
Authorised Representative

<u>Regd. Office:</u> Roto House, Noida Special
Economic Zone, Noida-201305
Email: corp@rotopumps.com

......Applicant No.2/ Transferee Company

Order pronounced on: 15.09.2026

Coram:

Sh. Praveen Gupta	:	Member (Judicial)
Sh. Ashish Verma	:	Member (Technical)

Appearances:

Sh. Anil Kumar, PCS	:	For the Applicant Companies

ORDER

1. This is a Joint First Motion Application filed by the Applicant Companies namely **ROTO ENERGY SYSTEMS LIMITED** (Applicant Company No. 1/ Transferor Company No. 1) and **ROTO PUMPS LIMITED** (Applicant Company No. 2/ Transferee Company No. 2), and its shareholders on 20.08.2026 under Sections 230 & 232 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable provisions, if any, for approval of the Scheme of Amalgamation between the Applicant Companies. The said Scheme has been annexed as **Annexure -3.1** with this Application.

2. It is stated that the Applicant Transferor Company is a wholly owned subsidiary of the Applicant Transferee Company. The Applicant Companies have prayed before this tribunal for the following reliefs: -

> *"a. Dispensing with the requirement of convening meeting of the Equity Shareholders of the Applicant No. 1/Transferor Company viz. Roto Energy Systems Limited.*
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> *b. Dispensing with the requirement of convening meeting of the lone Secured Creditor of the Applicant Company No. 1/Transferor Company, in view of the said creditor, being 100% in value, having given its consent to the Scheme of Amalgamation on Affidavit in writing;*
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> *c. Dispensing with the requirement of convening meeting of the Unsecured Creditors of the Applicant Company No. 1/Transferor*

Company, in view of the respective creditors, being over 90% in value, having given their respective consents to the Scheme of Amalgamation on Affidavit in writing; d. Dispensing with the requirement of convening meeting of the Equity Shareholders of the Applicant No. 2/Transferee Company viz. Roto Pumps Limited.

e. Dispensing with the requirement of convening meeting of the Secured Creditors of the Applicant No. 2/Transferee Company.

f. Dispensing with the requirement of convening meeting of the Unsecured Creditors of the Applicant No. 2/Transferee Company.

g. Directing service of notice of the present Application on (a) the Central Government through the office of the Regional Director, Northern Region-I, Ministry of Corporate Affairs, New Delhi; (b) the Registrar of Companies, Uttar Pradesh-II, Noida; (c) the Official liquidator, Uttar Pradesh, Prayagraj;(d) the Income Tax Department; (e) BSE Limited and (f) National Stock Exchange of India Limited.

h. Pass Such further order or orders be made or other directions be given, as this Hon'ble Tribunal at Prayagraj may deem fit and proper."

3. It is submitted that the respective registered offices of the Transferor Company and the Transferee Company are situated in the State of Uttar Pradesh. Accordingly, this Tribunal has jurisdiction over the Applicant Companies, which are joint Applicants in the present Application.

4. The rationale of the proposed Scheme of Amalgamation is as follows:

(i) Reason for necessitating the Merger is that the Transferor Company is wholly owned subsidiary of the Transferee Company, as the complete shareholding of the Transferor Company is held by the Transferee Company (either directly or through a nominee).

(ii) Both Transferor Company and Transferee Company belong to the same group of management, so it would be advantageous to combine the activities and operations in a single entity. The Merger would create synergies between two complementing companies with similar objectives and business lines.

(iii) The Merger will result in eliminating inter-corporate dependencies, managerial and other expenditure, organizational efficiency and optimal utilization of resources by elimination of unnecessary duplication of activities and related costs.

(iv) The Merger will enable the merged entity to get direct access to market information, which will give them a better understanding of the market taste and customer requirements. This will assist the merged entity in producing the right quality required in different market segments.

(v) The merger will enhance flexibility and ability to raise larger resources, attract and retain better talent and undertake larger support services related projects.

(vi) The merger will result in integration and effective utilization of resources, which is likely to result in optimizing overall shareholder value and improvement in the competitive position of Transferee Company as a combined entity.

(vii) The Merger will bring both entities under one roof to portray one face to all the parties with whom the Applicant No. 2/Transferee Company deals.

(viii) The Merger will result in better leveraging of facilities, infrastructure and resources.

(ix) The Merger will result in a reduction in multiplicity of legal and regulatory compliances required at present to be separately carried out by Transferor Company as well as Transferee Company.

(x) This Merger will provide an opportunity to leverage assets and build a stronger, sustainable business. It will provide an opportunity to fully leverage strong asset capabilities, experience, expertise and infrastructure of both the companies and thus increase the ability for promotion of business activities as well as fund raising as may be required for business development.

(xi) The Merger will lead to greater efficiency in the overall combined business, including economies of scale, efficiency of operations, cash flow management, increase assets base for the purpose of development of businesses of combined entity, enhance their growth opportunities. And maximize shareholder's value.

(xii) The Merger will provide for more productive and optimum utilization of various resources by pooling of the managerial, technical and financial resources of the Transferor and Transferee Company, which will minimize the administrative compliance and fuel the growth of the business, thereby helping effectively address the ever-growing competition.

(xiii) There is no likelihood that any shareholder or creditor or banker or employee of Transferor and Transferee would be prejudiced as a result of scheme. Thus, the Merger is in interest of the shareholders of the Companies and is not prejudicial to the interests of the concerned shareholders, creditors or public at large.

5. As per the Memorandum of Association, the following are the objects of the Applicant Company No. 1 / Transferor Company:

"To design, Manufacture, assemble, purchase, sell, import, export, supply, let on hire, repair and deal in all types of pumps, electric motors, integrate systems and other engineering products used for industrial, mining, commercial, agriculture, domestic or for any other purposes including all type of spare parts, accessories, appliances, ancillaries and implements of the said products."

6. As per the Memorandum of Association, the following are the objects of the Applicant Company No.2 / Transferee Company: -

i. *To acquire and take possession of the business and the undertaking with all its movable and immovable properties (including actionable claims) and all other assets, rights, titles belonging to or held by the parties hereto in connection with the business carried on by them on partnership under the name and style of "ROTO PUMPS & HYDRAUICS" as aforesaid and to undertake and discharge all the liabilities in respect of any debt or obligation* *incurred or any contract entered into by, with or on behalf of the aforesaid partnership.*

ii. *To manufacture, produce, fabricate, alter, convert, assemble, purchase, sell, import, export supply, let on hire, repair and deal in all types of pumps, electric motors, starters, machine tools, transformers, generating sets, engines, plants, machineries, agricultural implements; equipments and other engineering products used for industrial, mining, commercial, agricultural, domestic or for any other purposes.*

7. It is submitted that the Board of Directors of the Transferor Company and the Transferee Company, in their meeting held on 10.02.2026, considered and unanimously approved the proposed Scheme of Merger. Copy of the list of the Board of Directors of the Transferor Company and Transferee Company and the Resolutions passed in the above-mentioned Board meeting are annexed as Annexure 1.3,1.4 and 2.3, 2.4, respectively with the Application.

8. It is also submitted that the Transferee Company and Transferor Company have filed their Audited Financial Statements for the year ended on 31st March, 2026, which are annexed as Annexure 1.1 and 2.1, respectively, with the Application.

9. It is submitted that in terms of the provisions of Section 230(7) and Section 232(3) of the Act, the Applicant Transferor Company dated 05.08.2026 and the Transferee Company have filed Certificates dated

08.06.2026, issued by their respective Statutory Auditors, certifying that the Accounting Treatment as contained in the Scheme complies with the Accounting Standards prescribed under Section 133 of the Act and the same are annexed as Annexure 3.2 (colly) with Application.

10. It is further submitted that the proposed Scheme does not envisage any corporate debt restructuring.

11. The Scheme will take effect from the Appointed Date of the Scheme, which is 1st April, 2026, as mentioned in Para 1.2 of the Scheme of Amalgamation, which is annexed as Annexure 3.1 with the joint Application.

12. It is submitted that the Scheme [Annexure 3.1 of the Application] also takes care of the interests of the workmen, staff and employees of the Companies, by virtue of Clause 17 of the Scheme.

13. It is deposed by the Applicants that there is no other sectoral regulator in any of the Applicant Companies whose approval may be required for the sanction of the Scheme of Amalgamation except the statutory authorities, i.e., (a) the Central Government through the office of the Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi; (b) the Registrar of Companies, Uttar Pradesh, Ministry of Corporate Affairs, Kanpur(c) the Official Liquidator, Uttar Pradesh, Prayagraj; (d) the Income Tax Department (e) Bombay Stock Exchange

Limited (f) National Stock Exchange of India Limited and any other sectoral regulator, if any.

14. It is also deposed that the proposed Scheme of Amalgamation will not attract the provisions of the Competition Act, 2002. Hence, no intimation to or approval from the Competition Commission of India (CCI) is required for the present Scheme of Amalgamation.

15. It is deposed that, in accordance with the provisions of Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, issued by the Securities and Exchange Board of India (the "SEBI Scheme Circular"), no prior approval is required from SEBI for the present Scheme, as it pertains solely to the amalgamation of a wholly owned subsidiary with its parent company. As per the SEBI Scheme Circular, the Scheme is only required to be filed with BSE and NSE for the limited purpose of disclosure and dissemination on their respective websites.

16. As per para 31 of the application, it is submitted that there are no legal proceedings, inquiry, inspection, investigation, prosecution, or litigation pending before any court of law or Tribunal against the Applicant Company No. 1. An affidavit in this regard has also been annexed as Annexure 3.4 with the Application.

17. It is submitted that the Equity Shareholders, Secured Creditors and Unsecured Creditors of Transferor Company have given their consent affidavits for the proposed Scheme of Amalgamation, which are enumerated in the table below:

Description	**Equity Shareholders**		**Secured Creditors**		**Unsecured Creditors**	
Applicant Companies	Number as on the cut-off date i.e. 31.03.2026	Consent Given (% value)	Number as on the cut-off date i.e. 31.03.2026	Consent Given (% value)	Number as on the cut-off date i.e. 31.03.2026	Consent Given (% value)
Applicant Company No. 1	7 (including 6 nominee shareholders of the Transferee Co. holding 1 share each)	(100 %)	1	(100 %)	47	(97.78%)
Applicant Company No. 2	Not applicable, being a listed company and in terms of the judicial precedents cited					

18. It is submitted that the Transferor Company is a wholly owned subsidiary of the Transferee Company and the Transferee Company is a listed company. As submitted in para 24 of the Application, the meetings of Equity Shareholders, Secured Creditors and Unsecured Creditors of the Transferee Company are sought to be dispensed with on the following grounds:

i) The present Scheme solely provides for the merger of the wholly owned Subsidiary/ Transferor Company with its Parent Transferee Company.

ii) Since the entire capital of the Transferor Company is held by the Transferee Company itself, no new shares will be issued by the Transferee Company to anyone pursuant to the present scheme of Merger.

iii) Accordingly, the proposed scheme embodies arrangement between the Transferor Company and its Shareholders. It is clarified and confirmed that Transferor Company is not proposing any compromise or arrangement with any of its Creditors.

iv) There will not be any change in paid-up share capital of Transferee Company pursuant to the proposed Merger. There is no proposal for the reorganization of the share capital of Transferee Company. The Proposed scheme of Amalgamation does not envisage any compromise or arrangement between the Transferee Company and its shareholders and its creditors or any other class of persons whatsoever within the meaning of Section 230 to 232 of the Companies Act, 2013 and other applicable provisions, if any.

v) The Transferee Company is a profit-making company with a strong net worth. The Transferor Company, however, has a Net Worth of Re. 1,00,00,000/- approx. only. The combined assets and financial strength of the Transferee Company are more than sufficient to meet all the liabilities of both the Transferor and the Transferee Companies. It has been clarified and confirmed that the rights of the Equity Shareholders, Secured Creditors, and Unsecured Creditors of the Transferee Company will not be adversely affected by the present Scheme of Amalgamation.

vi) The Transferor Company has significant overlap with Transferor Company's infrastructure.

vii) That the rights of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the transferee company will not be adversely affected by the proposed scheme of Merger.

viii) It is further submitted that in several cases, it has also been held that when the Transferor Company is a wholly owned subsidiary of the Transferee Company, requirement of obtaining consents from Shareholders, Secured Creditors and Unsecured Creditors of the Transferee Company are not mandatory; and meetings of Shareholders, Secured Creditors and Unsecured Creditors of the Transferee Company were dispensed with in such cases. Illustrative cases in this regard are as follows:

- **a.** Jaykaycem (Central) Limited, with J.K. Cement Limited, [CA (CAA) No.01/ALD/2022].
- **b.** TNS Hotels and Resorts Pvt Ltd with Mirza International Ltd [CA(CAA) No. 21/ALD/2023];
- **c.** Salasar Techno Engineering Limited and EMC Limited [CA (CAA) No. 11/ALD of 2025];
- **d.** Nirvaan Mining Private Limited with A.N.E. Industries Private Limited [CA (CAA) No. 08/Chd/PB of 2024, passed by the Hon'ble National Company Law Tribunal Chandigarh Bench -II]
- **e.** Maharaja Buildcon Pvt Ltd & Anr. With Strategic Developers Pvt Ltd [Company Application No. CA (CAA) No. 19/ALD OF 2021].

ix) It is further submitted that Hon'ble NCLAT and various other coordinate benches of NCLT, in several cases, have also held that when the Transferor Company is a wholly owned subsidiary of the Transferee Company, requirement of obtaining consents from Shareholders, Secured Creditors and Unsecured Creditors of the Transferee Company are not mandatory; and meetings of Shareholders, Secured Creditors and Unsecured Creditors of the Transferee Company were dispensed with in such cases. Illustrative cases in this regard are as follows:

a. *In Re: Ambuja Cements Limited, Company Appeal (AT) No. 19 of 2021 dated April 06, 2021, passed by the Hon'ble National Company Law Appellate Tribunal, Principal Bench at New Delhi;*

b. *Patel Hydro Power Pvt Ltd, [Company Appeal (AT) No. 137 of 2021, NCLAT, Principal Bench, New Delhi].*

x) Based upon judicial precedents as referred to above, Learned Counsel of the Applicants has prayed for dispensation of the requirement of convening meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Transferee Company for the purpose of considering and approving the Scheme of Amalgamation. We carefully perused the documents filed by the Applicants and considered the averments made in support of the dispensation of meetings.

19. Further, during the course of hearing on 03.09.2026, the Ld. Counsel appearing on behalf of the Applicant Companies submitted as follows:

> *"2. Ld. Counsel representing the applicant submits that this is a scheme of merger where the two companies are involved i.e. transferor and transferee companies. The transferee company is the holding company of the transferor company and the transferee company is listed at the NSE and BSE.*
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> ..

5. He also further states that the consents with respect to the shareholders as well as the unsecured and secured creditors have also been taken.
6. He seeks dispensation of the meeting of the shareholders of the transferee company which are about 64,750/- which is being sought on the ground that the transferee company is the holding company of the transferor company, with a net-worth 23 times of the net worth of the Transferor company. In support thereof he relies upon judgments which are also attached with the application."

20. Accordingly, the directions of this Bench in the present case are as follows:

I. In relation to Applicant Transferor Company No.1:

a. The meeting of the Equity Shareholders of Applicant Transferor Company No.1 is dispensed herewith, keeping in view that all the Equity Shareholders have given their consents by way of affidavits;

b. The meeting of the Secured Creditors of Applicant Transferor Company No.1 is dispensed herewith, keeping in view that all the Secured Creditors have given their consents by way of affidavits;

c. The meeting of the Unsecured Creditors of Applicant Transferor Company No.1 is dispensed herewith, keeping in view that more than 90% of the Unsecured Creditors have given their consents by way of affidavits;

II. In relation to Applicant Company No.2/ Transferee Company:

a. The meeting of the Equity Shareholders of Applicant Transferee Company is dispensed herewith, keeping in view the averments made by the Applicant Transferee Company;

b. The meeting of the Secured Creditors of Applicant Transferee Company is dispensed herewith, keeping in view the averments made by the Applicant Transferee Company; and

c. The meeting of the Unsecured Creditors of Applicant Transferee Company is dispensed herewith, keeping in view the averments made by the Applicant Transferee Company.

21. As stated in para 13 above, the Applicant Companies are not governed by any sectoral regulators or Authorities. In view of the above, the First Motion Application stands allowed by giving liberty to the Applicant Transferor Company and the Transferee Company to file a Second Motion Petition with a direction that the Applicant Transferor Company and the Transferee Company shall make a specific prayer for sending notices to the following:

a) The Central Government through the office of the Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi, B-2 Wing, 2nd Floor, Pt. Deen Dayal Antodaya Bhawan, CGO Complex, Lodhi Road, New Delhi 110003 and having email id: rd.north@mca.gov.in;

b) The Registrar of Companies, Uttar Pradesh, Ministry of Corporate Affairs, Kanpur, 37/17, Westcott Building, The Mall, Kanpur 208 001, Uttar Pradesh and having email id – roc.kanpur@mca.gov.in;

c) The Official Liquidator, Ministry of Corporate Affairs, Corporate Bhawan, 9th Floor, Sangam Place, Civil Lines, Allahabad-211 001, having email id: ol.allahabad@mca.gov.in;

d) National Stock Exchange of India Limited at Exchange Plaza, C 1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400051;

e) BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street Mumbai-400001; having email id- corp.comm@bseindia.com, bse.scheme@bse.india.com; and

f) The Jurisdictional Income Tax Departments and nodal officer, i.e., Principal Chief Commissioner of Income Tax, Lucknow, having address at Pratyaksh Kar Bhawan, 57-Ram Tirth Marg, Lucknow- 226001, and email id: lucknow.pccit@incometax.gov.in by disclosing the PAN number of the Applicant Companies in the Second Motion Petition.

22. The Company Petition for confirmation of the Scheme is to be filed within the time period prescribed under the provisions of the Act and corresponding rules made thereunder.

23. The appropriate prayer would also be made in the second motion petition for publication in the newspaper

24. With the aforesaid directions, the First Motion Application bearing **CA (CAA) No. 15/ALD/2026** is disposed of accordingly.

25. Certified copy of this order, if applied for, shall be supplied to the parties, subject to compliance with all requisite formalities.

-Sd-	***-Sd-***
(Ashish Verma)	**(Praveen Gupta)**
Member (Technical)	**Member (Judicial)**

Date: 15.09.2026