



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

COURT- IV

C.A.(CAA)/247/MB/2025

In the matter of the Companies Act, 2013

AND

In the matter of

*Sections 230 to 232 of the Companies Act,
2013*

*read with Companies (Compromises,
Arrangements and Amalgamations)*

Rules, 2016

AND

In the matter of

The Scheme of Arrangement Between

FILMISTAN PRIVATE LIMITED

(Demerged Company)

And

ARKADE DEVELOPERS LIMITED

(Resulting Company)

And their respective Shareholders

Filmistan Private Limited

[CIN: U68100MH1943PTC003947]

... First Applicant Company

Arkade Developers Limited

[CIN: L45200MH1986PLC039813]

... Second Applicant Company



Pronounced: 27.11.2025

CORAM:

SHRI ANIL RAJ CHELLAN

SHRI K. R. SAJI KUMAR

HON'BLE MEMBER (TECHNICAL)

HON'BLE MEMBER (JUDICIAL)

Appearances : Hybrid

For the Applicant Company : Adv. Ahmed M. Chunawala i/b Ahmed Chunawala
& Co. for the Applicant Company

ORDER

1. This First Motion Company Application is for the Scheme of Arrangement (Scheme) between Filmistan Private Limited and Arkade Developers Limited (Applicant Companies), and their shareholders under the provisions of Sections 230-232 of the Companies Act, 2013 (Act) read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (CCAA Rules).
2. The registered office of the Applicant Companies is situated in the State of Maharashtra, and thus, the subject matter of this Company Application is within the territorial jurisdiction of this Tribunal.
3. The Ld. Counsel for the Applicant Companies submits that the equity shares of the Second Applicant Company are listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).
4. The Applicant Companies state that the Board of Directors of the Applicant Companies, in their Board meeting held on 29.09.2025, have approved the



proposed Scheme. Certified true copy of the Board Resolution has been placed on record. The Appointed Date fixed under the Scheme is **01.08.2025.**

5. It is further submitted that the First Applicant Company is engaged in the business of manufacturing, production, distribution and exhibition of Cinematographic films and Pictures and rental business activities in India and the Second Applicant Company is primarily engaged in the redevelopment of existing structures and new development projects including all aspects of real estate development, from the identification and acquisition of land, to planning, execution, construction and marketing of Commercial and residential projects.

6. The Ld. Counsel for the Applicant Companies submits that the circumstances and/or reasons and/or grounds that have necessitated and/or justified the Scheme and some of the major benefits which would accrue from the Scheme are briefly stated below:

As a part of an overall strategy for the optimum running, growth, and development of the Arkade Developers in the real estate sector, it is considered desirable to demerge the rental business (as defined hereinafter) from Filmistan Private Limited (the Demerged Company) to Arkade Developers Limited (the Resulting Company).

- a. The Scheme will streamline management and control in relation to the leasehold rights of the property, which will vest in the Resulting Company, which already owns the underlying land, resulting in a single ownership framework by integrating it within the Resulting Company, thereby achieving administrative efficiencies and rationalizing operations;*
- b. Future Opportunities: With unified ownership, the Resulting Company will be better positioned to explore the remaining business;*



- c. *The proposed demerger is in the best interest of the shareholders, creditors and other stakeholders of both the Demerged Company and the Resulting Company, and is not prejudicial or detrimental to their interests in any manner;*
- d. *The Scheme shall not in any manner be prejudicial to the interests of concerned members, creditors, if any, and other stakeholders.*

7. The Authorised Share Capital of the First Applicant Company as on appointed date is as follows:

Particulars	Amount in Rs.
Authorised Share Capital	
5,00,000 equity shares of Rs. 1/- each.	5,00,000
TOTAL	5,00,000
Issued, Subscribed, and Paid-up Share Capital	
1,00,000 equity shares of INR. 1/- each fully paid up	1,00,000
Total	1,00,000

Subsequent to the appointed date, the Board of the Demerged Company has issued and allotted 7,415 Equity shares of Rs.1/- each on 26.09.2025. Further, the Demerged Company is a wholly owned subsidiary of the Resulting Company. Accordingly, the authorised, issued, subscribed, and paid-up share capital of the Demerged Company as on date is as follows:

Particulars	Amount in Rs.
Authorised Share Capital	
5,00,000 equity shares of Rs. 1/- each.	5,00,000



Particulars	Amount in Rs.
TOTAL	5,00,000
Issued, Subscribed, and Paid-up Share Capital	
1,07,415 equity shares of Rs. 1/- each fully paid up	1,07,415
Total	1,07,415

The entire issued, subscribed, and paid-up share capital of the First Applicant Company is held by the Second Applicant Company. As on date, there is no change in the capital structure of the First Applicant Company.

8. The Authorised Share Capital of the Second Applicant Company as on the appointed date is as follows:

Particulars	Amount in Rs.
Authorised Share Capital	
18,75,00,000 equity shares of Rs. 10/- each	1,87,50,00,000
Total	1,87,50,00,000
Issued Subscribed and Paid up Share Capital	
18,56,63,617 equity shares of Rs. 10/- each fully paid up	1,85,66,36,170
Total	1,85,66,36,170

As on date of filing this Application, there is no change in the authorised, issued, subscribed and paid-up share capital of the Second Applicant Company.

9. The Ld. Counsel for the Applicants submits that the Consideration for the Scheme is as follows:

The Demerged Company is a wholly owned subsidiary of the Resulting Company and therefore there shall be no issue of shares as consideration



for the transfer and vesting of the Demerged Undertaking from the Demerged Company into the Resulting Company.

10. The Ld. Counsel for the Applicant Companies submits that there are 7 Equity Shareholders in the First Applicant Company. A copy of the certificate issued by M/s Amit T Jain & Co., independent chartered accountants, certifying the shareholding pattern of the Applicant Company as on 31.07.2025, is annexed to the Company Scheme Application. The Ld. Counsel further submits that the meetings of the equity shareholders of the First Applicant Company be dispensed with in view of the fact that 100% shareholders of the First Applicant Company have given their consent to the sanction of the Scheme. Accordingly, the meeting of the equity shareholders of the First Applicant Company is hereby dispensed with.
11. The Ld. Counsel for the Applicant Companies submits that with regard to the equity shareholders of the Second Applicant Company, the proposed Scheme is an arrangement between the Second Applicant Company and its wholly owned subsidiary, whereby the Demerged Undertaking of the First Applicant Company are proposed to be hived off and vested with the Second Applicant Company, without any consideration. The rights of the equity shareholders will not be affected as no fresh shares are purported to be issued or allotted pursuant to the Scheme, and accordingly, there would not be any dilution in their respective shareholdings in the Second Applicant Company.
12. It is further submitted that the entire share capital of the First Applicant Company is held by the Second Applicant Company. Thus, the entire economic interest of the First Applicant Company is held by the Second Applicant Company in its own name and in the name of its nominees. After the Scheme is sanctioned, no new shares are required to be issued to the members of the First Applicant Company by the Second Applicant Company.



13. The Ld. Counsel for the Applicant Companies submits that the Scheme does not affect the rights and interests of the members or creditors of the Second Applicant Company. Pursuant to the Scheme, the Demerged Undertaking of the First Applicant Company would be transferred to the Second Applicant Company. As on date, the assets of the Second Applicant Company exceed its liabilities and would be sufficient to discharge the said liabilities in the future, in the ordinary course of business. The shareholding and other rights of the members of the Second Applicant Company will remain unaffected, as no new shares are being issued and there is no change in the capital structure. Further, the creditors of the Second Applicant Company are also not likely to be affected by the Scheme being approved as post Scheme the Second Applicant Company will have sufficient assets in excess of its liabilities.
14. In view of the above facts and circumstances, it is submitted that the Hon'ble Bombay High Court in *Mahaamba Investments Limited Vs. IDI Limited* [(2001) 105 Company Cases page 16 to 18], *inter alia*, observed and held that if the Scheme of Amalgamation provides for no issue of equity shares to the members of the Transferor Company, being a wholly owned subsidiary of the Transferee Company and the creditors of the Transferee Company are not likely to be affected by the Scheme, a separate Petition by the Transferee Company was not necessary. Further, the Hon'ble Bombay High Court in an unreported judgement in *Bon Limited* dated 12.03.2010 in Company Scheme Petition No. 123 of 2010, reiterated that a separate petition by the Resulting Company would not be necessary, if the Scheme, by way of transfer of undertaking, does not (a) involve the re-organisation of the capital of the Resulting Company; and (b) affect the rights of the members or creditors of the Transferee Company, as between themselves and the Company. Similar view has also been taken by the Hon'ble Delhi High Court in *Sharat Hardware Industries P. Limited., In re* [(1978) 48 Com Cas 23]; Hon'ble Madras High Court in *Santhanalakshmi Investments (P) Ltd., In re* [(2005) 129 Company Cases page 789 to 792]; and the Hon'ble High Court of Andhra

Pradesh in *Nebula Motors Ltd., In re* 45 SCL 143].

15. It is further submitted that this Tribunal has also in its order dated 04.09.2017 in Company Scheme Application No. 243 of 2017 relating to amalgamation of wholly owned subsidiaries namely, *Windermere Properties Private Ltd; Haddock Properties Private Ltd; Gradeur Properties Private Limited; Winchester Properties Private Limited; and Pentagram Properties Private Limited with Housing Development Finance Corporation Limited, inter alia*, observed and held that when transferor companies are wholly owned subsidiaries of the Transferee company and the financial position of the Transferee company is highly positive and merger is not affecting the rights of the applicant's shareholders or creditors, allowing Transferee company to obtain approval without shareholders' approval is permissible under law and held that Transferee company need not hold any meeting either with its creditors or members.
16. In view of the above, it is submitted that-
- a. The rights of shareholders of the Second Applicant Company are not affected since there will be no issue of shares pursuant to the Scheme and there would be absolutely no changes in the equity share capital of the Second Applicant Company.
 - b. The rights of the creditors of the Second Applicant Company are not affected since there will be no reduction in their claims, and the assets of the Second Applicant Company, post Scheme, will be more than sufficient to discharge their claims.
 - c. There is no requirement to convene meetings of Equity shareholders and Unsecured creditors of the Second Applicant Company, and the same, therefore, be dispensed with.
17. The Ld. Counsel for the Applicant Companies submits that there are *Nil* Secured Creditors as on 31.07.2025 in the First Applicant Company. The certificate given by M/s Amit T Jain & Co., independent chartered



accountants, has been placed on record. Therefore, the question of convening the meeting of the secured creditors of the First Applicant Company does not arise.

18. The Ld. Counsel for the Applicant Company submits that there are 3 Secured Creditors having value of Rs.1,70,43,69,920/- (One Hundred Seventy Crore Forty-Three Lakh Sixty-Nine Thousand Nine Hundred and Twenty Rupees) as on 31.07.2025 in the Second Applicant Company. The Ld. Counsel further states that the convening and holding the meeting of the Secured Creditors of the Second Applicant Company is dispensed with in view of the consent affidavits given by the Two Secured Creditors which represent 99.67% in value of the Second Applicant Company.
19. Therefore, this Bench directs the Second Applicant Company to issue notice to their remaining Sole Secured Creditor by Courier/ Registered AD/ Speed Post/ email (whose email address are registered with the Company) with a direction that they may submit their representations, if any, within a period of 30 days from the date of receipt of such intimation to the Tribunal and copy of such representations shall simultaneously be served upon the Second Applicant Company, failing which, it shall be presumed that they have no representations on the proposal.
20. The Ld. Counsel for the Applicant Company submits that there are 2 Unsecured Creditors having value of Rs. 12,60,70,689/- (Twelve Crore Sixty Lakhs Seventy Thousand Six Hundred Eighty-Nine Rupees) in the First Applicant Company as on 31.07.2025. The certificate given by M/s Amit T Jain & Co., independent chartered accountants has been placed on record. The Ld. Counsel further states that the convening and holding the meeting of the Unsecured Creditors of the First Applicant Company is dispensed with in view of the consent affidavits given by the Sole Unsecured Creditor which represent 99.99% in value and remaining Sole Unsecured Creditor which amounting Rs. 2,360/- (Two Thousand Three Hundred and Six Rupees) has been paid off post to 31.07.2025 of the First Applicant Company.



21. The Ld. Counsel for the Applicant Company submits that there are 227 Unsecured Creditors having value of Rs. 38,18,67,425/- (Thirty-Eight Crore Eighteen Lakh Sixty-Seven Thousand Four Hundred Twenty-Five Rupees) in the Second Applicant Company as on 31.07.2025. The Ld. Counsel further states that the convening and holding the meeting of the Unsecured Creditors of the Second Applicant Company is dispensed with in view of the Scheme is an arrangement between the Second Applicant Company, and its shareholders as contemplated under Section 230(1)(b) and not in accordance with the provisions of Section 230(1)(a) of the Act. There is no compromise and/or arrangement with the unsecured creditors as no sacrifice is called for. The rights of the unsecured creditors will not be affected as all the unsecured creditors would be paid off in the ordinary course of business. Since there is no arrangement or compromise with any of the unsecured creditors, there is no requirement of convening a meeting of the unsecured creditors.
22. Therefore this Bench directs the Second Applicant Company to issue notice to all the Unsecured Creditors by Courier/ Registered AD/ Speed Post/ email (whose email address are registered with the Company) with a direction that they may submit their representations, if any, within a period of 30 days from the date of receipt of such intimation to the Tribunal and copy of such representations shall simultaneously be served upon the Second Applicant Company, failing which, it shall be presumed that they have no representations on the proposal.
23. The Applicant Companies are directed to serve notices along with a copy of the Scheme under the provisions of Section 230(5) of the Act and Rule 8 of the CCAA Rules, upon the -
- a. Jurisdictional Central Government through the office of Regional Director (Western region), Mumbai. (Email- rdwest@mca.gov.in);
 - b. Jurisdictional Registrar of Companies, Mumbai;
 - c. Jurisdictional Income Tax Authorities; within whose Jurisdiction the Applicant Company's assessment are made; and the Nodal Authority



in the Income Tax Department having jurisdiction over such authority
i.e. Pr. CCIT, Mumbai; (E-mail: Mumbai.pccit@incometax. gov.in);

- d. Securities Exchange Board of India
- e. National Stock Exchange of India
- f. BSE Limited;
- g. Concerned Goods and Services Tax authorities;
- h. Any other Sectoral/ Regulatory Authorities relevant to the Applicant Company or their business.

24. The Notice shall be served through by Registered Post-AD/Speed Post and through email along with copy of scheme and state that *"If no response is received by the Tribunal from the concerned Authorities within 30 days of the date of receipt of the notice it will be presumed that the concerned Authorities has no objection to the proposed Scheme"*. It is clarified that notice service through courier shall be taken on record only in cases where it is supported with Proof of Delivery having acknowledgement of the notice.

25. The Applicant Companies shall submit –

- i. Details of Corporate Guarantee, Performance Guarantee and Other Contingent Liabilities, if any;
- ii. List of pending IBC cases, if any, along with all other litigation pending against the Applicant Companies having material impact on the proposed Scheme;
- iii. Details of all Letters of Credit sanctioned and utilised as well as Margin Money details, if any.

26. The Applicant Companies are accordingly directed to file Affidavit of Service in the Registry proving dispatch of notices to its Secured/Unsecured Creditors and service of notice to the Regulatory Authorities as stated above and to report to this Tribunal that the directions regarding the issuance of notices have been duly complied with.



27. With the above directions, the captioned Company Application i.e.,
C.A.(CAA)/247(MB)2025 is **allowed** and **disposed of**.

28. Ordered Accordingly.

Sd/-

ANIL RAJ CHELLAN
MEMBER (TECHNICAL)

Sanika, LRA

Sd/-

K. R. SAJI KUMAR
MEMBER (JUDICIAL)