Page: 959-976 URL: www.lijdlr.com

LAWFOYER INTERNATIONAL JOURNAL OF DOCTRINAL LEGAL RESEARCH

ISSN: 2583-7753

LawFoyer International Journal of Doctrinal Legal Research

[ISSN: 2583-7753]

Volume 3 | Issue 2

2025

DOI: https://doi.org/10.70183/lijdlr.2025.v03.79

CROSS-BORDER MERGERS IN INDIA - LEGAL CHALLENGES AND REFORMS

Hiranya R[1]

I. ABSTRACT

Cross-border mergers have emerged as a crucial mechanism for corporate restructuring in the context of globalization, particularly within India's liberalized economic landscape. These transactions are legally facilitated under Section 234 of the Companies Act, 2013 and the Foreign Exchange Management (Cross Border Merger) Regulations, 2018, which jointly provide the regulatory foundation for both inbound and outbound mergers between Indian and foreign companies. However, despite the existence of this framework, several regulatory, procedural, and institutional challenges continue to hamper the seamless execution of such mergers. This paper employs a doctrinal legal research methodology, specifically the black-letter approach, complemented by comparative legal analysis to examine the legislative and regulatory framework governing cross-border mergers in India. It critically analyses the role and interplay of regulatory bodies such as the Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), Competition Commission of India (CCI), and National Company Law Tribunal (NCLT), while also assessing judicial interpretations and statutory gaps. Key challenges identified include regulatory overlap, procedural inefficiencies, taxation uncertainties, recognition of foreign judgments, and the absence of a harmonized insolvency framework aligned with the UNCITRAL Model Law on Cross-Border Insolvency. By drawing comparisons with advanced jurisdictions such as the United States, United Kingdom, and Singapore—which have implemented streamlined procedures, institutional coordination, and investor-protective regimes—the study proposes a series of reforms. These include regulatory harmonization, extension of tax neutrality, adoption of international insolvency norms, and creation of a single-window clearance mechanism to strengthen India's positioning as a competitive destination for cross-border mergers and acquisitions.

[1] Presidency University, Bangalore

 (ISSN: 2583-7753)

II. KEYWORDS

Cross-border merger; Companies Act, 2013; Foreign Exchange Management (Cross Border Merger) Regulations, 2018; RBI approval; SEBI guidelines; inbound merger; outbound merger; UNCITRAL Model Law; tax neutrality.

III. INTRODUCTION

In today's globalized economy, cross-border mergers and acquisitions (M&A) have become strategic tools for corporate expansion, technology transfer, and global market penetration. These transactions, involving companies incorporated in different legal jurisdictions, demand careful harmonization of domestic corporate laws with international legal and regulatory frameworks. India, as a rapidly growing economy, has seen a notable increase in cross-border M&A activity, particularly following the enactment of the Companies Act, 2013. A pivotal development under this Act is Section 234, which facilitates mergers between Indian and foreign companies incorporated in jurisdictions notified by the Central Government. This provision was officially brought into effect through the Ministry of Corporate Affairs (MCA) Notification No. S.O. 1219(E), dated April 13, 2017.[2]To operationalize this framework, the Reserve Bank of India (RBI) introduced the Foreign Exchange Management (Cross Border Merger) Regulations, 2018, via Notification No. FEMA 389/2018-RB, dated March 20, 2018.[3]

Despite this progressive legislative recognition, several structural and procedural bottlenecks continue to impede the effective implementation of cross-border mergers. These include overlapping regulatory jurisdictions, fragmented approval processes, lack of synchronized timelines, taxation ambiguities, valuation inconsistencies, and the non-recognition of foreign judgments in merger approvals. According to the World Investment Report (2022), India's share of outbound mergers continues to lag behind major economies, owing in part to regulatory complexities and tax disincentives.[4]

---

[2]Ministry of Corporate Affairs, Notification No. S.O. 1219(E), April 13, 2017.
[3] Reserve Bank of India, Notification No. FEMA 389/2018-RB, March 20, 2018.
[4] UNCTAD, *World Investment Report 2022*.

This research critically examines the legal and institutional framework governing cross-border mergers in India and evaluates the practical challenges faced by stakeholders in executing such transactions.

A. RESEARCH QUESTION

How effective is the current Indian legal and regulatory regime in facilitating cross-border mergers, and what reforms are necessary to align it with global best practices?

B. Research Objectives

The objectives of this research are to:

1. Examine the legal and regulatory framework governing cross-border mergers in India.
2. Identify procedural and structural challenges impeding the implementation of such mergers.
3. Analyse relevant judicial decisions that have shaped India’s cross-border merger regime.
4. Compare India’s framework with global best practices from the UK, USA, and Singapore.
5. Propose concrete legal reforms to improve India's regulatory landscape and attract cross-border investments.

C. HYPOTHESIS

While India has laid a foundational legal structure for cross-border mergers, the lack of cohesive regulatory execution, tax neutrality, and international insolvency cooperation deters global investors and limits India’s potential as a favourable destination for cross-border corporate restructuring.

D. METHODOLOGY

This study adopts a doctrinal legal research methodology, employing the black-letter approach to analyse statutory frameworks, judicial pronouncements, regulatory circulars, and institutional practices. The research is further supplemented with

 (ISSN: 2583-7753)

comparative analysis of legal systems in the United States, United Kingdom, and Singapore.

IV. LEGAL FRAMEWORK CONTROLLING CROSS -BORER MERGER IN INDIA

India's legal infrastructure for cross-border mergers has undergone significant reform in the past decade, culminating in a statutory framework that formally permits such transactions. The legislative backbone of this framework lies in Section 234 of the Companies Act, 2013, which enables mergers between Indian companies and foreign companies incorporated in jurisdictions specifically notified by the Central Government.[5] This provision was made effective via the Ministry of Corporate Affairs Notification No. S.O. 1219(E), dated April 13, 2017.[6]

To operationalize Section 234, the Reserve Bank of India (RBI) issued the Foreign Exchange Management (Cross Border Merger) Regulations, 2018 through Notification No. FEMA 389/2018-RB, dated March 20, 2018.[7]These regulations establish distinct legal procedures for: Inbound mergers where a foreign company merges into an Indian company; and Outbound mergers where an Indian company merges into a foreign company.

The regulations require compliance with the Foreign Exchange Management Act, 1999 (FEMA), including pricing guidelines, sectoral caps, valuation norms, and reporting obligations. These aspects ensure regulatory oversight on the cross-border flow of capital, liabilities, and foreign exchange.

The Securities and Exchange Board of India (SEBI) plays a pivotal role in mergers involving listed companies, under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.[8]These ensure transparency, investor protection, and valuation fairness through mandatory disclosures, audit trails, and fairness opinions

[5] Companies Act, 2013, § 234.
[6]Ministry of Corporate Affairs Notification No. S.O. 1219(E), April 13, 2017.
[7] RBI Notification No. FEMA 389/2018-RB, March 20, 2018
[8] SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

by independent professionals. Additionally, the Competition Commission of India (CCI) evaluates whether such mergers would lead to an appreciable adverse effect on competition (AAEC) under Sections 5 and 6 of the Competition Act, 2002.[9] Clearance from the CCI is required before any transaction that meets prescribed asset or turnover thresholds is consummated.

On the tax front, the Income Tax Act, 1961 does not extend tax-neutral treatment to cross-border mergers. Sections 47 and 72A, which provide exemptions and continuity of tax benefits in domestic mergers, do not apply to cross-border transactions.[10] This leads to uncertainty regarding:

1. Capital gains tax on transfer of shares or assets.
2. Carry forward of losses and depreciation.
3. Exposure to double taxation where no effective Double Taxation Avoidance Agreement (DTAA) exists.

A major development occurred with the 2024 amendment to the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, introducing Rule 25A. This provision establishes a fast-track merger route for foreign holding companies merging with their wholly-owned Indian subsidiaries.[11] The goal is to reduce procedural timelines, particularly where no significant public interest or creditor objections exist.

However, the overall legal regime remains fragmented and complex. The necessity for multi-regulatory clearances, coupled with the absence of unified guidelines, results in time delays and inconsistent interpretation. Furthermore, there is currently no legal framework for recognizing outbound demergers, as reiterated in judicial decisions such as Re: Sun Pharmaceutical Industries Ltd., NCLT Ahmedabad Bench (2019).[12]

---

[9] Competition Act, 2002, §§ 5–6.
[10] Income Tax Act, 1961, §§ 47, 72A.
[11] Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, as amended in 2024.
[12] In Re: Sun Pharmaceutical Industries Ltd., C.P. No. 73/2019, NCLT Ahmedabad Bench, Dec 19, 2019

V. CHALLENGES IN CROSS -BORDER MERGER IN INDIA

A. Regulatory Fragmentation and Procedural Delays

Cross-border mergers in India require approvals from multiple regulatory bodies, including the RBI, SEBI, CCI, and the National Company Law Tribunal (NCLT). The absence of a unified approval mechanism or timeline-bound clearance system often results in delays and jurisdictional confusion. According to an RBI report published in March 2019, only a limited number of outbound mergers were approved under the 2018 regulations, primarily due to procedural hurdles and lack of clarity in regulatory requirements.[13]

B. Taxation Ambiguities

The Income Tax Act, 1961 does not explicitly extend tax neutrality to cross-border mergers. While Sections 47 and 72A exempt capital gains and permit carry-forward of losses in domestic amalgamations, these benefits do not extend to foreign-involved mergers. This creates critical concerns such as:

1. Capital gains tax liability on transfer of assets or shares.
2. Ineligibility to carry forward accumulated losses or unabsorbed depreciation.
3. Double taxation risk in the absence of strong Double Taxation Avoidance Agreements (DTAAs).
4. As a result, cross-border mergers become fiscally unattractive, discouraging foreign companies from pursuing inbound consolidations.

C. Valuation and Accounting Complexities

India follows Indian Accounting Standards (Ind AS) while many foreign jurisdictions rely on International Financial Reporting Standards (IFRS). This divergence often leads to valuation inconsistencies, especially in outbound mergers. Asset classification, inflation indexing, and goodwill calculation may vary widely, complicating fair value assessments and post-merger integration.

[13] Reserve Bank of India, Circular on Cross Border Mergers, March 2019

D. Jurisdictional and Recognition Challenges

India lacks a comprehensive framework for recognizing foreign court orders approving merger schemes. The Civil Procedure Code, 1908, permits enforcement of foreign judgments only under limited conditions, unlike arbitration awards that are protected under the New York Convention. Consequently, merger schemes approved abroad often lack enforceability in India. The NCLT Ahmedabad Bench, in Re: Sun Pharmaceutical Industries Ltd., held that outbound demergers are not permissible under Section 234, highlighting judicial reluctance toward broader interpretations.[14]

E. Insolvency and Creditor Protection Gaps

India has not yet adopted the UNCITRAL Model Law on Cross-Border Insolvency, making it difficult to manage transnational insolvency proceedings. This becomes particularly problematic where cross-border mergers involve distressed entities. In Daiichi Sankyo Co. Ltd. v. Mallinder Mohan Singh, the Delhi High Court confronted enforcement hurdles when attempting to recognize and implement a foreign arbitral award related to fraud in a cross-border transaction.[15]

F. Sectoral Restrictions and FDI Limitations

Sectors such as defence, telecom, and insurance are subject to strict foreign investment caps and prior government approval under FEMA regulations and the FDI Policy. This constrains merger structuring and often deters foreign entities from initiating outbound consolidations.

G. Stakeholder Protection Deficiencies

India's legal framework does not provide detailed statutory protections for minority shareholders, creditors, and employees in cross-border mergers. The standards for consent, disclosure, and exit options vary across jurisdictions, creating confusion and often compromising stakeholder rights.

[14] In Re: Sun Pharmaceutical Industries Ltd., C.P. No. 73/2019, NCLT Ahmedabad Bench, Dec 19, 2019.
[15] Daiichi Sankyo Co. Ltd. v. Mallinder Mohan Singh & Ors., 2018 SCC Online Del 12302.

 (ISSN: 2583-7753)

VI. JUDICIAL AND REGULATORY DEVELOPMENTS

The evolution of India's regulatory regime on cross-border mergers has been significantly influenced by both judicial interpretations and institutional reforms. While statutory provisions under Section 234 of the Companies Act, 2013 and FEMA Regulations, 2018 provide the legal foundation, the real-world application of these rules has depended largely on how courts and regulators have interpreted and implemented them.

A. Key Judicial Precedents

One of the landmark rulings in this area was delivered by the National Company Law Tribunal (NCLT), Ahmedabad Bench in In Re: Sun Pharmaceutical Industries Ltd., C.P. No. 73 of 2019 (decided Dec. 19, 2019).[16] The Tribunal held that cross-border demergers are not permissible under the current reading of Section 234. This narrow interpretation has created legal uncertainty and stifled the growth of outbound corporate restructuring initiatives.

Another pivotal case is Daiichi Sankyo Co. Ltd. v. Mallinder Mohan Singh & Ors., 2018 SCC Online Del 12302. In this case, the Delhi High Court dealt with the enforcement of a foreign arbitral award stemming from post-merger fraud by Indian promoters. The case exposed the practical difficulties in enforcing international awards and highlighted the limited cross-border accountability mechanisms available under Indian law.[17]

Additionally, although not a statutory merger, the Walmart–Flipkart acquisition prompted regulatory scrutiny by the Competition Commission of India (CCI) under Sections 3 and 4 of the Competition Act, 2002. The case demonstrated the expanding role of the CCI in vetting foreign transactions for market dominance and anti-competitive effects, setting a precedent for future foreign-acquisition scrutiny.

[16] *In Re: Sun Pharmaceutical Industries Ltd.*, C.P. No. 73/2019, NCLT Ahmedabad Bench, Dec. 19, 2019.
[17] *Daiichi Sankyo Co. Ltd. v. Mallinder Mohan Singh & Ors.*, 2018 SCC Online Del 12302.

B. Regulatory Milestones

The formal notification of Section 234 via MCA Notification No. S.O. 1219(E), dated April 13, 2017, and the issuance of RBI Notification No. FEMA 389/2018-RB, dated March 20, 2018, marked the statutory birth of cross-border merger facilitation in India.[18]

To enhance transparency in listed company mergers, the SEBI Circular No. CFD/DIL3/CIR/2017/21, dated March 10, 2017, introduced mandatory disclosures including:

A. Independent valuation reports,
B. Fairness opinions by SEBI-registered merchant bankers,
C. Audit trails to ensure protection of shareholder interests.

A noteworthy recent development is the 2024 amendment to the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, introducing Rule 25A. This rule permits a fast-track merger process for foreign holding companies merging with their wholly-owned Indian subsidiaries, provided there are no objections from creditors or regulatory bodies. This reform aims to streamline procedures and reduce the burden on the NCLT by encouraging self-certification and efficient regulatory oversight.[19]

C. Persisting Regulatory Gaps

Despite these advancements, India still lacks a mutual recognition mechanism for foreign court-approved merger schemes. Unlike arbitral awards covered under the New York Convention, merger orders do not enjoy similar statutory enforceability. Moreover, the non-adoption of the UNCITRAL Model Law on Cross-Border Insolvency limits judicial cooperation in cross-border restructuring, especially when the foreign entity is undergoing insolvency proceedings.

---

[18] Ministry of Corporate Affairs, Notification No. S.O. 1219(E), Apr. 13, 2017; RBI Notification No. FEMA 389/2018-RB, Mar. 20, 2018.

[19] Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, Rule 25A (as amended in 2024).

VII. COMPARATIVE ANALYSIS

To contextualize India's legal position on cross-border mergers, a comparative analysis with advanced jurisdictions such as the United Kingdom, United States, and Singapore provides valuable insights. These countries have developed sophisticated legal and regulatory mechanisms that can inform reforms in the Indian context.

A. Comparative Legal Frameworks

Country	Statutory Basis	Insolvency Framework	Tax & Recognition Mechanism
United Kingdom	*Companies Act, 2006* and *Cross-Border Mergers Regulations, 2007* (implementing EU Directive 2005/56/EC).[20]	Adopted the UNCITRAL Model Law on Cross-Border Insolvency in 2006 through the *Cross-Border Insolvency Regulations.*[21]	Tax-neutral treatment for EU mergers; automatic recognition of EEA court judgments under Brussels I Regulation (prior to Brexit).
United States	Governed by state laws, especially *Delaware General Corporation Law (DGCL)*; federal oversight by SEC and FTC.[22]	Adopted the UNCITRAL Model Law via Chapter 15 of the U.S. Bankruptcy Code (2005).[23]	Recognition of foreign insolvency proceedings; favourable M&A tax structure under IRC §368.
Singapore	*Singapore Companies Act;* merger approval regulated by Monetary	Adopted UNCITRAL Model Law in 2017 via *Insolvency,*	Tax incentives under *Economic Expansion Incentives Act;*

[20] Companies Act, 2006 (UK); Cross-Border Mergers Regulations, 2007 (SI 2007/2974).
[21] Cross-Border Insolvency Regulations 2006, SI 2006/1030 (UK).
[22] Delaware General Corporation Law, Del. Code Ann. tit. 8, § 251 et seq.
[23] Chapter 15, U.S. Bankruptcy Code, 11 U.S.C. §§ 1501–1532

Country	Statutory Basis	Insolvency Framework	Tax & Recognition Mechanism
	Authority of Singapore (MAS).[24]	*Restructuring and Dissolution Act.*	recognition of foreign insolvency and merger schemes by the Commercial Court.

B. Key Takeaways

1. Unified Legal Process:

- All three jurisdictions implement clear statutory frameworks and centralized regulatory oversight.
- India, by contrast, requires coordination among RBI, SEBI, CCI, NCLT, and lacks single-window integration.

2. Recognition of Foreign Schemes:

- The UK, US, and Singapore allow judicial enforcement of foreign court-approved schemes, especially via UNCITRAL Model Law.
- India still does not recognize foreign court merger orders, creating enforcement and uncertainty barriers.

3. Tax Neutrality:

- These countries offer tax deferrals, exemptions, or treaty-based relief for eligible mergers.
- In India, cross-border mergers do not qualify for exemptions under Sections 47 and 72A of the Income Tax Act, 1961.

4. Fast-Track Mechanisms:

[24] Singapore Companies Act 1967; Insolvency, Restructuring and Dissolution Act 2018.

- Singapore's single-window digital approval system significantly reduces procedural delays.
- The UK and US also provide fast-track schemes, especially for wholly-owned subsidiaries.
- India's 2024 Rule 25A is a good step but applies only to inbound mergers.

5. **Stakeholder Protection:**
   - In all three jurisdictions, minority shareholder rights, disclosure mandates, and creditor protections are well codified.
   - India's framework is fragmented and lacks uniform disclosure standards for cross-border transactions.

6. **Relevance to India**

Cross-border mergers are particularly relevant in the Indian context for the following reasons:

1. **Legal Significance**: Evaluates how Indian laws align with international standards under Section 234 of the Companies Act and FEMA Regulations.
2. **Policy Development**: Supports ongoing policy dialogues regarding fast-track merger procedures and tax neutrality.
3. **Comparative Benchmarking**: Offers actionable reform suggestions based on global best practices (UK, US, Singapore).
4. **Judicial Clarity**: Highlights ambiguities in judicial interpretation (e.g., *Sun Pharmaceuticals* and *Daiichi Sankyo* cases).
5. **Stakeholder Impact**: Enhances understanding of protections required for shareholders, creditors, and employees in cross-border deals.

VIII. SUGGESTED REFORMS AND RECOMMENDATIONS

Although India has laid a legislative foundation for cross-border mergers through Section 234 of the Companies Act, 2013 and the FEMA (Cross Border Merger) Regulations, 2018, implementation remains hindered by fragmented oversight,

 (ISSN: 2583-7753)

taxation uncertainties, and judicial limitations. The following reforms are proposed to strengthen the legal and institutional ecosystem:

A. Single-Window Clearance System

Implementation: A centralized digital portal should be developed by the Ministry of Corporate Affairs (MCA), integrating approval workflows from RBI, SEBI, CCI, and NCLT. This could mirror Singapore's Bazile+ platform or the U.S. SEC's EDGAR system for corporate filings.

Precedent: Singapore's Accounting and Corporate Regulatory Authority (ACRA) provides a unified portal that reduces average approval time by 40%.[25]

B. Tax Neutrality for Cross-Border Mergers

Implementation: The Central Board of Direct Taxes (CBDT) should issue a circular or propose an amendment to Sections 47 and 72A of the Income Tax Act, 1961 to explicitly cover qualifying cross-border mergers. Tax neutrality may be conditioned on the presence of commercial substance and continuity of business.

Precedent: The U.S. Internal Revenue Code §368 allows tax-deferred reorganizations under specific criteria.

Recommendation Source: Report of the Tax Administration Reform Commission (TARC), 2014.[26]

C. Adoption of UNCITRAL Model Law on Cross-Border Insolvency

Implementation: Enact enabling legislation aligning with the UNCITRAL Model Law to facilitate cross-border insolvency recognition and cooperation. The framework should include public policy exceptions, reciprocity conditions, and provisions for foreign representative recognition.

Recommendation Source: Insolvency Law Committee Report (2020) recommends India's adoption of the Model Law with modifications suitable to domestic circumstances.[27]

---

[25] Singapore Accounting and Corporate Regulatory Authority, Bazile+ System Overview.
[26] Tax Administration Reform Commission (TARC) Report, Ministry of Finance, 2014.
[27] Insolvency Law Committee Report, Ministry of Corporate Affairs, 2020

D. Extension of Fast-Track Procedures to Outbound Mergers

Implementation: Amend Rule 25A of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 to include outbound mergers where an Indian company merges into its foreign parent or group entity, provided such merger does not impact public interest or minority stakeholders.

Precedent: The UK allows simplified procedures for mergers between EEA companies under the now-repealed EU Cross-Border Mergers Directive.

E. Stakeholder Protection Mandates

Implementation: Introduce mandatory provisions for:

1. Minority shareholder exits options under fair valuation,
2. Creditors' consent mechanisms,
3. Employee impact assessments in merger filings.

These should be integrated into SEBI's merger circulars and MCA rules, ensuring parity with global standards.

Precedent: SEBI Circular No. CFD/DIL3/CIR/2017/21 already mandates some disclosure safeguards for domestic mergers. This should be extended and codified for cross-border cases.

F. Mutual Recognition Agreements (MRAs) for Merger Enforcement

Implementation: India should negotiate bilateral MRAs with key economic partners (e.g., Singapore, the UK, UAE) for the mutual recognition of court-approved merger schemes, much like the EU Cross-Border Merger Directive facilitated pre-Brexit arrangements within the EEA.

Precedent: U.S. courts routinely recognize foreign insolvency proceedings under Chapter 15 based on reciprocal arrangements and public policy exceptions.

G. National M&A Facilitation Task Force

Implementation: Establish a Joint Task Force under the MCA involving RBI, SEBI, CBDT, and CCI to draft cohesive merger policy guidelines, identify regulatory bottlenecks, and recommend periodic updates based on market dynamics and global trends.

IX. CONCLUSION

Cross-border mergers are emerging as a strategic pillar in global corporate restructuring, enabling companies to access new markets, gain technological synergies, and consolidate operations across jurisdictions. India, recognizing this global shift, has introduced foundational legal instruments through Section 234 of the Companies Act, 2013 and the Foreign Exchange Management (Cross Border Merger) Regulations, 2018, to facilitate both inbound and outbound mergers. However, this framework—though progressive in intent—remains structurally fragmented and operationally underutilized.

This paper sought to answer the research question: How effective is India's legal regime in facilitating cross-border mergers, and what reforms are necessary for its global competitiveness? Through doctrinal analysis and comparative study, it was found that while India has achieved legislative milestones, significant challenges remain in the form of:

1. Multi-regulatory procedural delays,
2. Lack of tax neutrality,
3. Absence of recognition mechanisms for foreign court orders,
4. Judicial hesitation in permitting outbound demergers, and
5. Non-adoption of the UNCITRAL Model Law on Cross-Border Insolvency.

In comparison to jurisdictions such as the United Kingdom, United States, and Singapore, India lags behind in terms of regulatory integration, stakeholder protection, and cross-border enforcement mechanisms. These gaps reduce the attractiveness of India as a jurisdiction for high-value mergers and acquisitions.

To remedy these deficiencies, the paper proposed actionable reforms including the establishment of a single-window clearance platform, tax neutrality amendments, extension of fast-track merger provisions, and adoption of international insolvency cooperation norms. These reforms aim to increase investor confidence, reduce regulatory friction, and align India's legal infrastructure with global standards.

X. FUTURE RESEARCH DIRECTIONS

Given the dynamic nature of cross-border transactions, further research can be directed toward:

1. The role and enforceability of Bilateral Investment Treaties (BITs) in protecting investor rights during cross-border M&A,
2. The macroeconomic impact of outbound mergers on India's capital flow and foreign exchange reserves,
3. Legal treatment of cross-border digital mergers in emerging sectors like fintech, AI, and e-commerce,
4. Jurisdictional competition between NCLT benches and its effect on deal structuring.
5. India is well-positioned to emerge as a global hub for cross-border mergers, provided it undertakes the next generation of legal and institutional reforms that ensure predictability, transparency, and alignment with international best practices.

XI. REFERENCES

1. Companies Act, No. 18 of 2013, § 234 (India).
2. Ministry of Corporate Affairs, Notification No. S.O. 1219(E), April 13, 2017 (India).
3. Reserve Bank of India, Notification No. FEMA 389/2018-RB, *Foreign Exchange Management (Cross Border Merger) Regulations, 2018*, March 20, 2018 (India).
4. Companies (Compromises, Arrangements and Amalgamations) Rules, G.S.R. 1134(E) (2016) (India), as amended by Companies (Compromises, Arrangements and Amalgamations) Amendment Rules, 2024, G.S.R. 82(E) (India).
5. SEBI Circular No. CFD/DIL3/CIR/2017/21, *Scheme of Arrangement by Listed Entities and Relaxation under Rule 19(7) of the SCRR, 1957*, March 10, 2017 (India).

6. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (India).
7. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (India).
8. Competition Act, No. 12 of 2003, §§ 5–6 (India).
9. Income Tax Act, No. 43 of 1961, §§ 47, 72A (India).
10. Insolvency Law Committee Report, Ministry of Corporate Affairs (Feb. 2020), available at: https://www.mca.gov.in/Ministry/pdf/ReportCrossBorderInsolvency_16012020.pdf.
11. Tax Administration Reform Commission (TARC) Report, Ministry of Finance, Vol. 2 (2014), available at: https://www.finmin.nic.in/sites/default/files/TARC-2ndReport.pdf.
12. *In Re: Sun Pharmaceutical Industries Ltd.*, C.P. No. 73/2019, NCLT Ahmedabad Bench (Dec. 19, 2019) (India).
13. *Daiichi Sankyo Co. Ltd. v. Mallinder Mohan Singh & Ors.*, 2018 SCC Online Del 12302 (Del. HC) (India).
14. United Nations Commission on International Trade Law (UNCITRAL), *Model Law on Cross-Border Insolvency with Guide to Enactment and Interpretation* (1997).
15. United Kingdom, Companies Act 2006, c. 46.
16. The Companies (Cross-Border Mergers) Regulations 2007, SI 2007/2974 (UK).
17. The Cross-Border Insolvency Regulations 2006, SI 2006/1030 (UK).
18. Delaware General Corporation Law, Del. Code Ann. tit. 8, §§ 251–253 (United States).
19. United States Bankruptcy Code, Chapter 15, 11 U.S.C. §§ 1501–1532 (United States).
20. Singapore Companies Act 1967 (Cap. 50) (rev. ed. 2020) (Singapore).
21. Insolvency, Restructuring and Dissolution Act 2018, No. 40/2018 (Singapore).
22. World Bank, *Doing Business Report 2020: Comparing Business Regulation in 190 Economies*, available at: https://www.doingbusiness.org.

23. UNCTAD, *World Investment Report 2022: International Tax Reforms and Sustainable Investment*, available at: https://unctad.org/system/files/official-document/wir2022_en.pdf.
24. ACRA Singapore, *Bazile+ Digital Services Portal Overview*, available at: https://www.acra.gov.sg.
25. "Cross-Border Mergers under the Companies Act, 2013: An Analysis," *Journal of Corporate Law Studies*, Vol. 7, 2020, pp. 91–108.