NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH(COURT-II), CHANDIGARH

CP (CAA) 19/Chd/J&K of 2025
(2nd Motion)

(An application under Sections 230 & 232 of the Companies Act, 2013, read with the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016)

IN THE MATTER OF
BANDAY IDEAL PRODUCTS LIMITED
Having its registered office at
Registered office: Old Zero Bridge Road,
Srinagar, Jammu, Jammu and Kashmir - 190001.
PAN: AADCB5076B
CIN: U52599JK2007PLC002859
.... Petitioner No. 1/Transferor Company

BANDAY IMPEX PRIVATE LIMITED
having its registered office at
Registered office: Food Park, Khunmoh Industrial Area,
Srinagar, Jammu and Kashmir190001.
PAN: AAACB5982F
CIN: U51399JK1997PTC001697
.... Petitioner No. 2/Transferee Company

Order pronounced on: 08.07.2026

CORAM: MR. KAUSHALENDRA KUMAR SINGH, HON'BLE MEMBER(TECHNICAL)
MR. KHETRABASI BISWAL, HON'BLE MEMBER (JUDICIAL)

Appearance:

For the Petitioners:	Mr. Nahush Jain, Advocate
For the RD:	Dr. Kishore Kumar Devarwade, Asst. Director

ORDER

1. The present joint Company Petition has been filed by the Petitioner Companies namely; **Banday Ideal Products Limited** (hereinafter referred to as the **"Petitioner Company No. 1" or "Transferor Company No. 1**") and **Banday Impex Private Limited** (hereinafter referred to as the **"Petitioner Company No. 2"** or **"Transferee Company"**), to obtain sanction of this Tribunal to the Scheme of Arrangement between the Petitioner Companies and their respective shareholders and creditors (hereinafter referred to as the "Scheme") under Sections 230-232 and other relevant provisions of the Companies Act, 2013 (the Act) read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the Rules). The copy of the Scheme is annexed as Annexure P-2 to the petition.

2. The Composite Scheme of Arrangement provides for:

   i. The merger of Transferor Company into Transferee Company.

   ii. The existence of the company Transferee Company shall be final on proposed merger of all the Companies; however the name Transferor Company will remain and act as a units / brands / divisions of Transferee Company.

   iii. Other matters consequential or otherwise integrally connected to the foregoing.

3. The Petitioner Companies filed First Motion Application being CA(CAA) 16/Chd/J&K/2024 before this Tribunal to obtain appropriate orders to dispense/convene meetings of Equity Shareholders, Secured Creditors and Unsecured Creditors, as the case may be, of these Companies for the purpose of the considering and approving, with or without modification, the aforesaid Scheme. The First Motion Petition was allowed, vide, order dated 09.05.2025 with the directions to dispense with the meetings of the equity shareholders, secured, and unsecured creditors of the petitioner companies in view of the

consents Affidavits obtained. A copy of the order passed in the First Motion Application is attached as Annexure P-1 in this Second Motion Petition.

4. The Main objectives, date of incorporation, Authorized and paid-up share capital, and the rationale of the Scheme have already been discussed in detail in the First Motion Order, dated 09.05.2025.

5. In the second motion proceedings, this Tribunal, vide, Order dated 05.06.2025, directed to issue notice to Regional Director ("RD"), Registrar of Companies ROC, the Official Liquidator and Income Tax Authorities ("ITD"). Furthermore, this Tribunal directed to publish notice of hearing of this Petition in "Business Standard" (English Edition) and "Jansatta" (Hindi Edition) newspapers.

6. In compliance with the said order, the Petitioner Companies have filed an Affidavit of service of notice of petition and publication dated 2.01.2026. The notice of hearing was published in "Business Standard" (English Edition) and "Jansatta" (Hindi Edition), dated 28.11.2025 and 27.11.2025 respectively. The original copies of the newspapers are attached as Annexure: A-3 in the aforesaid affidavits. It has also been stated in the Affidavit that the notice of the Petition was served upon the Statutory Authorities. Further, the notice of the Company Petition/Composite Scheme of Arrangement has also been served in the respective Circle/Ward of the Income Tax Department where the Petitioner Companies are assessed. A copy of the proof of service of notice of Petition to the Regional Director, Registrar of Companies, Official Liquidator and Income Tax Department, etc. are annexed as in original are attached as Annexure: A-2 of the aforesaid affidavit. It is further stated that no objections have been received from anyone pursuant to the publication of notice of hearing in the newspapers, by the undersigned or by the Petitioner Companies.

7. In response to the abovementioned notices, the statutory authorities have furnished their Reports and the Petitioner Companies have filed their clarification/submissions thereon. The same are as follows:

a. **Regional Director (RD) and Registrar of Companies (ROC)**

In response to the above stated notice, the Regional Director (RD) filed its report dated 18.09.2025 wherein it stated that the report of the Registrar of Companies, Jammu & Kashmir, is awaited in the matter. The report of RoC, J&K was later filed wherein it stated that the RoC is of the opinion that the company in question is a working company, and the proposed scheme does not reflect negative effect on shareholders as well as creditors and the company's financial position. However, the matter may be examined on merit.

b. **Income Tax Department**

In response to the notices served, the Income Tax Department has furnished its Report dated 10th December, 2025 in respect of the Petitioner Transferor Company; Report dated 18.02.2026, in respect of the Transferee Company.

As per the report of the Income Tax Department has pointed out that there are no Income Tax Dues/Demands in the Petitioner Companies. The Income Tax Department has also categorically given its 'No Objection' to the proposed Composite Scheme of Arrangement with regard to all the Petitioner Companies.

c. **Official Liquidator**

The Official Liquidator (hereinafter referred to as OL) has filed its report whereby it is stated that the OL does not have any objection to be made in the matter of the said Scheme of Arrangement.

8. The provisions relating to the accounting treatment for the proposed Amalgamation and Demerger, as contained in the Composite Scheme of Arrangement, are in conformity with the applicable provisions of the Companies Act, 2013, Accounting Standards prescribed under Section 133 of the Companies Act, 2013, and Generally Accepted Accounting Principles.

Certificates from the Auditors of the Transferee Company on the accounting treatment, as proposed in the Composite Scheme are attached as Annexure P-12 in the Second Motion Petition filed by the Petitioner Companies.

9. We have considered the submissions made by the learned Counsel for Petitioner Companies and the Assistant Director, RD and have perused the records carefully. It appears that the RD/RoC, Income Tax Department and the Official Liquidator do not have any objection to the proposed scheme.

10. In the context of the above discussion, the Composite Scheme contemplated between the petitioner companies, appears to be prima facie in compliance with all the requirements stipulated under the relevant Sections of the Companies Act, 2013. In the absence of any objections before us and since all the requisite statutory compliance have been fulfilled, this Tribunal sanctions the Composite Scheme of Arrangement appended as Annexure P-2 with this Petition.

11. Notwithstanding the submission that no investigation is pending against any of the Petitioner Companies, if there is any deficiency found or, violation committed qua any enactment, statutory rule or regulation, the sanction granted by this Tribunal will not come in the way of action being taken, albeit, in accordance with law, against the concerned persons, directors and officials of the petitioners.

12. While approving the Composite Scheme as above, it is clarified that this order should not be construed as an order in any way granting exemption from payment of stamp duty, taxes or any other charges, if any, payment is due or required in accordance with law or in respect to any permission/compliance with any other requirement which may be specifically required under any law for the time being in force.

13. The Income Tax Department will be free to examine the aspect of any tax payable as a result of the sanction of the scheme and if it is found that the scheme of arrangement ultimately results in tax avoidance or is not in accordance with the applicable provisions of the Income Tax Act, 1961 then the Income Tax Department shall be at liberty to initiate appropriate course of action in accordance with the law. Any sanction of the scheme of arrangement under section 230-232 of the Act shall not adversely affect the rights of the Income Tax Department or any past, present or future proceedings and the sanction of the scheme shall not come in its way for the appropriate course of action as per law for the tax liabilities, if any.

14. THIS TRIBUNAL DO FURTHER ORDER:

a. Upon the Scheme becoming effective, all the property, rights and powers of the Transferor Company be transferred, without further act or deed, to the Transferee Company and accordingly, the same shall, pursuant to Sections 230 & 232 of the Companies Act, 2013, be transferred to and vested in the Transferee Company for all the estate and interest of the Transferor Company therein but subject nevertheless to all charges now affecting the same; and

b. Upon the Scheme becoming effective, all the liabilities and duties of the Transferor Company be transferred, without further act or deed, to the Transferee Company and accordingly the same shall be pursuant to Sections 230 & 232 of the Companies Act, 2013, be transferred to and become the liabilities and duties of the Transferee Company; and

c. Upon the Scheme becoming effective, all the employees of the Transferor Company, in service on the Effective Date, shall be transferred to and shall become the employees of the Transferee Company as provided in the Composite Scheme of Arrangement; and

d. Upon the Scheme becoming effective, all proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company; and

e. The fee, if any, paid by the Transferor Company on their authorised share capital, shall be set off against any fees payable by the Transferee Company on its authorized capital subsequent to the sanction of the 'Scheme'; and

f. The Transferee Company shall file the revised Memorandum and Articles of Association with the Registrar of Companies, J&K and further make the requisite payments of the differential fee (if any) for the enhancement of authorised capital of the Transferee Company; after setting off the fees paid by the Transferor Company;

g. The Transferee Company shall, without further application, allot to the existing members of the Transferor Company shares of the Transferee Company to which they are entitled under the said Scheme;

h. The Appointed Date for the Composite Scheme of Arrangement shall be 1st April, 2023, as provided in the Scheme;

i. The Petitioner Companies shall furnish a self certified copy of the approved Scheme and Schedule of Assets of the Transferor Company to the Deputy Registrar of this Tribunal. The Deputy Registrar will issue a certified copy of this order together with the authenticated copy of the approved Scheme and Schedule of Assets as its enclosures. All the Authorities are directed to act on the certified copy of this order as issued by the Deputy Registrar.

j. The Transferee Company is directed to file the certified copy of this Order along with the copy of Scheme and Schedule of Assets with the concerned Registrar of Companies, electronically along with e-form INC-28 in addition to a physical copy in e-form INC-28 within 30 days or an extended timeline with payment of additional fees, as may be applicable, from the date of receipt of the Order. Following that necessary steps shall be taken up by the Registrar of Companies.

k. The Transferee Company is directed to lodge a copy of this Order and the approved Scheme and Schedule of Assets of the Transferor Company, duly authenticated by the Deputy Registrar of this Tribunal, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty, if any, within 60 days from the date of the Order.

l. Any person interested shall be at liberty to apply to the Tribunal in the above matter for any direction that may be necessary.

15. All the concerned Regulatory Authorities to act on a copy of this order annexed with the Scheme duly authenticated by the Deputy Registrar of this Bench.

16. Accordingly, the **Company Petition (CAA) No. 19/Chd/J&K of 2025** is allowed and disposed of.

Sd/-	**Sd/-**
(Khetrabasi Biswal)	**(Kaushalendra Kumar Singh)**
Member (Judicial)	**Member (Technical)**

Reet