IN THE NATIONAL COMPANY LAW TRIBUNAL,
NEW DELHI BENCH, COURT-III

COMPANY PETITION NO. (CAA) - 7(ND)/2025

CONNECTED WITH

COMPANY APPLICATION NO. (CA) - 45(ND)/2024

(Under Section 230-232 and other applicable provisions of the Companies Act, 2013 r/w Rule 15 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016)

IN THE MATTER OF SCHEME OF AMALGAMATION:

AMONGST

FYBROS MODDULAR PRIVATE LIMITED

Addressed At:

Plot No. 166, Industrial Area Patparganj,

New Delhi 110092.

... Petitioner Company No. 1/Transferor Company

WITH

BALAR MARKETING PVT. LTD.

Addressed At:

217, Functional Industrial Estate,

Patparganj, Delhi 110092.

... Petitioner Company No. 2/Transferee Company

AND WITH

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

Order Pronounced On: 15.07.2026

CORAM:

SHRI BACHU VENKAT BALARAM DAS,
HON'BLE MEMBER (JUDICIAL)

SHRI RAVINDRA CHATURVEDI,
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Petitioner(s)	:	Mr. Arun Saxena, Ms. Sanu Pastore, Mr. GC Pandey, Ms. Nalini, Advs.
For the IT Department	:	Mr. Vipul Agarwal SSC, Ms. Sakshi Shairwal JSC, Mr. Rishabh Nangia, Mr. Ashvini Kr, Mr. Nikhil Jain, Mr. Pratham Aggarwal, Mr. Goorang Ranjan, Advs.
For the OL	:	Mr. Kartikeya Asthana, Ms. Hemlata Rawat, Advs
For the RD	:	Ms. Aruna M (AD), Mr. Prahlad Meena (JD), Mr. P. Ganguly, Deputy Director.

ORDER

1. The present Second Motion Petition is jointly filed by **FYBROS MODDULAR PRIVATE LIMITED** (hereinafter referred as the **Transferor Company**) and **BALAR MARKETING PVT. LTD.** (hereinafter referred as the **Transferee Company**), under Sections 230-232 of the Companies Act, 2013 (Act) read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (Rules) for the sanction of the proposed Scheme of Amalgamation amongst Fybros Moddular Private Limited with M/S. Balar Marketing Pvt. Ltd (hereinafter collectively referred as the **Petitioner Companies**) and their respective shareholders and creditors (**Scheme**). The prayers contained in the petition read as follows:-
    i. *That the said Scheme of Amalgamation referred to in an Annexure-A5 of this petition hereto, be sanctioned by this Hon'ble Tribunal so as to be*

binding on all the equity shareholders and secured and unsecured creditors of the Petitioner Companies;

ii. *Pass ordersldirections for publication of Notice of the hearing as required under the Companies (Compromises, Arrangements and Amalgamations) Rules, 20 16 in English Daily "Business Standard" and Hindi Daily "Business Standard" (New Delhi Editions);*

iii. *Direct service of notice to Central Government through Regional Director (Northern Region), New Delhi, Registrar of Companies, New Delhi, Official Liquidator and Income Tax Authorities or such authorities as the Tribunal may deem fit, to make their respective representations, if any, to this Hon'ble Tribunal, under provisions of Section 230 (5) Companies Act, 2013 and further' direct them to serve a copy of their representation on the Petitioner Companies' Advocate;.*

iv. *Pass an Order directing that the entire business, properties, assets and liabilities of the Petitioner Company No. 1, as stated in the Scheme, be transferred to and vest with the Transferee Company, in the manner specified in the Scheme with effect from the Appointed Date, without any further act or deed to be done by any of the Petitioner Companies, so as to become undertaking, business, properties, assets and liabilities of the Transferee Company;*

v. *Pass an Order that the Petitioner Company No. 1 shall stand dissolved with effect from the Effective Date in terms of the Scheme, without the process of winding up; and*

vi. *For such incidental, consequential and supplemental orders and directions may be given as may be in the premises as to this Hon'ble Tribunal may deem fit and proper.*

2. The Registered office address of the Petitioner Companies are situated in the NCT of Delhi. Therefore, it is under the jurisdiction of the National Company Law Tribunal, New Delhi.

3. **M/s. Fybros Moddular Private Limited, (Petitioner Company No.1 /Transferor Company**) bearing CIN: U31900DL2015PTC425720 was incorporated on 18.03.2015 under the provisions of the Companies Act, 2013, originally as a Private Limited Company with the Registrar of Companies, NCT of Delhi and Haryana. The registered office address of Transferor Company is situated at Plot No. 166, Industrial Area Patparganj, New Delhi 110092. The Transferor Company has been engaged in the business of all types of electrical Accessories & Switches & electronic components.

The Authorised Share Capital of the Transferor Company is Rs. 1,00,000/- (Rupees One Lakh Only) divided into 10,000 (Ten Thousand) Equity Shares of Rs. 10/- each. The present Issued, Subscribed and Paid-up Share Capital of the Company is Rs. 1,00,000/- (Rupees One Lakh Only) divided into 10,000 (Ten Thousand) Equity Shares of Rs. 10/- each.

4. **M/s. Balar Marketing Pvt. Ltd, (Petitioner Company No. 2 /Transferee Company**) bearing CIN: U36102DL1992PTC050686 was incorporated on 20.10.1992 under the provisions of the Companies Act, 1956, as a Private with the Registrar of Companies, NCT of Delhi and Haryana. The registered office address of Transferee Company is situated at 217, Functional Industrial Estate, Patparganj, Delhi 110092. The Transferee Company has been engaged in the business to manufacture, purchase, sale, and trade in all classes, types, varieties and categories of goods, commodities and merchandise.

The Authorised Share Capital of the Transferee Company is Rs. 11,60,00,000/- (Rupees Eleven Crore Sixty Lakh Only) divided into 1,16,00,000/- (One Crore Sixteen Lakh Only) equity shares of Rs 10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is Rs. 8,51,82,790 /- (Rupees Eight crore fifty-one lakh eighty-two thousand seven hundred ninety) divided into 85,13,279 (Eighty-five lakh thirteen thousand two hundred seventy-nine) Equity Shares of Rs. 10/- each.

5. Affidavit in support of the captioned Petition has been duly sworn and filed along with the Petition by Mr. Jayantilal Jain and Mr. Parasmal Jain,

authorized signatory, being duly authorized by way of Board Resolutions of the Petitioners Companies.

6. The Board of Directors of the Petitioner Companies in their meetings held on 25.09.2023 approved and adopted the Scheme of Amalgamation in accordance with the terms of the said Scheme. (**Annexure- A-7** of the Petition).

7. The Appointed Date as proposed in the Scheme of Amalgamation i.e., 01.04.2023.

8. The rationale and benefits of the proposed Composite Scheme of Arrangement, as stated by the Petitioners, reads as follows:

4. "The rationales/benefits of the present Scheme are mentioned hereunder:

4.1 The amalgamation will result in better, efficient and economical management, achieve cost savings, pooling of resources and rationalization of administrative expenses and services. The amalgamation will enable the Companies to pool their financial, commercial and other resources and considerable synergy of operations would be achieved.

4.2 The amalgamation will result in enabling the Company to achieve optimal capital structure, eliminate inefficient share capital instruments, and achieve efficiency in terms of operations and profitability of the merged entity under the new standards and regime.

4.3 With the enhanced capabilities and resources at its disposal, the Transferee Company will have greater flexibility and strength and will be able to compete more effectively as a combined entity.

4.4 The Transferee Company, as a consolidated entity after amalgamation, will have better financial and business prospects. The Scheme would be beneficial to and in the best interest of the shareholders and creditors, if any, of the Transferor Company and the Transferee Company. The Scheme shall not in any manner be prejudicial to the interests of the concerned members, creditors or the general public at large.

4.5 It would be advantageous to combine the activities of the Transferor Company and the Transferee Company into a single company and consolidate their business and assets. The amalgamation would provide beneficial synergy of operations from an administrative point of view and conserve administrative resources, cost overheads and duplication of management efforts."

9. This Adjudicating Authority vide its order dated 17.12.2024 dispensed with the requirement to convene and hold the meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Petitioners Companies, as sought through the first motion application bearing Company Application (CA) No. 45(ND)/2024. The relevant extract from the order has been reproduced below:

"Having heard the submissions made by Ld. Counsel and having perused the Report filed by Court Commissioner, reply filed by Applicant Companies and records as well as the documents placed on record, we allow the following prayers:

a. To dispense with the requirement for convening the meetings of the equity shareholders of the Applicant Companies No. 1 & 2 and also to dispense with the requirement of issue and publication of notices for the same;
b. To dispense with the requirement for convening the meetings of the secured creditors of the Applicant Companies No. 1 & 2 and also to dispense with the requirement of issue and publication of notices for the same;
c. To dispense with the requirement for convening the meetings of the unsecured creditors of the Applicant Companies No. 1 & 2 and also to dispense with the requirement of issue and publication of notices for the same;"

9. The Second Motion petition has been moved by the Petitioner Companies in connection with the Scheme of Amalgamation.

10. In the Second Motion Petition filed by the Petitioners, this Adjudicating Authority vide order dated 01.09.2025 had directed to issue notice to the Regional Director, Registrar of Companies (NCT of Delhi and Haryana), Income Tax Department, Official Liquidator and further directed publication of notice in two local newspapers, along with filing of proof and affidavit of service. The relevant para of the order has been extracted as under:

> *"Issue notice to the Regional Director, Northern Region, Registrar of Companies, (National Capital Territory of Delhi & Haryana), Official Liquidator, and Income Tax Department. The Applicant is also directed to publish the notice in two Newspapers in Delhi NCR edition i.e. (i) Business Standard (English) and (ii) Business Standard (Hindi). The Applicant shall file proof and affidavit of service within two weeks."*

11. In compliance with the aforesaid order dated 01.09.2025, the Petitioner Companies have duly filed an affidavit of service on 23.09.2025, confirming that notices in the present Company Petition were duly served upon the Regional Director, Registrar of Companies (NCT of Delhi and Haryana), Income Tax Department, and Official Liquidator, and were also published in two local newspapers, namely *Business Standard* (Hindi and English editions) on 12.09.2025.

12. The Regional Director vide its report dated 12.12.2025 submitted before this Adjudicating Authority that it had made certain objections to the proposed Scheme of Amalgamation in its report, the Petitioners had furnished a reply in response to the said observations, and the same is as follows:

S. No.	Observation of the Regional Director	Reply by the Petitioners Companies
1.	In the case of Transferor Company, auditor has stated 'Emphasis of Matter' in the audit report for the FY ended 3 1.03.2024 which is as under:- “*We draw Attention to Note No. 34 in the financial statement regarding the balances of accounts due to sundry-creditors are pending reconciliation/confirmation in certain cases. Consequential eject, if any, of adjustment upon confirmation /reconciliation of above on revenue accounts, profit and loss accounts, reserved and surplus and assets and liabilities as on 31st March, 2024 are not ascertainable and can’t be commented the same.*” The company may clarify the same.	It is respectfully submitted that the said matter has already been duly explained by the management in Note No. 34 of the Financial Statements. The management has clarified therein that, in its opinion, the current assets, current liabilities, loans and advances, etc., are stated at values which are expected to be realized in the ordinary course of business at least equal to the amounts at which they are stated in the financial statements. It is further submitted that the Statutory Auditors have not expressed any qualification or modification in their audit opinion on this account and have only drawn attention to the said disclosure by way of an "Emphasis of Matter" paragraph, which does not affect the true and fair view of the financial statements. Copies of the Audit Report and Financial Statements are annexed herewith as **Annexure-2 (Colly).**
2.	In case of the Transferor Company, auditor has stated in the audit report for the FY	It is respectfully submitted that the said remark is based on an incorrect

	ended 3 1.03.2024 that the company was required to appoint Cs Auditor for maintenance of cost records which have been mandated u/s 148(1) of the Companies Act, 2013 r/w Companies (Cost Accounting Records) Rules, 2014. The Company may clarify ted lay in the appointment of cost auditor.	assumption regarding the nature of the business of the Company. The Statutory Auditors have stated that the Company is engaged in the business of generation of electricity and, accordingly, cost audit under Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Accounting Records) Rules, 2014 is applicable. However, the Company is not engaged in the business of generation of electricity. The principal objects and actual operations of the Company are confined to carrying on business of manufacturing, buying, selling, exporting, importing, dealing in, all types of electrical accessories, switches, electronic components, devices, equipment and appliances. In view of the nature of the Company's business activities, the provisions relating to maintenance of cost records and appointment of Cost Auditor under Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Accounting Records) Rules, 2014 are not applicable to the Company. Accordingly, there was no requirement for appointment of a Cost

		Auditor and hence no delay can be attributed in this regard. In view of the above, the observation raised may kindly be taken on record. A copy of the Memorandum of Association of the Transferor Company is enclosed herewith and marked as **Annexure-3.**
3.	In the case of Transferee Company, auditor has stated 'Emphasis of Matter' in the audit report for the FY ended 31.03.2024 which is as under:- "*We draw Attention to Note No. 56 in the standalone Financial statement regarding the balances of accounts due to sundry-debtors and due to sundry creditors are pending reconciliation/confirmation certain cases. Consequential effect, if any, of adjustment upon confirmation /reconciliation of above on revenue accounts, profit and loss accounts, reserved and surplus and assets and liabilities as on 31“ March, 2024 are not ascertainable*	It is respectfully submitted that the said matter has already been duly explained by the management in Note No. 56 of the Financial Statements. The management has clarified therein that, in its opinion, the current assets, current liabilities, loans and advances, etc., are stated at values which are expected to be realized in the ordinary course of business at least equal to the amounts at which they are stated in the financial statements. It is further submitted that the Statutory Auditors have not expressed any qualification or modification in their audit opinion on this account and have only drawn attention to the said disclosure by way of an "Emphasis of Matter" paragraph, which does not affect the true and fair view of the financial statements. Copies of the Audit Report and

	and can't be commented upon." The company may clarify the same.	Standalone Financial Statements are annexed as **Annexure- 4(Colly).**
4.	In case of Transferee Company, the auditor has stated at Point vii of the 'Annexure A' to the Auditors' Report for the FY ended 31.03.2024, that the company has pending statutory dues. The company may clarify the same.	It is respectfully submitted that the remarks made by the Statutory Auditors are strictly in compliance with the reporting requirements prescribed under the Companies (Auditor's Report) Order, 2020 (CARO 2020), which mandate reporting on the status of deposit of statutory dues by the Company. The Statutory Auditors have categorically reported that the Company has been regular in depositing its undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs Duty, Cess and other applicable statutory dues, with the appropriate authorities within the prescribed time. The Auditors have further reported that the Commissioner of Income Tax (Appeals) [CIT(A)] has passed an income tax demand order determining a tax liability of Rs.

		1,120.64 lakhs. Being aggrieved by the said demand order, the Company has preferred an appeal before the Hon'ble Income Tax Appellate Tribunal (ITAT), which are presently pending for adjudication, and the Company is confident of succeeding in the said appeal. It is further submitted that the management has duly disclosed complete details of the said disputed statutory dues in Note No. 32.6 of the Standalone Financial Statements, in accordance with the applicable accounting standards and statutory requirements. It is respectfully submitted that the Statutory Auditors have not modified or qualified their audit opinion in this regard, and the disclosure has been made purely in compliance with CARO 2020 to bring the matter to the knowledge of the members of the Company. It is further submitted that upon approval of the Scheme, the Transferee Company shall continue to operate its business in the ordinary course, and no prejudice

		whatsoever shall be caused to the Income Tax Department. In view of the above, the observation raised may kindly be taken on record.
5.	In the case of Transferee Company, the auditor has stated at Point 2(h) of the Auditors' Report for the FY ended 31.03.2024, that the company has pending litigations. The company may clarify the same.	The Statutory Auditors have stated at Point 2(h) of their Report that the Company has pending litigations. In this regard, it is submitted that the management of the Company has duly disclosed complete details of all ongoing litigations in the financial statements in Note No. 32 of the Standalone Financial Statements of the Company for the financial year ended 3 1.03.2024, in compliance with the applicable accounting standards and statutory requirements. It is further submitted that the Statutory Auditors have not modified or qualified their audit opinion on account of the said pending litigations, and the disclosure has been made only to bring the same to the knowledge of the members of the Company. It is further submitted that upon approval of the Scheme, the Transferee Company shall continue to operate its business in the ordinary course, and no prejudice

		whatsoever shall be caused to any statutory authority. In view of the above, the observation raised may kindly be taken on record.
6.	In the case of Transferee Company, as per note 45 of the standalone financial statement, the company is yet to file for satisfaction of the charge which was created on loan facilities taken from Bajaj Finance Limited for Rs. 300 lakhs. The company may clarify the same.	It is respectfully submitted that as on the date of the Audit Report, i.e., 24.06.2024, the requisite form for satisfaction of charge relating to the loan facilities of Rs. 300 lakhs taken from Bajaj Finance Limited had not been filed with the Registrar of Companies. Accordingly, the said fact was duly disclosed in Note No. 45 of the Standalone Financial Statements. It is further submitted that the Company has subsequently completed the said compliance and filed Form CHG-4 for satisfaction of the charge on 24.09.2024, and the same has been duly taken on record by the Registrar of Companies. In support of the same, a copy of Form CHG-4 along with the challan evidencing filing and payment of requisite fees is enclosed as **Annexure-5**, and a copy of the Company Master Data reflecting the updated "Index of Charges" as appearing on the MCA portal is enclosed as **Annexure-6**. It is

		respectfully submitted that the delay, if any, was procedural in nature and has since been fully rectified.
7.	The Transferee Company may kindly be directed to comply with the provision of Section 232(3)(i) of the Companies Act, 2013 in regard to fee payable on its revised authorized share capital.	It is respectfully submitted that the Transferee Company undertakes to duly comply with the said provisions and shall pay the requisite fees, if any, as prescribed under the Act and the rules made thereunder. It is further submitted this is also provided for in Part VI in Clauses 7.5 and 7.6 of the Scheme.

13. Subsequently, Vide order 23.02.2026, the RD submitted that there are no further observations/representations by the RD. The relevant para of the said representation is reproduced below:

    "Mr. Ganguli, Deputy Director appearing on behalf of the RD submitted that he has perused the response of the Petitioner to the observations made by the RD and there are no further observations/representations by the RD."

14. The Official Liquidator has submitted its report dated 11.05.2025 stating that the Official Liquidator has not received any complaint against the proposed Scheme of Amalgamation from any person/party interested in the Scheme in any manner till the date of filing of this Report and this Hon'ble Tribunal may pass such order or orders as it may deem fit. The relevant part of the said report is being reproduced as under:

    "*That in view of the submission made above the Hon'ble National Company Law Tribunal may pass such order/orders as may deem fit and proper in the* facts and circumstance of the case."

15. The Income Tax Department was afforded several opportunities to file its report/representation in respect of the present Scheme. However, no report has been filed despite such opportunities. Vide order dated 11.05.2026, this Tribunal granted a final opportunity to the Income Tax Department to submit its report, observing that in the event of failure to do so, it would be presumed that the Department had no comments or objections to the proposed Scheme.

Despite the aforesaid order, no report or representation has been received from the Income Tax Department till date. Accordingly, it is deemed that the Income Tax Department has no comments or objections to the present Scheme of Amalgamation.

16. The Shares of transferor Companies and the Transferee Company have been evaluated for the purpose of determining the exchange ratio. The share exchange, ratio has been arrived at on the basis of the valuation done by Mr. Kunal Kumar Singh, Registered Valuer. The relevant extract of the valuation report is reproduced herein under:

> *"The share exchange ratio shall be 337 shares of Balar Marketing Private Limited (Transferee Company) in consideration for each share in Fybros Modular Private Limited (Transferor Company)."*

17. The Petitioners Companies has undertaken to maintain the account in accordance with and as per the method of Arrangement prescribed in the applicable Indian Accounting Standard (Ind AS) as notified under Section 133 of the Companies Act, 2013 and Generally Accepted Accounting Principles in India (Indian GAAP).

In this regard, certified true copies of the certificates obtained from the Statutory Auditors of the Petitioners Companies confirming the accounting treatment proposed in the Scheme of Arrangement, are filed along with the Petition (Annexure-A-8).

18. It is submitted that the Directors, of either of the Petitioners Companies, have no interest in the proposed Scheme of Arrangement, except as Shareholder, in general, the extent of which will appear from the Register of the Directors shareholdings maintained by the respective Companies.

19. It is further submitted that if any suit, appeal or other proceedings of whatsoever nature by or against the Transferor Company are pending, the same shall not abate, be discontinued, or be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company pursuant to this Scheme, or anything contained herein, and such proceedings shall be continued, prosecuted, and enforced by or against the Transferee Company, as the case may be.

20. The Scheme of Amalgamation shall not in any manner affect the rights and interests of the creditors of the Petitioners Companies, which may be deemed to be prejudicial to their interest and in particular, the secured and statutory creditors of the Transferor Company who shall continue to enjoy and hold charge upon their respective securities and properties.

21. The Petitioners Companies further stated that no investigation or proceedings are pending against the Petitioners Companies under the Companies Act, 1956, or Companies Act, 2013, or under any law for the time being in force.

22. This Second Motion Petition is made *bona fide* and in the interest of justice, and no one will be prejudiced if orders are made/or directions are given as prayed for.

ANALYSIS AND FINDING:

23. We have heard the learned counsel appearing for the parties and have perused the record.

24. In light of the foregoing facts and discussion, particularly the positions taken by the relevant authorities, and upon considering the approval granted by the

members and creditors of all the Transferee and Transferor Company to the proposed Scheme, there appears to be no impediment to sanctioning the Scheme, subject to the conditions stipulated herein below. This Tribunal is of the considered view that the Scheme of Amalgamation proposed amongst the Transferor Company and Transferee Company does not appear to be prejudicial to the interests of equity shareholders and creditors of the transferor and transferee company. The Scheme appears to be fair and reasonable and beneficial to the said companies and their stakeholders.

25. Accordingly, the Scheme of Amalgamation proposed by the Petitioner Companies under Sections 230 to 232 of the Companies Act, 2013, is hereby sanctioned. The sanctioned Scheme of Amalgamation shall be binding on the Transferor Company and Transferee Company, and their respective shareholders and creditors. That the Transferor Company and the Transferee Company shall remain bound to comply with all applicable statutory requirements.

26. The Petitioner Companies have replied to all other observations of the ROC/Regional Director. Once the stakeholders have approved the scheme, this Adjudicating Authority may not avoid approving the same. Nevertheless, the interests of the regulators and other local authorities need to be taken into account.

27. The present order is without prejudice to the interest of the authorities, regulators and the other stakeholders or the parties involved, whether local, national or international, who shall not by virtue of this order sanctioning the scheme, be prevented from taking a legal recourse/action if required with respect to the scheme in question or otherwise. If any deficiency is found or any violation of any enactment, statutory rule or regulation is detected, such sanction shall not preclude any action being taken in accordance with law against the concerned persons, directors or officials of the Transferor Company and the Transferee Company.

28. It is made clear that if at any stage the undertakings or commitments made in respect of the observations of the Regional Director/ Registrar of Companies/ Income Tax Department are found not to have been complied with, or are found to be incorrect, the present order shall be liable to be recalled.

29. It is further directed that any term contained in the Scheme which is contrary to the provisions of Section 6 of the Companies Act, 2013 shall be treated as non *est*.

30. It is clarified that the present Order shall not affect or come in the way of any pending investigation, proceedings or inquiry in relation to the Petitioner Companies or their promoters, directors, key managerial personnel or any other persons associated with the affairs of the companies.

31. It is further clarified that any pending proceedings before any statutory or regulatory authority shall remain unaffected by the approval of the Scheme of Amalgamation and shall continue in accordance with law, without prejudice to the powers of the concerned authorities. Any liability relating to the Transferor Company that may arise pursuant to such proceedings, including those crystallizing after the Effective Date, shall be borne and discharged by the Transferee Company. The Transferee Company shall extend full cooperation and assistance to the concerned authorities, and this Order shall not be construed as impeding or prejudicing any investigation, inspection or other proceedings.

32. It is directed that the Transferee Company shall discharge all outstanding dues payable to the Income Tax Department, failing which the Income Tax Department shall be at liberty to initiate and/or continue any proceedings under the Income-tax Act, 1961 against the Transferor Company and to recover any tax demand lawfully payable by it, in accordance with law.

33. Additionally, any proceedings initiated or continued by the Income Tax Department in respect of the Transferor Company for any period prior to the

Effective Date, whether pending on the Effective Date or instituted thereafter, shall stand transferred to and be continued against the Transferee Company upon the Scheme becoming effective, and the Transferee Company shall be liable to discharge and comply with all obligations arising therefrom in accordance with law.

34. While approving the 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 other statutory dues, if any applicable as per the law or in respect to any permission/ compliance with any other requirement, which may be specifically required under any law. Further, the approval of the Scheme would in no manner affect the tax treatment of the transactions under the Income Tax Act, 1961, and the rules and regulations made thereunder or serve as any exemption or defence for the Transferor Company and Transferee company against tax treatment in accordance with the provisions of the Income Tax Act, 1961 and the rules and regulations made thereunder.

35. It is further clarified that any revision of financial statements, income tax returns, GST returns or other statutory filings shall be carried out strictly in accordance with law and without contravening Sections 130 or 131 of the Companies Act, 2013 or any other applicable statutory provision, and without causing prejudice to the interests of stakeholders. If any party is aggrieved by any such revision or action undertaken pursuant to the Scheme in violation of law, such party shall be at liberty to seek appropriate remedies in accordance with law against the Transferee Company.

36. The Transferor Company and the Transferee Company shall remain bound to comply with the provisions of the Companies Act, 2013, the rules and regulations framed thereunder, and all other applicable laws for the time being in force.

37. In compliance with the requirement of Section 232(7) of the Act, the Transferee Company shall until the full implementation of the Scheme of Amalgamation

file a statement every year in Form CAA 8 along with the required fee with the Registrar of Companies as prescribed in the Companies (Registration offices and fees) Rules 2014 within 210 days from the end of each financial year.

38. It is clarified that the Transferor Company and the Transferee Company shall not be entitled to claim any refund, credit of advance tax or withholding tax, or any immunity from demand of income tax, except in accordance with the provisions of the Income Tax Act, 1961 and the rules made thereunder.

39. This Tribunal hereby clarifies that this Order shall not operate as a discharge in the event of any transactions involving money laundering or tax evasion or any other illegal activity. The concerned authorities retain the power to conduct scrutiny or investigations into such activities and are duly authorized to take appropriate action in accordance with applicable law. This Order is without prejudice to any ongoing or future investigations.

40. This Tribunal does further order: -

    i. That The Present Scheme of Amalgamation contemplates the amalgamation of the Transferor Company with the Transferee Company and the transfer and vesting of all the undertakings, properties, assets, rights, interests, liabilities and obligations of the Transferor Company in the Transferee Company; and

    ii. That all benefits, entitlements, incentives and concessions under incentive schemes and policies to which the Transferor Company is entitled, including under Customs, Excise, Service Tax, VAT, Sales Tax, GST, Entry Tax and Income Tax laws, subsidy receivables from Government, grants from any governmental authorities, and direct tax benefits/exemptions/deductions, shall, to the extent statutorily available and together with the corresponding obligations, stand transferred to and vest in the Transferee Company as if the Transferee Company was originally entitled thereto; and

iii. That all contracts of the Transferor Company, which are subsisting or in effect immediately before the Effective Date, shall stand transferred to and vest in the Transferee Company and shall remain in full force and effect in favour of the Transferee Company, and may be enforced by or against it as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party, beneficiary, or obligor thereto; and

iv. The Transferor Company and Transferee Company are directed to comply with the provisions of Section 170A of the Income Tax Act, 1961, within the stipulated period of time. They are also bound to preserve the records as required by statute.

v. That all proceedings now pending by or against the Transferor Company shall be continued by or against the Transferee Company post the implementation of this Scheme; and

vi. That all the employees of the Transferor Company in service on the date immediately preceding the date on which the Scheme takes effect, i.e., the Effective Date, shall become the employees of the Transferee Company on such date, without any break or interruption in service and upon terms and conditions not less favourable than those subsisting in the Transferor Company on the said date; and

vii. The scheme shall be binding upon all the Companies involved in the Arrangement and stakeholders.

viii. The present Order shall not entitle the Transferee Company to any exemption from the requirement of obtaining any license/permit/registration/quota/clearance/concession or grant that from the Central Government/State Government/ Local Authority/Sectoral Regulator, or any other authority constituted under any law for the time being in force.

ix. The Transferee Company are directed to comply with the provisions of Section 232(3) (i) of the Companies Act in this regard to the fee payable on its revised authorized share capital.

x. In compliance with the requirement of Section 232 (7) of the Act, the transferee company shall until the full implementation of the Scheme of Amalgamation shall file a statement every year in the Form CAA 8 along with the required fees with the Registrar of Companies as prescribed in the Companies (Registration offices and fees) Rules 2014 within 210 days from the end of each financial year.

xi. That the Transferor Company and the Transferee Company shall, within thirty days of receipt of this Order, file a certified copy hereof with the Registrar of Companies, and upon such filing, the Scheme shall become effective and the Petitioners Companies shall stand transferred to and vested in the Transferee Company in accordance with the terms of the Scheme; and

xii. Registrar of Companies shall place all documents relating to the Scheme of Amalgamation between Transferee Company and Transferor Company in the file maintained in relation to the Transferee Company.

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

41. Accordingly, the ***Scheme stands sanctioned*** and ***CP(CAA)/7(ND)/2025*** stands ***disposed of*** in the above terms.

Let copy of the order be served to the parties.

Sd/-	**Sd/-**
(RAVINDRA CHATURVEDI)	**(BACHU VENKAT BALARAM DAS)**
MEMBER (TECHNICAL)	**MEMBER (JUDICIAL)**