

IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT – 1, AHMEDABAD



ITEM No.301

C.P.(CAA)/33(AHM)2026
in C.A.(CAA)/23(AHM)2026

Under Section 230-232 of Co. Act. 2013

IN THE MATTER OF:

Kilburn Chemicals Limited
Meghmani Crop Nutrition Limited
Meghmani Organics Limited

.....Applicants

Order delivered on: 08/10/2026

C O R A M:

MR. SHAMMI KHAN, HON'BLE MEMBER (J)
MR. SANJEEV SHARMA, HON'BLE MEMBER (T)

O R D E R
(Hybrid Mode)

The case is fixed for pronouncement of order. The order is pronounced in the open court, vide separate sheet.

-SD-

SANJEEV SHARMA
MEMBER (TECHNICAL)

-SD-

SHAMMI KHAN
MEMBER (JUDICIAL)



**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT-1, AHMEDABAD**

CP(CAA)/33(AHM)2026

In

CA(CAA)/23(AHM)2026

[Company Petition under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016].

In the matter of **Scheme of Amalgamation**

Memo of Parties

KILBURN CHEMICALS LIMITED

CIN: U24117GJ1990PLC135801

A company incorporated under the provisions of the Companies Act, 1956 and having its registered office at: “Meghmani House”, 2nd Floor, Near Raj Bunglow, B/h. Safal Profitaire, Corporate Road, Prahladnagar, Ahmedabad, Gujarat, India, 380015.

**... Petitioner Company
No.1/Transferor
Company No.1**

**MEGHMANI CROP NUTRITION
LIMITED**

CIN: U24110GJ2021PLC119809

A company incorporated under the provisions of the Companies Act, 2013 and having its registered office at: 1st 2nd 3rd FL NR Raj Bunglow, Nr. Safal, Profitaire Prahladnagar, Satellite, Ahmedabad, Gujarat, India, 380015

**... Petitioner Company
No.2/Transferor
Company No. 2**



**MEGHMANI ORGANICS
LIMITED**

CIN: L24299GJ2019PLC110321

A public listed company incorporated under the provisions of the Companies Act, 2013 and having its registered office at: 1st 2nd 3rd FL NR Raj Bunglow, Nr. Safal, Profitaire Prahladnagar, Satellite, Ahmedabad, Gujarat, India.

**... Petitioner Company
No.3/Transferee Company**

Order Pronounced on 08.10.2026

C O R A M:

**MR. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)
MR. SANJEEV SHARMA, HON'BLE MEMBER (TECHNICAL)**

A P P E A R A N C E :

For the Applicants	: Mr. Dhinal Shah, Advocate a. w. Mr. Viren Shah, Advocate
For the Regional Director	: Mr. Shobhit Srivastava, Joint Director
For the Income Tax Department	: Ms. Kinjal Trivedi, Junior Standing Counsel
For the Official Liquidator	: Mr. Pushpendra Meena, STA
For the SEBI	: Ms. Dharmishta Raval, Advocate

**O R D E R
Per Bench**

1. This This is a joint Company Petition, i.e. **CP(CAA)/33(AHM)2026** in CA(CAA)/23(AHM)2026, filed by the Petitioner Companies under Sections 230 to 232 and other



applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (hereinafter referred to as the “Companies (CAA) Rules, 2016”), seeking approval of the proposed Scheme of Amalgamation (Scheme) of Kilburn Chemicals Limited (Transferor Company No.1), Meghmani Crop Nutrition Limited (Transferor Company No.2) and Meghmani Organics Limited (Transferee Company) with effect from 01.01.2026, being the Appointed Date mentioned in the Scheme, and seeking condonation of delay, if any, in filing the present Petition. The said Scheme is annexed as “Annexure-H (Colly)” (Pg. 613 to 644) to the Company Petition.

2. Affidavits dated 20.04.2026, in support of the present company petition, were sworn by Ankit Natwarlal Patel, the authorized signatory of the Petitioner Companies, duly authorized vide Board Resolutions dated 04.04.2026 of the Petitioner Companies. The aforesaid affidavits and board resolutions are placed on record along with the company petition. The Board Resolutions are annexed at **Annexure-G (Colly)** (Pg. 598 to 612) of the company petition.
3. The proposed Scheme, inter alia, provides for Amalgamation of the Transferor Company No.1/Kilburn Chemicals Limited, Transferor Company No.2/Meghmani Crop Nutrition Limited with Transferee Company/Meghmani Organics Limited with effect from the Appointed Date i.e. **01.01.2026**, pursuant to the provisions of Section 230-232 and/or other applicable provisions of the Act and in accordance with Section 2(1B) of the Income Tax Act, 1961.



4. The Petitioner Companies had filed a joint Company Application before this Tribunal, being CA(CAA)/23(AHM)2026, seeking dispensation of meetings of the Equity Shareholders of Transferor Company No. 1 and Transferor Company No.2 as well as Preference Shareholders of the Transferor Company No.2 and for convening and holding the meetings of Equity Shareholders of the Transferee Company as well as Secured and Unsecured Creditors of Petitioner Companies. The said company application was allowed by this Tribunal vide order dated 20.04.2026 and directed to convene and hold meetings of the Equity Shareholders of the Transferee Company, Secured and Unsecured Creditors of the Petitioner Companies as well as appointed Dr. Ajar Rab, Advocate as the Chairman and Ms. Pavni, Advocate as the Scrutinizer of the aforesaid meetings. Further, dispensed with meetings of the Equity Shareholders of Transferor Company No.1 and Transferor Company No.2 as well as Preference Shareholders of Transferor Company No.2. Further, directed the Applicant Companies for issuance of notice to Central Government through the Regional Director, to the Registrar of Companies, Gujarat, the Official Liquidator, SEBI, BSE and NSE and to the concerned Income Tax Department and copy to the Principal Chief Commissioner of Income Tax Office as well as other Sectorial Regulators, if applicable, who may have significant bearing on the operation of the Applicant Companies.



5. The Applicant Companies, thereafter, filed IA/54(AHM)2026 seeking modification of paragraph 25 of the order dated 20.04.2026 passed in CA(CAA) No. 23 of 2026, to the limited extent of dispensing with the requirement of obtaining approval of the majority of public shareholders of the Transferee Company as the Scheme contemplates amalgamation of wholly owned subsidiaries with their holding company and, therefore, falls within the exemption contemplated under paragraph 4 of the SEBI Master Circular dated 20.06.2023. Accordingly, the requirement of approval of the majority of public shareholders of the Transferee Company is not applicable. Considering the submissions made and in view of paragraph 4 of the SEBI Master Circular dated 20.06.2023, the present Application was allowed. Accordingly, paragraph 25 of the order dated 20.04.2026 passed in CA(CAA) No. 23 of 2026 was modified.
6. In compliance with the order dated 20.04.2026, passed in CA(CAA)/23(AHM)2026, read with order dated 30.04.2026, the Petitioner Companies have filed a joint affidavit of service on 21.05.2026, vide Inward No. D 4258 along with proof of notices served upon the aforesaid Regulatory/Statutory Authorities as well as upon the aforesaid stakeholders of the Applicant Companies, along with proof of paper publications. Further, the Chairperson of the aforesaid meetings has filed an affidavit of service on 21.05.2026, vide Inward No. D 4265, regarding service of notice upon the aforesaid stakeholders of the Applicant Companies along with proof of paper publications.



7. The aforesaid meetings were duly convened and held on 06.06.2026 and the Chairperson has filed his reports on 15.06.2026, vide Inward Nos. D-4784, D-4788, D-4789, D-4790, D-4791, D-4792 and D-4793, regarding the result of the aforesaid meetings before this Tribunal in compliance with order dated 20.04.2026 r. w. order dated 30.04.2026.

8. The Petitioner Companies have provided the following Rationale of the Scheme:

I. As a part of the business acquisition strategy of Transferee Company, it is desired to acquire the Transferor Companies by way of amalgamation of the Transferor Companies with itself. The amalgamation of Transferor Companies with Transferee Company would inter alia have the following benefits:

- Simplification of overall group structure by fully integrating operations of Transferor Companies with Transferee Company and creating efficiencies through amalgamation.*
- Optimal utilization of existing resources through consolidation of operations into a single legal entity.*
- Provide an opportunity to leverage and pool resources of the respective companies.*
- Derive operational and financial synergies through prudent financial management and cost reduction.*
- Better administration, reduction / rationalization in costs, focused operational efforts and elimination of duplication.*



II. The scheme would be in the interest of the Transferor Companies and the Transferee Company, and their respective shareholders, creditors, if any and other stakeholders and will not be prejudicial to the interest of any concerned shareholders or creditors.

9. After complying with the directions given in the order dated 20.04.2026 read with order dated 30.04.2026 passed in CA(CAA)/23(AHM)2026, the Second Motion Petition, i.e. CP(CAA)/33(AHM)2026, was e-filed on 02.07.2026 and presented before this Tribunal on 03.07.2026 vide Inward No. E-1827 for sanction of the proposed Scheme.
10. This Tribunal vide order dated 24.07.2026, passed in CP(CAA)/33(AHM)2026, directed the Petitioner Companies for issuance of notice to the Statutory/Regulatory Authorities namely (i) the Central Government through the office of the Regional Director, North-Western Region, Ministry of Corporate Affairs (MCA) (ii) Registrar of Companies, Gujarat, (iii) the Official Liquidator (iv) SEBI, NSE and BSE (qua Transferee Company) and (v) concerned Income Tax Authorities and copy to the Principal Chief Commissioner of Income Tax Office at Ahmedabad, as well as to the concerned Statutory/Regulatory Authorities, if applicable. Further, directed for paper publication to be made in **“Financial Express”** in English (National Edition) as well as in Vernacular (Gujarat Edition).
11. In compliance of order dated 24.07.2026, passed in CP(CAA)/33(AHM)2026, the Petitioner Companies filed separate affidavit of service on 21.08.2026, vide Inward No. D



7119, in respect of service of notice upon the aforesaid statutory/regulatory authorities along with proof of service as well as proof of publication of notice of hearing of the petition in “**Financial Express**” in English (National Editions) as well as in Vernacular (Gujarat Edition) on 11.08.2026.

12. It is submitted that notices were sent to the Stock Exchanges, namely, BSE Limited and National Stock Exchange of India Limited, since the equity shares of the Transferee Company are listed on the Stock Exchanges.
13. Pursuant to the service of notice upon the statutory/regulatory authorities, following authorities have responded:-

STATUTORY/REGULATORY AUTHORITIES OBSERVATION & RESPONSE THEREOF

14. **The Regional Director, North-Western Region, Gujarat and the Registrar of Companies, Gujarat.**

Pursuant to the notice issued by this Tribunal, the Regional Director, North-Western Region, Ministry of Corporate Affairs, filed his report dated 21.08.2026 filed on 27.08.2026 vide Inward No. R562 along with the report of the Registrar of Companies dated 19.06.2026. They have made some observations in their reports. The Petitioner Companies filed an affidavit in reply on 03.09.2026, vide Inward No. D 7503, in response to the representation/reports of RD and RoC.

RD's Observation:

The observations of the RD and response of the Petitioner Companies for these observations is discussed below.



- (i) **Para-7(ii)**, on perusal of the Scheme, it is observed that, as per Clause 1.iii of Part-1 of the Scheme “the Appointed Date” means 01.01.2026 or such other date as may be approved by the Board of Parties.

In this connection, it is submitted that generally, the appointed date opted by the companies either closing of the financial year or opening of the financial year. However, in the present scheme, the appointed date is selected 01.01.2026. Further, the Board of Parties may be changed the appointed date, if any, prior approval of Hon’ble Tribunal.

Therefore, the Hon’ble Tribunal may be pleased to direct the Petitioner Companies to clarify the reason for selection of appointed date as 01.01.2026.

Response of the Petitioner Companies: It is submitted that Appointed Date has been consciously selected after duly considering the operational, accounting, commercial and administrative aspects of the proposed amalgamation. The unaudited financial statements of the Transferor Companies and the Transferee Company as at 31.12.2025 were available at the time of formulation and consideration of the Scheme and, accordingly, 31.12.2025 provides an appropriate and identifiable financial cut-off date, with 01.01.2026 being the immediately succeeding date from which the Scheme is proposed to operate. It is further submitted that the selection of the Appointed Date does not cause any prejudice to the rights or interests of the shareholders, creditors, employees or any other



stakeholders of the Petitioner Companies or the Transferee Company. Therefore, the Appointed Date of 01.01.2026, as provided in the Scheme, may kindly be taken on record and approved by this Hon'ble Tribunal.

- (ii) **Para-7(iii)**, it is mentioned that the Transferee Company, namely, Meghmani Organics Limited is listed with BSE and NSE. In this regard, the NOCs from the stock exchanges are not required in the matter since the matter is wholly owned subsidiary and all the shares of the Transferor Companies is held by the Transferee Company, pursuant to the SEBI Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20.06.2023. However, as per SEBI above circular, such draft scheme shall be filed with the Stock Exchange for the purpose of disclosures and the Stock Exchange shall disseminate the scheme documents on their website.

In this regard, the Transferee Company is required to submit documentary evidence for submitting such draft scheme with the Stock Exchange for the purpose of disclosures.

Response of the Petitioner Companies: It is submitted that the Transferee Company, Meghmani Organics Limited, has already complied with the said requirement. It is further submitted that the draft Scheme has been submitted to the concerned Stock Exchanges, namely BSE Limited and National Stock Exchange of India Limited, in accordance with the



applicable regulatory requirements. The requisite documentary evidence evidencing submission of the draft Scheme to the Stock Exchanges is being placed on record along with the present Affidavit as Annexure – A.

- (iii) **Para-7(iv)**, this Tribunal to direct the Petitioner Companies to file an affidavit to the extent that the Scheme enclosed with the Company Application and Company Petition are one and same and there is no discrepancy, or no change is made.

Response of the Petitioner Companies: It is confirmed that the Scheme forming part of the present Company Petition is the same Scheme which formed part of the Company Application and which was placed before the shareholders and creditors of the respective Petitioner Companies. Further, confirmed that there is no discrepancy between the Scheme forming part of the Company Application and the Scheme forming part of the present Company Petition, save and except such modification(s), if any, as may have been expressly permitted or directed by the Hon'ble Tribunal during the course of the proceedings.

- (iv) **Para-7(v)**, this Tribunal may kindly direct the Petitioner Companies to file an affidavit to the extent that no CIRP Proceeding under IBC and/or winding up petition against Applicant Companies are pending.

Response of the Petitioner Companies: It is confirmed that no proceedings under the Insolvency and



Bankruptcy Code, 2016 or winding-up proceedings are pending against any of the Petitioner Companies which would affect consideration or sanction of the Scheme. The Petitioner Companies undertake that, in the event of any material development in this regard prior to sanction of the Scheme, the same shall forthwith be brought to the notice of the Hon'ble Tribunal.

The RD in its representation further submitted that this Tribunal may be pleased to direct the Petitioner Companies:-

- (i) **Para-8(i)**, to ensure compliance and furnish the clarification, if any, regarding observations made by Registrar of Companies and this Directorate (NWR) in forgoing Paragraph No.6 and 7 above.

Response of the Petitioner Companies: The Petitioner Companies submitted that they have furnished the requisite clarification with respect to the observations made in paragraphs 6 and 7 of RD Report.

- (ii) **Para-8(ii)**, to direct the Petitioner Companies preserve its books of accounts, papers and records and shall not be disposed of without prior permission of Central Government as per the Provision Section 239 of the Companies Act, 2013.

Response of the Petitioner Companies: It is submitted that the Petitioner Companies undertake to preserve their respective books of accounts, papers and records in accordance with law and shall not dispose of or



otherwise deal with the same contrary to the provisions of law or any direction of the Hon'ble Tribunal.

- (iii) **Para-8(iii)**, to ensure statutory compliance of all applicable Laws and also on sanctioning of the present Scheme, the Petitioner Companies shall not be absolved from any of its Statutory liabilities, in any manner.

Response of the petitioner companies: It is submitted that Petitioner Companies undertake that sanction of the Scheme shall not be construed as absolving any of them from any statutory liability or obligation which is otherwise payable or applicable under law. The Petitioner Companies shall continue to comply with all applicable statutory requirements and discharge their lawful statutory liabilities in accordance with law.

- (iv) **Para-8(iv)**, necessary Stamp Duty on transfer of property/Assets, if any is to be paid to the respective Authorities before implementation of the Scheme.

Response of the petitioner companies: It is submitted that the Petitioner Companies undertake to comply with the applicable provisions relating to stamp duty in accordance with law and the determination / adjudication of the competent authority.

- (v) **Para-8(v)**, the Petitioner Companies involved in the scheme to comply with the provisions of Section 232(5) of the Companies Act, 2013 with respect to file certified copy of order sanctioning the scheme with Registrar of Companies within 30 days from date of passing order.



Response of the Petitioner Companies: It is submitted that the Petitioner Companies undertake to comply with the aforesaid statutory requirement within the prescribed period.

- (vi) **Para-8(vi)**, to comply with Income Tax/GST law and any demand/taxes payable on implementation of the said scheme as per law.

Response of the Petitioner Companies: It is submitted that the Petitioner companies undertake that sanction of the Scheme shall not affect or extinguish any lawful statutory dues, claims, demands or liabilities of the Income tax Department, GST authorities or any other statutory authority and the same shall be dealt with in accordance with law.

RoC's Observations

The observations of the Registrar of Companies have already been incorporated in the representation/report filed by the Regional Director. The Petitioner Companies have duly submitted their replies and have also furnished the requisite undertakings in response to the said representation of the Regional Director/the Registrar of Companies.

15. The Official Liquidator

In response to the notice served upon the Official Liquidator (OL), representations/reports dated 05.08.2026 were filed by the OL on 06.08.2026, vide Inward Diary No. R-521, in respect of the Transferor Companies. In response of the



representations of the OL, affidavit in response dated 02.09.2026 were filed by the Petitioner Companies on 03.09.2026, vide Inward Diary No. D-7504.

OL's Observation

- (i) This Tribunal may be pleased to direct the Transferor Companies to preserve its books of accounts, papers and records and shall not be disposed of without prior permission of Central Government as per the provisions of Section 239 of the Companies Act, 2013.

Response of the Petitioner Companies: The Petitioner Companies undertake to preserve its books of accounts, papers and records in accordance with the applicable provisions of law and, in particular, to comply with any direction that may be issued by this Tribunal concerning preservation of its books, accounts, papers and records.

- (ii) To direct the Transferor Companies to ensure statutory compliance of all applicable laws and on sanctioning of the present Scheme, the Transferor Companies shall not be absolved from any of its statutory liabilities, in any manner.

Response of the Petitioner Companies: The Petitioner Companies undertake that the sanction of the scheme shall not be construed as absolving the company from any statutory liability, obligation or compliance that may be applicable to it up to the effective date, and the company shall continue to comply with all applicable statutory requirements in accordance with law.



- (iii) The Transferor Companies i.e. Kilburn Chemicals Limited (Transferor Company No.1) and Meghmani Crop Nutrition Limited (Transferor Company No.2), may be dissolved without following the process of winding-up in terms of sub-section 3(d) of Section 232 of the Companies Act, 2013. Further, the Transferor Companies being dissolved the fee, if any, paid by the Transferor Companies on its Authorized Share Capital shall be set-off against any fees payable by the Transferee Company on its Authorized Capital subsequent to the amalgamation in terms of sub-section 3(i) of Section 232 of the Companies Act, 2013.

Reply of the Petitioner Companies: The Petitioner Companies submitted that upon the scheme becoming effective, the affairs, assets, liabilities, rights, obligations, employees, contracts, licences, approvals and other matters covered by the scheme shall stand dealt with in accordance with the terms and conditions of the scheme as sanctioned by this Hon'ble Tribunal.

- (iv) To direct the Petitioner Companies to lodge a certified copy of the order along with the scheme, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any.

Response of the Petitioner Companies: The Petitioner Companies submitted that there is no dispute or objection on behalf of the company to the adjudication of stamp duty, if any, in accordance with applicable law and to such consequential directions as may be considered appropriate by this Hon'ble Tribunal.



- (v) To direct the companies involved in the scheme to comply with provision of Section 232(5) of the Companies Act, 2013 with respect to filing of certified copy of order sanctioning the scheme with Registrar of Companies within 30 days from the date of passing order.

Response of the Petitioner Companies: The Petitioner Companies submitted that the companies have no objection to the consequential direction for filing a certified copy of the order sanctioning the scheme with the Registrar of Companies within the prescribed period, as may be directed by this Hon'ble Tribunal.

16. Income Tax Department

Pursuant to the notice served upon the Income Tax Department, Ahmedabad, the Department filed report dated 01.09.2026 on 07.09.2026 vide Inward No. R 570, in respect of the Petitioner Companies. The Petitioner Companies filed affidavit in response on 15.09.2026, vide Inward No.D-7846.

Observations of the Income Tax Department:-

16.1 In this report, it is submitted that the following proceedings/demands are presently pending:

S. No.	Name of the Company	Assessment proceedings	Appeal Proceedings	Outstanding demand
1	Meghmani Crop Nutrition Ltd	-	-	-
2	Kilburn Chemicals Ltd	2013-14 & 2025-26	-	21,76,75,432/- (demand of Rs.21,73,41,988/- will be reduced to NIL after giving effect of Hon'ble NCLT order u/s 156A of the Act)



3	Meghmani Organics Ltd	2023-24	-	76,57,09,560/- (Ld.CIT(A) has set aside matter to AO for verification of TDS claim)
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(ii) It is submitted that the Petitioners shall, wherever applicable, obtain prior approval under Section 281 of the Income-tax Act, 1961, from the Assessing Officer for transfer of capital assets of the Transferor Companies having pending tax demands and furnish the same to the Department and the Tribunal prior to implementation of the Scheme. The Transferee Company shall preserve and make available the books of accounts, statutory records and tax-related documents of the Transferor Companies for a period of at least eight years from the Effective Date. The Scheme shall not prejudice or restrict the statutory right of the Income-tax Department to initiate or continue proceedings in respect of any period prior to the Appointed Date, and approval of the Scheme shall not, by itself, be construed as conferring tax neutrality under Section 2(18) of the Income-tax Act, 1961.

16.2 It is further submitted that subject to compliance with the conditions stipulated in the Report, it has no objection to the Scheme, at this stage.

Response of the Petitioner Companies:-

16.3 The Petitioner Companies undertake that all lawful tax liabilities and statutory dues of the Transferor Companies shall be dealt with and discharged in



accordance with the Income-tax Act, 1961 and other applicable laws. They further undertake that no attached or restricted asset shall be dealt with contrary to law or the orders of the competent authority.

16.4 It is submitted that the vesting of the assets and liabilities pursuant to the Scheme of Amalgamation sanctioned under Sections 230–232 of the Companies Act, 2013 shall be subject to applicable law. The Transferee Company shall preserve the books, records and tax-related documents of the Transferor Companies and make the same available as required by law.

16.5 The Petitioner Companies further undertake that the sanction and implementation of the Scheme shall not prejudice the statutory rights of the Income Tax Department in respect of any proceedings or tax liabilities pertaining to the period prior to the Appointed Date, and that all applicable tax compliances shall be duly undertaken.

17. No other representation or reports have been received from any other Statutory/Regulatory Authorities.

18. Valuation Report

The Transferor Companies are wholly owned subsidiaries of the Transferee Company, no shares are issued to the shareholders of the Transferor Companies. Hence, there is no requirement of valuation report.

19. Accounting Treatment

The Petitioner Companies submitted that the Accounting Treatment as proposed in the Scheme is in conformity with the



accounting standards prescribed under Section 133 of the Companies Act, 2013. Copy of the Certificates dated 08.04.2026 to the aforesaid effect by the Statutory Auditors of the Petitioner Companies, are annexed to the company petition as ***Annexure-I (Colly)***.

20. The Petitioner Companies have submitted that, except for the proceedings, assessments, demands and other matters disclosed before this Tribunal and dealt with in the reports of the statutory/regulatory authorities, no investigation or proceeding under Chapter XIV of the Companies Act, 2013 requiring disclosure is pending against the Petitioner Companies.
21. The Petitioner Companies submit that no winding up proceedings have been filed or are pending against the Petitioner Companies under the Companies Act, 2013 or under the corresponding provisions of the Companies Act, 1956.
22. We have heard the learned counsel appearing for the Petitioner Companies, the learned Joint Director for the Regional Director, the learned representative of the Official Liquidator, the learned Junior Standing Counsel for the Income-tax Department and the learned counsel for SEBI, and have perused the Scheme, the reports/representations of the statutory and regulatory authorities, the responses filed by the Petitioner Companies and the material placed on record.

23. OBSERVATION OF THIS TRIBUNAL



23.1 Before advertizing to the reports of the Regional Director, the Registrar of Companies, the Official Liquidator and the Income Tax Department, we summarise the timeline involved in the approval of the Scheme.

	Filed on	Notice issued on (N)/Listed on (L)	Service Affidavit filed on	Report/Response received on	Reserved on	Order pronounced on	Meeting/s held on
First Motion Application	13.04.2026	16.04.2026	21.05.2026		16.04.2026	20.04.2026 (Modified order dated 30.04.2026)	Equity Shareholders of Transferee Company Secured and Unsecured Creditors of Applicant Companies on 06.06.2026
Chairman's Report			21.05.2026	15.06.2026			
2nd Motion Petition	03.07.2026	24.07.2026(N) 03.09.2026 (L) 17.09.2026 (L)	21.08.2026		17.09.2026	08.10.2026	
RD Office Report/RoC & Petitioner companies response				27.08.2026			
				03.09.2026			
OL Report (s) & Petitioner companies response				06.08.2026			
				03.09.2026			
Income Tax Report(s) & Petitioner companies response				07.09.2026			
				15.09.2026			

23.2 Appointed Date of the Scheme is **01.01.2026**. We have considered reply of the companies to the query of the Ld. Regional Director on the issue of appointed date and the appointed date is approved as proposed in the Scheme.



23.3 The proposed Scheme, inter alia, provides for Amalgamation of the Transferor Company No.1/Kilburn Chemicals Limited, Transferor Company No.2/Meghmani Crop Nutrition Limited with Transferee Company/Meghmani Organics Limited with effect from the Appointed Date i.e. 01.01.2026, pursuant to the provisions of Section 230-232 and/or other applicable provisions of the Act and in accordance with Section 2(1B) of the Income Tax Act, 1961.

23.4 **Companies involved in the Scheme**

The Scheme concerns the amalgamation of Kilburn Chemicals Limited as the Transferor Company No.1, Meghmani Crop Nutrition Limited as the Transferor Company No.2 with Meghmani Organics Limited as the Transferee Company. The constitutional documents, audited financial statements and other statutory records of the Petitioner Companies have been placed on record and have been duly considered for the purpose of adjudication of the present Petition. The details of which are as under: -

- (i) In the Scheme presented in the Company Petition, Kilburn Chemicals Limited has been designated as **Transferor Company No.1**. As on 31.03.2025, the authorized share capital of the Transferor Company No. 1 was Rs.16,00,00,000/-, Preference Share capital was Rs.4,00,00,000/- and the issued, subscribed and paid-up capital of the company was Rs.12,15,00,000/-. It had revenue from operations of Rs.3,396.31 Lakhs, other income of Rs.78.75 Lakhs



and Loss before tax of (Rs.8907.93 Lakhs), during the Financial Year 2024-2025 (Pg. 131).

- (ii) In the Scheme presented in the Company Petition, Meghmani Crop Nutrition Limited has been designated as **Transferor Company No.2**. As on 31.03.2025, the authorized share capital of the Transferor Company No. 2 was Rs.5,00,00,000/-, the issued, subscribed and paid-up capital of the company was Rs.1,05,00,000/-. The authorised Preference Share capital was Rs.35,00,00,000/- and the issued, subscribed and paid-up preference share capital was Rs.34,76,00,000/-. It had revenue from operations of Rs.4,049.69 Lakhs, other income of Rs.5.77 Lakhs and profit (loss) before tax of Rs.536.73 Lakhs, during the Financial Year 2024-2025 (Pg. 237).
- (iii) In the Scheme presented in the Company Petition, Meghmani Organics Limited has been designated as **Transferee Company**. As on 31.03.2025, the authorized share capital of the Transferee Company was Rs.37,00,00,000/- and the issued, subscribed and paid-up capital of the company was Rs.25,43,14,211/-. It had revenue from operations of Rs.2,00,386.98 Lakhs, other income of Rs.4,356.52 Lakhs and profit (loss) before tax of Rs.8,486.85 lakhs during the Financial Year 2024-2025 (Pg. 407).

- 24.** On perusal of the aforesaid representations/reports, there are no adverse observations in respect of the Petitioner Companies that object to the approval of the proposed scheme.



- 25.** On behalf of SEBI, Ld. Counsel appeared, since the Transferee Company is a public listed company.
- 26.** Since the Transferor Companies are wholly owned subsidiaries of the Transferee Company, the requirement of obtaining a No-Objection Letter from the Stock Exchanges is not applicable, subject to compliance with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable SEBI circulars.
- 27.** On perusal of the Chairperson's Reports dated 15.06.2026, it is observed that the Scheme was approved by the requisite statutory majority of the concerned class of Equity Shareholders of the Transferee Company and Secured and Unsecured Creditors of the Petitioner Companies, as required under Section 230(6) of the Companies Act, 2013. The voting particulars are recorded in the respective Chairperson's Reports.
- 28.** We have carefully considered the Scheme, the pleadings, the reports filed by the Regional Director, the Registrar of Companies, the Official Liquidator and the Income-tax Department, the response filed by the Petitioner Companies thereto, the report of the Chairperson and the material placed on record. We are satisfied that the statutory procedure prescribed under Sections 230 to 232 of the Companies Act, 2013 and the applicable Rules has been duly complied with. The Scheme has received the requisite statutory approval of the concerned classes of shareholders and creditors. The Scheme is not contrary to any provision of law or public policy



and does not appear to be prejudicial to the interests of the shareholders, creditors, employees or other stakeholders. It is well settled that, while exercising jurisdiction under Sections 230 to 232 of the Companies Act, 2013, the Tribunal is required to satisfy itself regarding statutory compliance, fairness and public interest, but does not sit in appeal over the commercial wisdom of the stakeholders who have approved the Scheme with the requisite majority. The principles laid down by the Hon'ble Supreme Court in **Miheer H. Mafatlal v. Mafatlal Industries Ltd.**, (1997) 1 SCC 579 and **Hindustan Lever Employees' Union v. Hindustan Lever Ltd.**, 1995 Supp (1) SCC 499, are satisfied in the present case. Accordingly, the Scheme deserves to be sanctioned, subject to the directions contained herein.

29. Sanction of the Scheme shall not absolve the Petitioner Companies, the Transferee Company or their respective officers from any statutory liability arising from any past or future non-compliance. If any deficiency or violation of any enactment, rule or regulation is found, the concerned statutory or regulatory authority shall remain at liberty to take appropriate action in accordance with law. Sanction of the Scheme shall not be construed as granting exemption from payment of stamp duty, taxes, fees, cess or any other statutory levy, nor shall it dispense with any approval, permission, consent or compliance required under any applicable law.
30. On perusal of the audited financial statements of Transferor Company No.1, it is noticed that the holding company held unsecured perpetual securities of Rs.112.16 crores and



additional securities of Rs.114.21 crores were issued during FY 2024-2025. The synopsis of the Application and the consent affidavit of the equity shareholder of Kilburn Chemicals Limited refer only to 1,21,49,400 equity shares and do not specifically refer to the aforesaid securities, which are stated in Note 14 of the financial statements to be instruments classified as equity in nature. The omission is noticed as a disclosure lapse; however, considering the nature of the present Scheme and the material placed on record, the same is not considered sufficient to defeat sanction of the Scheme.

- 31.** The Report dated 02.09.2026 of the Senior Standing Counsel of the Income-tax Department encloses the report of the Assistant Commissioner of Income Tax, Circle 2(1)(1), Ahmedabad, dated 01.09.2026, concerning the proceedings in respect of the Petitioner Companies. The Report records an outstanding demand of Rs.21,73,41,988/- against Kilburn Chemicals Limited and states that the said demand would be reduced upon giving effect to the order referred to therein.
- 32.** Report dated 02.09.2026 from the Senior Standing Counsel of Department of Income Tax encloses a report from the Assistant Commissioner of Income Tax Circle 2(1)(1) Ahmedabad, dated 01.09.2026 concerning the NCLT proceedings in the case of the companies. This Report notes that a demand of Rs 21,73,41,988 is outstanding against Kilburn Chemicals Limited and this demand will reduced to NIL after giving the effect of Hon'ble NCLT order under section 156A of the Act.



33. In regard to the above, it is stated that the modification of demand under section 156A applies to the order of the Adjudicating Authority, as defined in section 5(1) of the Insolvency and Bankruptcy Code and is applicable for proceedings under Insolvency and Bankruptcy Code, 2016 only and not for approval of Schemes under sections 230-232 of the Companies Act, 2013 and therefore it is clarified that no modification/reduction of demand is applicable due to this order.
34. Further, the audited financial statements filed for FY 2024-2025 in the case of Kilburn Chemicals Limited shows a sudden increase in revenue, expenses, and other expenses of about Rs 55 crores, in comparison to FY 2023-2024 that resulted into loss of Rs 89.07 crores in financial year 2024-2025. Full information on the audited financial results for the period prior to appointed date is not available and therefore the Income Tax Department is free to examine the case of the Transferor Company 1 even after the approval of the Scheme, as per provision of the Income Tax Act.
35. Further, it becomes relevant to discuss that in Company Petition CAA-284/ND/2018 vide Order dated 12.11.2018, the NCLT New Delhi has made the following observations with regard to the right of the Income Tax Department in the Scheme of Amalgamation:

“taking into consideration the clauses contained in the Scheme in relation to liability to tax and also as insisted upon by the Income Tax and in terms of the decision in re Vodafone Essar Gujarat Limited v. Department of Income Tax (2013) 353 ITR 222 (Guj)



and the same being also affirmed by the Hon'ble Supreme Court and as reported in (2016) 66 taxmann.com374 (SC) from which it is seen that at the time of declining the SLPs filed by the revenue, however stating to the following effect vide its order dated April 15,2015 that the Department is entitled to take out appropriate proceedings for recovery of any statutory dues from the Petitioner or transferee or any other person who is liable for payment of such tax dues, the said protection be afforded is granted. With the above observations, the petition stands allowed and the scheme of amalgamation is sanctioned."

36. THIS TRIBUNAL DOES FURTHER ORDER:

- (i) The delay, if any, in filing the present Company Petition is condoned in view of the explanation furnished by the Petitioner Companies and the submissions made before this Tribunal..
- (ii) The Scheme of Amalgamation annexed as Annexure-H (Pg. 613 to 644) to the Company Petition is hereby sanctioned and shall be binding upon the Petitioner Companies, their respective members, creditors and all persons concerned and affected thereby, subject to the terms of the Scheme, the directions contained in this order and applicable law.
- (iii) The Appointed Date for the Scheme shall be **01.01.2026.**
- (iv) The Transferee Company i.e. Meghmani Organics Limited being listed entity shall continue to comply with all applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the applicable SEBI Circulars.



- (v) The sanction of the Scheme shall not prejudice or curtail the statutory rights and powers of the Income-tax Department. Any tax liability arising under the applicable income-tax law, if determined in accordance with law, shall be dealt with in accordance with the applicable statutory provisions.
- (vi) The sanction of the Scheme shall not affect the right of any statutory or regulatory authority to continue or initiate proceedings, if otherwise permissible in law, in respect of any act, omission or default attributable to the Petitioner Companies or any other person.
- (vii) All properties, rights, interests and powers of the Transferor Companies shall, without any further act or deed, stand transferred to and vest in the Transferee Company pursuant to the Scheme and Section 232 of the Companies Act, 2013, subject to all charges, if any, affecting the same.
- (viii) All licenses, permissions, permits, approvals, certificates, clearances, authorities, leases, tenancy, assignments, rights, claims, liberties, special status, other benefits or privileges and any power of attorney relating to the Transferor Companies shall stand transferred to and vested in the Transferee Company, without any further act or deed. The Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.



- (ix) All the liabilities and duties of the Transferor Companies shall 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 become the liabilities and duties of the Transferee Company.
- (x) All contracts, agreements, insurance policies, bonds and all other instruments of whatsoever nature or description relating to the Transferor Companies, shall stand transferred to and vested in the Transferee Company and be in full force and effect in favour of the Transferee Company and may be enforced by or against the Transferee Company as fully and effectually against the Transferee Company.
- (xi) All proceedings, if any, now pending by or against the Transferor Companies shall be continued by or against the Transferee Company.
- (xii) All workers/employees of the Transferor Companies shall be deemed to become the workers/employees of the Transferee Company with effect from the Appointed Date, and shall stand absorbed in the Transferee Company in accordance with the Scheme without any interruption of service and on terms and conditions no less favourable than those on which they are engaged by the Transferor Company, as on the Effective Date, in compliance with Section 232(3)(g) of the Act and applicable labour laws.



- (xiii) All taxes paid or payable by the Transferor Companies, including existing and future incentives, unavailed credits, exemptions, carried-forward losses and other statutory benefits, shall vest in or be available to the Transferee Company only to the extent permissible under the applicable law. The tax liabilities of the Transferor Companies shall be dealt with in accordance with applicable law and any proceedings against the Transferor Companies shall continue against or be dealt with by the Transferee Company to the extent permissible in law.
- (xiv) The Petitioner Companies are directed to comply with the observations of the Regional Director, the Registrar of Companies and the Official Liquidator in their representation. The petitioner companies shall:
- a) The Petitioner Companies shall preserve their books of accounts, papers and records in accordance with Sections 128(5) and 239 of the Companies Act, 2013 and shall not dispose of the same except in accordance with law and with the requisite permission, wherever required.
 - b) Petitioner Companies shall file a certified copy of this order with the Registrar of Companies electronically in e-Form INC-28, together with a copy of the sanctioned Scheme, within thirty days from the date of receipt of the certified copy of this order, in compliance with Section 232(5) of the Companies Act, 2013 and the applicable Rules.
- (xv) The Transferee Company shall pay the applicable fees on the revised authorised share capital in accordance with Section 232(3)(i) of the Companies Act, 2013, after giving



effect to the permissible set-off of fees paid by the Transferor Companies on their authorised share capital, as applicable.

(xvi) **Consideration for Amalgamation (Part-II, paragraph 12 of the Scheme):**

- (i) *Since the Transferor Companies are wholly owned subsidiary of the Transferee Company, upon amalgamation of the Transferor Companies with the Transferee Company, no consideration shall be issued by the Transferee Company.*
- (ii) *Upon the Scheme becoming effective, the entire share capital and securities of the Transferor Companies held by the Transferee Company shall stand cancelled without any further application, act or deed.*

(xvii) The Transferee Company shall, until completion of the Scheme, file with the Registrar of Companies the statement prescribed under Section 232(7) of the Companies Act, 2013 read with Rule 21 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, in Form CAA-8, within the prescribed period.

(xviii) All concerned Authorities shall act on the copy of this order along with the Scheme annexed at “**Annexure-H**” of the Company Petition. The Registrar of this Tribunal shall issue the certified copy of this order within 7 days of its pronouncement.

(xix) The Petitioner Companies shall lodge a certified copy of this order along with the sanctioned Scheme with the concerned authority under the Gujarat Stamp Act, 1958 for adjudication/determination of stamp duty, if any,



and shall pay the stamp duty, if any, in accordance with the Gujarat Stamp Act, 1958 and the applicable law.

- (xx) The legal fees and expenses of the office of the Regional Director are quantified at **Rs.70,000/-** to be paid by the Resulting Company.
- (xxi) The legal fees and expenses of the office of the Official Liquidator are quantified at **Rs.30,000/-** in respect of the Transferor Companies
- (xxii) The said fees of the Official Liquidator shall be paid by the Transferee Company.
- (xxiii) The Statutory Auditors of the Petitioner Companies are hereby directed to ensure that the Accounting Treatment as a result of this order is carried out in accordance with the provisions of Section 133 of the Companies Act, 2013, and as per the draft treatment as proposed in the Scheme. They are further directed to disclose their observations in this regard in the next Annual Audit Report/Audit Report of the Petitioner Companies in accordance with the certificate dated 08.04.2026 issued by the Statutory Auditors and place on record.
- (xxiv) 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 Amalgamation ultimately results in tax avoidance or is not in accordance with the applicable provisions of Income Tax Act, then the Income Tax Department shall



be at liberty to initiate appropriate course of action as per law including under Section 232(3)(h) of the Companies Act, 2013, for any tax liabilities arising from the Scheme. Any sanction of the Scheme of Amalgamation under Sections 230-232 of the Companies Act, 2013 shall not adversely affect the rights of 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.

(xxv) Any person aggrieved shall be at liberty to apply to this Tribunal for any directions that may be necessary.

37. Accordingly, the Company Petition, i.e. **CP(CAA)/33(AHM)2026** in CA(CAA)/23(AHM)2026, stands **allowed** and **disposed of** in terms of the directions contained hereinabove.
38. The Registry is directed to communicate a copy of this order to the Regional Director, the Registrar of Companies, the Official Liquidator, the Principal Chief Commissioner of Income Tax, Ahmedabad, particularly with regard to the directions contained in paragraphs 30 to 32 of this order, and SEBI, NSE and BSE Limited within seven days from the date of this order through e-mail and place proof of such communication on record.

-SD-
SANJEEV SHARMA
MEMBER (TECHNICAL)

Sweta/Steno

-SD-
SHAMMI KHAN
MEMBER (JUDICIAL)