IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH

[Through Physical hearing/ VC Mode (Hybrid)]

ITEM No.13
CP(CAA) No. 14/BB/2026

IN THE MATTER OF:

NH Integrated Care Pvt Ltd ... Petitioner

Petition under Sec 230-232 of CA 2013

Order delivered on: 30.10.2026

CORAM:

SHRI SUNIL KUMAR AGGARWAL
HON'BLE MEMBER (JUDICIAL)

SHRI RADHAKRISHNA SREEPADA
HON'BLE MEMBER (TECHNICAL)

COUNSELS PRESENT:

For the Petitioner : Adv. Saji P John
For the IT : Adv. Ganesh Ghale

ORDER

CP(CAA) No. 14/BB/2026 is allowed vide separate order.

File be consigned to record room.

Sd/-
RADHAKRISHNA SREEPADA
MEMBER (TECHNICAL)
Jones

Sd/-
SUNIL KUMAR AGGARWAL
MEMBER (JUDICIAL)

IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU

(HYBRID MODE)

C.P. (CAA) No.14/BB/2026

Under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

IN THE MATTER OF SCHEME OF:

NH INTEGRATED CARE PRIVATE LIMITED,
Registered Office: No. 258/A,
Bommasandra Industrial Area,
Anekal Taluk,
Bengaluru- 560 099.
Incorporate under the provisions of the Companies Act, 2013.
Represented by Dr. Emmanuel Rupert. ….. Demerged Company/ Petitioner Company No.1

AND

NARAYANA HRUDAYALAYA LIMITED,
Registered Office: No. 258/A,
Bommasandra Industiral Area,
Anekal Taluk,
Bengaluru- 560 099.
Incorporate under the provisions of the Companies Act, 2013.
Represented by Dr. Emmanuel Rupert. ….. Resulting Company/ Petitioner Company No. 2

Order delivered on: 30.10.2026

Coram: 1. Shri Sunil Kumar Aggarwal, Hon'ble Member (Judicial)

2. Shri Radhakrishna Sreepada, Hon'ble Member (Technical)

Counsels Present:

For the Petitioner : Adv. Saji P John
For the IT : Adv. Ganesh Ghale
For the ROC : Adv. Vinayaka

O R D E R

Per Bench:

1. This second motion Petition is filed on **16.04.2026** by the Petitioner Companies under the aforementioned provisions for sanctioning of the **Scheme of Arrangement,** *to issue publication of notices in the newspaper in "The Hindu (English Edition) and "Udayavani (Kannada Edition) Vernacular Newspaper as contemplated under Rule 16 of the Companies (compromises, Arrangements and Amalgamations) Rules, 2016 or such other newspaper(s) as may be directed by this Hon'ble Tribunal, to issued notices statutory Authorities and that the Scheme of Arrangement of NH Integrated Cate Private Limited (Demerged Company) and Narayana Hrudayalaya Limited (Resulting Company) and their respective shareholders & creditors ("Scheme") enclosed as Annexure 11 hereto, may be sanctioned by the Hon'ble Tribunal with effect from the Appointed Date in terms of the scheme, and shall be binding on all the Shareholders and Creditors and other stakeholders of the respective companies under Section 230-232 of the Companies Act, 2013 and such further or other orders as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the case and this render justice.*

2. The first motion order was passed on **13.02.2026** in **CA (CAA) No. 50/BB/2025**. In terms thereof, the requirement to hold meetings of the Equity Shareholders of Applicant No.1 was dispensed with. The meetings of the Secured Creditor and Unsecured Creditors of Applicant No.2, we well as the Secured Creditors and Unsecured Creditors of Applicant No.1, were duly convened on 02.04.2026. The Chairperson submitted the report on 06.04.2026. As per the report, the concerned stakeholders consented with 100% voting in favour, thereby approving the Scheme with the requisite majority.

3. On 17.04.2026 following directions were issued in the case: **-**

"3. Section 230(5) of the Companies Act, 2013 and Rule 8 of the Companies (Companies Arrangements and Amalgamation) Rules, 2016 provides for issuance of Notice on such petitions.
4. In view of the above, issue notice to the authorities specified in Section 230 (5) for submitting their representation if any.
5. Petitioner(s) are directed to take steps for issuance of notice to the Central Government, Ministry of Corporate Affairs through Regional Director on rd.ser@mca.gov.in.
5(c). The RoC on roc.bangalore@mca.gov.in.
5(d). The Official Liquidator on ol.bangalore@mca.gov.in.
5(e). The Income Tax Authorities on Bangalore.pccit@incometax.gov.in.
5(f). The statutory regulators/ sectoral regulators, if applicable, be issued.
6. Notice is also directed to be published in two prominently circulating national daily newspapers namely "The Hindu" in English edition and "Udayavani" in Kannada Edition. In terms of Rule 7 of the Companies (Companies Arrangements and Amalgamation) Rules, 2016.
7. The authorities are enjoined to file their representation, in any within 30 days of receipt of the notices. In the event of no representation being received, it will be presumed that they have no objection to the proposal.

4. The Petitioner Companies have complied with the directions and submitted evidence of service of notices i.e. Affidavit of Service of Notice to Statutory Regulators vide Diary No.6513 dated 27.05.2026 and memo regarding original newspaper publication vide dairy No. 6579 dated 01.06.2026.

5. The main objects, dates of incorporation, authorized, issued and paid-up share capitals, rationale of the scheme and interest of employees have already been *prima facie* considered while passing the first motion order dated 13.02.2026.

6. The Board Resolutions of the Petitioner Company No.1 & 2 dated 17.09.2025, respectively approving the Scheme are annexed as **Annexures 9 & 10** to the Petition.

7. The Certificate of the statutory auditor of the Petitioner Company No.1 has been obtained, as produced in **Annexure 12** extract of Clause 8 of the Proposed Scheme of arrangement of NH integrated Care Private Limited (Demerged Company) and Narayana Hrudayalaya limited (resulting Company) and their respective Shareholders and Creditors under section 230 to 232 and other applicable provisions of the companies Act, 2013 ("Proposed Scheme of Arrangement') with reference to its compliance with the applicable Indian Accounting Standards notified under Section 133 the Companies Act, 2013.

8. The Certificate of the statutory auditor of the Petitioner Company No.2 has been obtained, as reproduced in **Annexure 13** extract of Clause 8 of the Proposed Scheme of arrangement of NH integrated Care Private Limited (Demerged Company) and Narayana Hrudayalaya limited (resulting Company) and their respective Shareholders and Creditors under section 230 to 232 and other applicable provisions of the companies Act, 2013 ("Proposed Scheme of Arrangement') with reference to its compliance with the applicable Indian Accounting Standards notified under Section 133 the Companies Act, 2013.

9. Affidavits have been filed on behalf of the Petitioner Companies to state that there are no Sectoral Regulators except RBI, no Corporate Debt Restructuring is involved and no Investigations, Litigations or Proceedings pending against the Petitioner Companies or the Directors thereof before any Statutory Authority.

10. The audited financial statements of the petitioner company No. 1 as on 31.03.2025 and copy of the supplementary unaudited financial statements as on 30.09.2025 of the Petitioner Company No.1 is produced as **Annexure 3 & 4** to the petition. The copy of the audited financial statement of the petitioner company No.2 as on 31.03.2025 and the copy of supplementary unaudited financial statements as on 30.09.2025 is produced as **Annexure 7 & 8** to the petition.

11. As per the Scheme, the "**Appointed Date**" means **01.04.2025** or such other date as the Tribunal may direct.

12. REPORT OF THE RD & ROC:

Pursuant to the notice issued by this Tribunal, the Regional Director ("RD") has received a report from the Registrar of Companies ("ROC"), Karnataka, along with replies filed by the Petitioner Companies. The RD has thereafter filed its report dated 20.08.2026("RD Report"), vide dairy No. 8289 inter alia, making the following observations:

" 4. As per the latest Audited Financial Statements filed as on 31.03.2025 of the Demerging Company, Narayana Hrudayalaya Limited (Resulting Company) holds entire Equity Shares of 100% in the Demerging Company. As per the latest Audited financial statements filed as on 31.03.2025 of the Resulting Company, no shareholders hold more than 50% equity shares. However, highest among them, Mrs Shakunthala Shetty holds 35.38% equity shares in the Resulting Company. The Hon'ble Tribunal may be pleased to direct the Petitioner Demerged company to furnish the compliance of section 90 of the Act including shareholding of the holding companies and filing of BEN-1 and BEN -2 is required to be shown. In case of non-compliance, adjudication is to get done by the Company and to furnish the compliance, before the scheme is allowed.

5. Demerging Company needs to clarify as to how many assets having registered charges are to be transferred to the Resulting Company as part of this Scheme. The Hon'ble Tribunal may be pleased to include these Charges being transferred in the operative part of the Order.

6. The Resulting Company is a Listed Company. The Equity Shares of the Resulting Company are listed on National Stock Exchange and Bombay Stock Exchange. The Resulting Company is required to show the compliances of SEBI (Listing Obligations and Disclosure Requirements), 2015. Further, No Objection Certificates from Securities and Exchange Board of India, National Stock Exchange and Bombay Stock Exchange and other relevant Stock Exchanges, if any,

to be produced before the Hon'ble Tribunal to be submitted for merging of Unlisted Demerging Company with a Listed Resulting Company after making parties to the petition of SEBI, BSE and NSE and after hearing SEBI, NSE and BSE.

7. As per para 7 of Part II of the Scheme, the Demerged Company is a wholly owned subsidiary of Resulting Company and therefore there shall be no issue of shares as consideration for the transfer and vesting of the Demerged Undertaking from the Demerged Company into the Resulting Company.

8. The Authorized Share Capital of the Resulting Company may not be adequate to issue shares to the shareholders of the Demerging Company post sanction of the Scheme. The Resulting Company to furnish an undertaking with strict proof to the Hon'ble Tribunal to the effect that the Company will increase its Authorized Share Capital adequately and to file the relevant forms with the Registrar of Companies.

9. As per Note no. vii(b) of Annexure B of the Independent Auditor's Report for the financial year ending 31.03.2025, the Resulting Company has total outstanding disputed dues towards Income -Tax, Goods and Service Tax to the tune of Rs. 266.87 million. The Hon'ble Tribunal may be pleased to direct the Petitioner Resulting Company to furnish an undertaking with strict proof to the Hon'ble NCLT to the effect that they will settle the dues as and when the claim is crystallized.

10. As per Note no. 19 & 22 of the Audited Financial Statements for the year ending 31.03.2025, both Demerging and Resulting Companies have total outstanding dues to Micro, Small and Medium Enterprises to the tune of Rs. 37.60 lakhs & Rs. 222.07 million respectively. The Hon'ble Tribunal may be pleased to direct the Petitioner Companies to show with strict proof as to how it has complied with Micro, Small and Medium Enterprises Development Act, 2006 and to furnish an undertaking to the Hon'ble NCLT to the effect

that it will settle the dues as per the said Act immediately, if not settled so far.

11. As per Note no. 18 & 20 of the Financial Statements for the year ending 31.03.2025, the Demerging and Resulting Companies have undisputed statutory due to the tune of Rs. 169.75 lakhs and Rs. 258.00 million. The Hon'ble Tribunal may be pleased to direct the Petitioner Company to furnish an undertaking with strict proof to Hon'ble NCLT to the effect that they will settle the statutory dues immediately, if not settled so far.

12. As per the Financial Statements for the year ending 31.03.2025, the Resulting Company has Foreign Exchange Transactions. The Hon'ble Tribunal may be pleased to direct the Petitioner Company to submit the relevant approvals and compliances made with strict proof under FEMA/ RBI regulations before the Scheme is allowed.

13. As per Clause 5 of Part II of the Scheme, all Demerged Business employees shall be deemed to have become employees of the Resulting Company. The Petitioner Companies are required to explain before the Hon'ble Tribunal with strict proof as to what measures are being taken to safeguard the interests of all the employees of the 'Demerging Undertakings' of the Demerging Company and steps taken for implementation of this Clause, interests of all the employees of the Demerging Undertakings' of the Demerging Company and steps taken for implementation of this Clause.

14. The Resulting Company has certain ESOPs (Employee's Stock Option Scheme). The employees' rights shall not be affected or varied in any case adversely. Further, it is to be clarified by the Applicant Companies to the Hon'ble NCT with strict proof as to what measures are being taken to protect their interests and whether the Companies have received any objections to the Scheme from them. Further, the terms and conditions after the amalgamation should not be detrimental to the existing ESOP holders under any circumstances.

15. The object clauses of the Resulting Company need to be suitably altered so as to enable it to carry out the objects carried out by the Demerged undertaking of the Demerging Company post sanction of the Scheme by complying with the applicable provisions of the Companies Act, 2013 and also by filing relevant e-forms.

16. As per para 15(2), (3) (4), (5) & (6) of the NCT Order dated 13.02.2026 has directed to conduct the meeting of equity shareholders, Secured Creditors and Unsecured Creditors of Transferee Company and also to conduct the meeting of Secured Creditors and Unsecured Creditors of Transferor Company on 02.04.2026 through VC. Hence, the Hon'ble Tribunal may be pleased to direct the Petitioner Transferor Company and Transferee Company to furnish the out come of the meetings held through VC on 02.04.2026 and to furnish the supporting documents with strict proof before the Hon'ble Tribunal for necessary compliance, before the scheme is allowed.

17. The Accounting Treatment as mentioned in the Scheme should be as per the prescribed Accounting Treatment in the Companies Act, 2013 and the applicable Accounting Standards issued from time to time. The Hon'ble Tribunal may be pleased to direct the Petitioner Transferee Company to furnish an affidavit to this effect.

18. The Petitioner Companies are required to comply with the provisions of Section 239 of the Companies Act, 2013 with respect to preservation of books and papers of Amalgamated Company. The Hon'ble Tribunal may be pleased to direct the Petitioner Companies to furnish an undertaking in this regard.

19. As per Section 240 of the Companies Act, 2013, the liability in respect of offences committed under the Companies Act by the Officers in default, of the Transferor Company prior to merger, amalgamation or acquisition shall continue after such merger, amalgamation, or acquisition.

20. With reference to this Directorate's letter dated 25.05.2026, issued to Pr. Commissioner of Income Tax, Bangalore, till date no reply/comments in the matter have been submitted to this office. The Hon'ble Tribunal may be pleased to direct the Petitioner Companies to furnish an undertaking with strict proof to Hon'ble NCLT to the effect that they will settle the statutory dues immediately, if not settled so far and if required Income Tax Department may be called for before the Hon'ble NCLT on the date of hearing for providing their comments/observations in the matter, if any.

21. Petitioner Demerged Company have not furnished as to how many divisions are existing and which divisions (s) is/are proposed to be transferred to the Resulting Company. Further, the Petitioner Demerged Company has also not furnished the pre and post details of assets and liabilities of the proposed divisions) to be merged with the Resulting Company and remaining divisions remaining with the Demerged Company and balance assets and liabilities lying after transfer with the Demerged Company and with Resulting Company. The Hon'ble Tribunal may be pleased to direct the Petitioner Companies to furnish the said details with supporting documents, duly certified by the Statutory Auditor of the Company to the Registrar of Companies, Karnataka and to Regional Director, Southwestern Region, so as to examine and to submit further report to Hon'ble NCLT.

Hence, in view of the above, this Hon'ble Tribunal may be pleased to consider the above observations and kindly make FEMA, RBI, SEBI, NSE, BSE, Income Tax Department and any other relevant Regulatory Authorities as parties to the petition and kindly requested to hear the above authorities for furnishing their comments/observations. It is kindly requested Hon'ble NCLT to direct the Petitioner Companies to furnish the information with supporting documents to the Registrar of Companies, Karnataka and Regional Director, Southwestern Region as stated at para No.21 to submit further report and to pass such order or orders as deemed fit and proper in the circumstances to safeguard

the interest of shareholders, creditors and employees being a listed company."

12.1. <u>REPLY BY THE PETITIONER:</u>

The Petitioner Companies have filed their reply to the RD report vide Diary No.9015 dated 29.09.2026, stating as under: -

1. Regarding the observation in Para No. 4 of the Regional Director Report, it is submitted that Petitioner Company No. 1 is a wholly owned subsidiary of Petitioner Company No. 2, and Petitioner Company No. 2 alone holds 100% of the equity share capital of Petitioner Company No. 1. In terms of Section 90 of the Act read with Rule 2(1)(h) of the Companies (Significant Beneficial Owners) Rules, 2018, an individual is regarded as indirectly holding a right or entitlement through a body corporate member of a reporting company only where such individual holds a "majority stake", ie., more than fifty percent (50%) of the share capital, voting rights, or right to receive or participate in the distributable dividend, in such body corporate member. Upon examination of the shareholding pattern of Petitioner Company No. 2, being the sole member of Petitioner Company No. 1, it is submitted that no individual, including the largest individual shareholder holding 34.80% of the equity shares of Petitioner Company No. 2, holds a majority stake therein. Consequently, no individual qualifies to be treated as indirectly holding any right or entitlement in Petitioner Company No. 1 through Petitioner Company No. 2, within the meaning of Section 90 of the Act read with the Companies (Significant Beneficial Owners) Rules, 2018. There is accordingly no Significant Beneficial Owner in relation to Petitioner Company No. 1, and the requirement to file Form BEN-1 and Form BEN-2 does not arise.
2. Regarding the observation in Para No.5 of the Regional Director Report, it is submitted that The Hongkong and Shanghai Banking Corporation Limited (HSBC Bank) is the sole secured Creditor of Petitioner Company No.1. The meeting of the said secured Creditor of

petitioner Company No.1 was convened pursuant to the directions of this Hon'ble Tribunal and the sole Secured Creditor has approved the Scheme, as recorded in the Chairperson's Report filed before this Hon'ble Tribunal, available at ANNEXURE 23 to the Company Petition. It is further submitted that the charge in favor of the said Secured Creditor pertains to the Demerged Undertaking and hence shall be moved to Petitioner Company No. 2. Petitioner Company No. 2 undertakes to file necessary forms with ROC in this regard pursuant to sanction of the Scheme by this Hon'ble Tribunal.

3. Regarding the observation in Para No. 6 of the Regional Director Report, it is submitted that Petitioner Company No. 1 is a wholly owned subsidiary of Petitioner Company No. 2, and accordingly, in terms of Regulation 37(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the applicable SEBI Circulars, no No-Objection Certificate from the Securities and Exchange Board of India, National Stock Exchange of India Limited or BSE Limited is required for the Scheme, and only an intimation to the said Stock Exchanges is necessary, as also submitted at Para 54 of the Company Petition. It is submitted that Petitioner Company No. 2 has duly intimated the outcome of the Board Meeting approving the Scheme to BSE Limited and National Stock Exchange of India Limited vide letter dated December 12, 2025, a copy of which is available at ANNEXURE 32 to the Company Petition.
4. Regarding the observation in Para No. 7 of the Report of the Regional Director, it is submitted that the same is a matter of record. As Petitioner Company No. 1 is a wholly owned subsidiary of Petitioner Company No. 2, no shares are required to be issued as consideration for the transfer and vesting of the Demerged Undertaking pursuant to the Scheme, in accordance with Clause 7 of Part II of the Scheme.
5. Regarding the observation in Para No. 8 of the Regional Director Report, it is submitted that since Petitioner Company No. 1 is a wholly owned subsidiary of Petitioner Company No. 2, and there is no

consideration payable and no issue or allotment of shares involved pursuant to the demerger, as set out in Clause 7 of Part II of the Scheme. Accordingly, the observation regarding adequacy of Authorized Share Capital does not arise and is not applicable to the present Scheme.

6. Regarding the observation in Para No, 9 of the Regional Director Report, it is submitted that Petitioner Company No, 2 undertakes to settle the disputed dues towards Income-Tax and Goods and Services Tax, reflected in Note no. vil(b) of Annexure B to the Independent Auditor's Report for the financial year ending 31.03.2025, as and when the said dues attain finality/crystallize, in accordance with law.
7. Regarding the observation in Para No. 10 of the Regional Director Report, the amounts shown as outstanding to MSME suppliers in the financial statements are the outstanding amounts that accrue in the normal course of business and shall be paid in the ordinary course of business within the agreed credit period with respective vendors or as per the applicable provision of the MSME Act.
8. Regarding the observation in Para No. 11 of the Regional Director Report, it is submitted that in the case of Demerged Company/NIntegrated Care Private Limited (NHIC), the undisputed statutory dues amounting to INR 169.75 lakh have been duly discharged. Further, in the case of Resulting Company/Narayana Hrudayalaya Limited (NHL), the amount of IN 258 million referred to in the Regional Director's Report has been incorrectly considered as undisputed statutory dues, as the said amount related to disputed statutory dues that are currently pending before the Income Tax authorities. Accordingly, the said amount should not be classified as undisputed statutory dues. It is further submitted that the undisputed dues related to NHL have been duly discharged. Further the Resulting Company undertakes to settle the disputed Tax dues as and when the said dues are crystalized.

9. Regarding the observation in Para No. 12 of the Regional Director Report, it is submitted that the Foreign Exchange transactions of Petitioner Company No. 2 are undertaken on an arm's length basis and in the ordinary course of business. Petitioner Company No. 2 undertakes that all such transactions are, and shall continue to be, in compliance with the applicable FEMA and RBI guidelines.
10. Regarding the observation in Para No. 13 of the Regional Director Report, it is submitted that Clause 5 of the Scheme adequately safeguards the interest of the employees of the Demerged undertaking of petitioner company No.1. In terms of Clause 5.1 of the Scheme, all employees of Petitioner Company No.1 engaged in the Demerged Undertaking shall become employees of Petitioner Company No. 2 with effect from the Effective Date, on terms and conditions no less favourable than those on which they were engaged by Petitioner Company No. 1, and without any interruption in service. Further, in terms of Clause 5.2 of the Scheme, the accumulated balances of such employees in the provident fund, gratuity fund, superannuation fund and any other fund shall be transferred to the corresponding funds of Petitioner Company No. 2. Petitioner Company No. 2 undertakes to abide by Clause 5 of the Scheme and protect the interests of the said employees upon effectiveness of the Scheme.
11. Regarding the observation in Para No. 14 of the Regional Director Report, it is submitted that the present Scheme is a scheme of demerger and not a scheme of amalgamation or merger and Petitioner Company No. 2 shall continue to exist as a listed entity post-Scheme. The Employee Stock Option Plan(s) of Petitioner Company No. 2 have been fully implemented, executed and closed in accordance with their respective terms. There are presently no outstanding or pending grants, vesting obligations, exercise rights, conversion rights, allotments or any other subsisting claims, entitlements or obligations under any Employee Stock Option Plan of Petitioner Company No. 2. Further, Petitioner Company No. 2 does not have any Employee Stock

Option Plan, Employee Stock Purchase Plan or any other employee equity incentive scheme in operation as on date. Accordingly, no rights or interests of any ESOP holders or beneficiaries are affected by or require consideration under the Scheme.

12. Regarding the observation in Para No. 15 of the Regional Director Report, it is submitted that a bare perusal of the Objects Clause of the Memorandum of Association of Petitioner Company No. 2 shows that Main Object Clause 1 thereof already covers the business of providing medical treatment, medical facilities, healthcare facilities and all health, medical and other related and ancillary services, including general, multi-specialty and super specialty hospitals, and Main Object Clause 2 thereof expressly covers, inter alia, clinics, poly-clinics, dispensaries and nursing homes. The clinical services undertaking, being the Demerged undertaking under Clause 1.6 of the Scheme, is squarely covered by the existing objects clause of petitioner Company No.2, and accordingly, no alteration to the said Objects Clause is required to enable Petitioner Company No.2 to carry on the business of the Demerged Undertaking post sanction of the Scheme.

13. Regarding the observation in Para No. 16 of the Regional Director Report, it is submitted that in terms of Para 15(2), (3) (4), (5) and (6) of the Order of this Hon'ble Tribunal dated 13.02.2026 passed in Company Application No. (CAA) 50/BB/2023, the meeting of the Equity Shareholders, Secured Creditors and Unsecured Creditors of Petitioner Company No. 2, and the meeting of Secured Creditors and Unsecured Creditors of Petitioner Company No. 1, were convened through video conferencing on 02.04.2026. As per the respective Chairperson's Reports filed before this Hon'ble Tribunal, the Scheme was approved by the requisite majority at each of the said meetings. Copies of the said Chairperson's Reports are available at ANNEXURE 23 to ANNEXURE 27 to the Company Petition.

14. Regarding the observation in Para No. 17 of the Regional Director Report, it is submitted that the Accounting Treatment prescribed in

Clause 8 of the Scheme is in compliance with the prescribed Accounting Treatment under the Companies Act, 2013 and the applicable Accounting Standards, including Indian Accounting Standard 103 on Business Combinations, as notified under the Companies (Indian Accounting Standards) Rules, 2015. Copies of the certificates issued by the Statutory Auditors of Petitioner Company No. 1 and Petitioner Company No. 2 to the effect that the accounting treatment specified in the Scheme is in conformity with the applicable accounting standards are available at ANNEXURE 12 and ANNEXURE 13 respectively to the Company Petition.

15. Regarding the observation in Para No. 18 of the Regional Director Report, it is submitted that Petitioner Company No. 2 undertakes to preserve the books and papers of Petitioner Company No. 1 pertaining to the Demerged Undertaking pursuant to the Scheme, in accordance with Section 239 of the Companies Act, 2013.
16. Regarding the observation in Para No. 19 of the Regional Director Report, it is submitted that the present Scheme is a scheme of demerger. Nevertheless, the Petitioner Company No. 1 undertake to comply with the provisions of Section 240 of the Companies Act, 2013, to the extent applicable.
17. Regarding the observation in Para No. 20 of the Regional Director Report, it is submitted that Petitioner Company No.1 & 2 undertakes to settle the statutory dues owed to the Income Tax Department, if not already settled, immediately upon the same attaining finality/crystallizing, in accordance with applicable law. The Petitioner Companies have issued the NCLT Notice along with entire Petition and annexures to jurisdictional Assessing officers of Income Tax Department. The said Notices were delivered on 08.05.2026. Details of the Postal Receipts and delivery challans are available at ANNEXURED & E of the Compliance Affidavit filed with this Hon’ble Tribunal.

18. Regarding the observation in Para No. 21 of the Regional Director Report, it is submits the following details

The Demerged Company has only two undertakings, namely (i) the "Demerged Undertaking", proposed to be transferred to and vested in the Resulting Company pursuant to the Scheme; and (ii) the "Remaining Undertaking", being the undertaking and assets and liabilities of the Demerged Company other than the Demerged Undertaking, which shall continue to remain with the Demerged Company. The aforesaid terms are defined in the Scheme. The details of the assets and liabilities proposed to be transferred from the Demerged Company to the Resulting Company pursuant to the Scheme, along with the pre and post demerger details of the assets and liabilities of the Demerged Company as on the Appointed Date, are enclosed herewith as ANNEXURE 1.

The aforesaid details set out the assets and liabilities proposed to be transferred to the Resulting Company and the assets and liabilities that will continue to remain with the Demerged Company pursuant to the Scheme.

19. It is submitted that the Petitioner Companies have no objection to this Hon'ble Tribunal issuing notice to the Reserve Bank of India, Securities and Exchange Board of India, National Stock Exchange of India Limited, BSE Limited, the Income Tax Department and any other regulatory authority considered necessary, and undertake to comply with all directions that may be issued by this Hon’ble Tribunal in that regard.

13. <u>REPORT OF INCOME TAX DEPARTMENT</u>:

The IT Department has filed its report vide dairy No. 9151 dated 06.10.2026 making the following observations:-

“3. It is submitted that the assesse may kindly be directed to strictly comply with section 170A of the Income tax Act, 1961.”

13.1. <u>Undertaking affidavit regarding Income Tax Act by the petitioners vide Dairy No. 9014 dated 29.09.2026 are as follows:-</u>

" 5. It is submitted that after the Scheme is sanctioned by this Hon'ble Tribunal, the Resulting Company shall continue to survive and contest the ongoing income tax proceedings, if any, pertaining to the Demerged Undertaking transferred to it pursuant to the Scheme. Further, the Resulting Company undertakes to discharge and settle the income tax demands, if any, arising in respect of the Demerged Undertaking, in accordance with law, as and when such demands are crystallized."

14. <u>RBI Letter:</u>

Pursuant to the notice, the Reserve Bank of India has filed its Letter dated 22.05.2026(by post) vide dairy No. 6430 making the following observations:

"2. We submit that it is the duty of the companies undergoing compromise/ arrangement/ amalgamation to comply with the requirements of various laws including the rules, regulations and guidelines prescribed by RBI, viz., the companies may have to comply with Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder. It is also submitted that as a regulator it will not be ethical on the part of RBI to vet individual cases, as it will preclude it from taking action on contraventions, if any. Committed by such companies."

14.1 <u>Affidavit filed by the petitioners in compliance to the RBI Letter:</u>

The Petitioner Companies have filed the affidavit in reply to the RBI letter vide dairy No. 6154 dated 29.04.2026 making the following submissions:

"4. The Petitioner Company No.2 hereby undertakes and confirms that it will strictly adhere to and undertake all necessary compliances, as

may be applicable, with the rules, regulations and guidelines prescribed by the RBI and the provisions of Foreign Exchange Management Act, 1999, in connection with the proposed Scheme of Arrangement."

15. We have heard Ld. Counsels for parties and carefully perused the pleadings and entire material on record.

16. The reports of Statutory Authorities and the replies thereto by the Petitioner companies have been reproduced above in detail pursuant to which the undertakings have been furnished, and certification is completed. Perceptibly the concerned Statutory Authorities are satisfied by the responses on of the Petitioner Companies and that due care has been taken of their concerns. Thus, there remains no impediment to the approval of the Scheme.

17. In view of the above factual situation, the **Scheme of Arrangement** as annexed at **Annexure 11 in respect of the Petitioner Company No.1 and Petitioner Company No.2 is hereby approved with the Appointed date as 01.04.2025** and it is directed that the Scheme is binding on all the directors, Shareholders, and Creditors of the Petitioner Companies. While approving the Scheme, it is clarified that this order should not be construed as an order in anyway granting exemption from payment of any stamp duty, taxes, or any other civil/criminal liability, charges and payment in accordance with law or in respect of any permission/ compliance or anything to be done in legal compliance.

AND THIS TRIBUNAL DOES FURTHER ORDER:

(i)That the Petitioner Companies do, within 30 days of receipt of this Order, cause a certified copy to be delivered to the Registrar of Companies, Karnataka for registration.

(ii) The Petitioner Companies are directed to comply with the provisions of Section 314 of the Income-tax Act, 2025 (Section 170A of the erstwhile Income-tax Act, 1961) within the stipulated period. The records of Petitioner Company No.1 and Petitioner Company

No.2 shall be preserved as per the undertakings furnished by them in the manner and for the duration as prescribed under section 239 of the Companies Act, 2013.

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

(iv) The approval/sanctioning of the Scheme shall not be construed as an exemption from any of the provisions under the Income-tax Act, 2025 (erstwhile Income-tax Act, 1961), the Companies Act, 2013 or any other applicable statute and that the authorities concerned therein shall be at liberty to take appropriate action, in accordance with law.

(v) The Petitioner Companies have given various undertakings in response to observations made by the Statutory Authorities, which are all accepted. They shall remain bound by the terms thereof and committed to ensure meticulous compliance in letter & spirit.

18. Registry is directed to issue formal Orders in Form No. CAA-7 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, on the Transferee Company on filing Schedule of the Properties

(i) freehold properties and

(ii) leasehold properties of the Transferor Company, by way of an affidavit.

The Applicant company is directed to provide the above Schedules to the Registry.

19. C.P. (CAA) No.14/BB/2026 is allowed.

20. Copy of this Order be communicated to the Petitioner Companies through their representing Counsel.

Sd/-	**Sd/-**
RADHAKRISHNA SREEPADA **MEMBER (TECHNICAL)**	**SUNIL KUMAR AGGARWAL** **MEMBER (JUDICIAL)**