

S.No.1

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – II
VC AND PHYSICAL (HYBRID) MODE
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
22.05.2026 At 10.30 AM**

CP (CAA) No.43/230/HDB/2025
U/s 230 of Companies Act

IN THE MATTER OF:

Diamond Hitech Poultry Feeds Pvt Ltd (Transferor Co.)
And Gold Hen Breeders Pvt Ltd (Transferee Co.)

...Petitioners

C O R A M:-

SHRI. RAJEEV BHARDWAJ, HON'BLE MEMBER (JUDICIAL)
SHRI. SANJAY PURI, HON'BLE MEMBER (TECHNICAL)

ORDER

Orders pronounced, recorded vide separate sheets. In the result, this Petition is allowed.

Sd/-
MEMBER (T)

Sd/-
MEMBER (J)

**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH, COURT - II**

**CP (CAA) No.43/230/HDB/2025
Connected with
CA (CAA) No.32/230/HDB/2025**

*[U/s 230 to 232 read with and all other applicable provisions of the
Companies Act, 2013]*

**IN THE MATTER OF SCHEME OF AMALGAMATION
OF
M/S.DIAMOND HITECH POULTRY FEEDS PRIVATE
LIMITED
(TRANSFEROR COMPANY)
WITH
M/S.GOLD HEN BREEDERS PRIVATE LIMITED
(TRANSFeree COMPANY)
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

M/s. Diamond Hitech Poultry Feeds Private Limited

CIN: U15300TG2005PTC046531

D.No.1-65, Flat No.402, Jyothi Elegance, Phase – III,
Kavuri Hills, Guttala Begumpet, Hyderabad,
Telangana, India- 500081.

Represented by its Director,

Mr. Ramesh Babu Garimella

.... Petitioner Company/ Transferor Company

M/s. Gold Hen Breeders Private Limited

CIN: U01122TG1999PTC031003

D.No.1-65, Flat No.402, Jyothi Elegance, Phase – III,
Kavuri Hills, Guttala Begumpet, Hyderabad,
Telangana, India- 500081.

Represented by its Director,

Mr. Ramesh Babu Garimella

.... Petitioner Company/ Transferee Company

Date of Order:22.05.2026

CORAM:

Sri Rajeev Bhardwaj, Hon'ble Member (Judicial)

Sri Sanjay Puri, Hon'ble Member (Technical)

Counsel/Parties Present:

- For the Petitioners : Mr. Lokesh Agarwal, PCS
For the Regional Director : Ms. Kusum Yadav, Deputy Director
from RD office.
For the Official Liquidator : Mr. Deowrat Vasantryao Meeshram,
Asst., Liquidator from OL office.

[**PER: BENCH**]

ORDER

1. This is a Joint Company Petition filed under Section 230 and 232 read with and all other applicable provisions of the Companies Act, 2013 in the matter of Scheme of Amalgamation of M/s.Diamond Hitech Poultry Feeds Private Limited (Petitioner Company/Transferor Company), with M/s.Gold Hen Breeders Private Limited (Petitioner Company/ Transferee Company) and their respective Shareholders and Creditors with effect from the Appointed Date.
2. The Registered Offices of the Petitioner Companies are situated in the State of Telangana.
3. The Brief facts of the case:
 - a) **Details of Incorporation of Transferor Company:**
M/s. Diamond Hitech Poultry Feeds Private Limited (Transferor Company) is a private limited Company incorporated on 13.06.2005 with CIN U15300TG2005PTC046531. Copy of the Certificate of Incorporation of the Transferor Company is filed as **Annexure-A1, Page No.33.**
 - b) The Transferor Company is engaged, inter alia, in the business as manufacturers, processors, producers, buyers, sellers, dealers, distributors, importers and exporters, developers of all kinds of animal feeds and feed supplements of any nature and kind whatsoever and all by-products and joint products thereof, using all kinds of technologies. Copy of the Memorandum and Articles

of Association of the Transferor Company is filed as **Annexure-A1, Page Nos.34-54.**

- c) The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on 31.03.2025, is as follows:

Share Capital	Amount in Rs.
Authorized Capital	
40,00,000 (Forty Lakh) Equity Shares of Rs.10/- (Rupees Ten only) each.	4,00,00,000
Total	4,00,00,000
Issued, Subscribed and Paid-up Capital	
29,90,000 (Twenty Nine Lakh and Ninety Thousand) Equity Shares of Rs.10/- (Rupees Ten only) each fully paid up	2,99,00,000
Total	2,99,00,000

The Transferor Company is a wholly owned subsidiary of the Transferee Company which holds 100% of the paid up equity share capital of the Transferor Company. Subsequent to 31st March 2025, and till date of making this Petition, there is no change in the authorized, issued, subscribed and paid-up share capital of the Transferor Company. Copy of the audited financial statements as on 31.03.2025 and provisional financial statements as on 30.09.2025, of the Transferor Company is filed as **Annexures-A2 and A3** respectively, **Page Nos.55-85.**

- d) **Details of Incorporation of the Transferee Company:**

M/s. Gold Hen Breeders Private Limited (Petitioner Company/ Transferee Company) is a private limited Company incorporated on 29.01.1999 with CIN U01122TG1999PTC031003. Copy of the Certificate of Incorporation of the Transferee Company is filed as **Annexure – A4, Page No.86.**

- e) The Transferee Company is engaged, inter alia, in the business of breeding of parents, grandparents and pure lines, hatching eggs, raising chicks, to establish farms for the development of poultry industry and manufacturers of poultry equipment, poultry medicines, and poultry feed. Copy of the Memorandum and

Articles of Association of the Transferee Company is filed as **Annexures – A4, Page Nos.87-102.**

- f) The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on 31.03.2025, is as follows:

Share Capital	Amount in Rs.
Authorized Capital 3,00,000 (Three Lakh) Equity Shares of Rs.10/- (Rupees Ten only) each.	30,00,000
Total	30,00,000
Issued, Subscribed and Paid-up Capital	
1,00,002 (One Lakh and Two) Equity Shares of Rs.10/- (Rupees Ten only) each.	10,00,020
Total	10,00,020

The Transferee Company is a 100% Holding Company of the Transferor Company. Subsequent to 31st March 2025, and till date of making this Petition, there has been change in the capital structure of the Transferee Company. Copy of the audited financial statements as on 31.03.2025 and provisional financial statements as on 30.09.2025, of the Transferee Company is filed as **Annexures – A5 & A6, Page Nos.103-124.**

4. **Overview of the Scheme:**

This Scheme of Amalgamation (“Scheme”) is presented pursuant to the provisions of Sections 230 to 232, and other applicable provisions of the Companies Act, 2013 read with relevant rules and regulations issued thereunder and with Sections 2(1B) and the other applicable provisions of the Income-tax Act, 1961, in each case, as amended from time to time and as may be applicable, for Amalgamation of Diamond Hitech Poultry Feeds Private Limited (“Transferor Company”) with Gold Hen Breeders Private Limited (“Transferee Company”) and various other matters consequential to or otherwise integrally connected with the above in the manner provided for in the Scheme.

5. **Rationale and Purpose of the Scheme:**

The Transferor Company is a wholly owned subsidiary of the Transferee Company, and both entities are owned and managed by

individuals of the same family. To streamline operations and enhance efficiency, it is proposed to amalgamate the Transferor Company with the Transferee Company. This consolidation aims to unify business operations, optimize resource utilization, and operate under a single legal entity. With this objective, the management of both companies has resolved to merge the Transferor Company into the Transferee Company to achieve the following benefits:

1. To achieve consolidation, greater integration and flexibility which will maximize overall shareholder value and improve the competitive position of the combined entity;
2. To consolidate the affairs, businesses, proceedings, assets and liabilities of both the Companies under one roof;
3. Elimination of multiple legal entities, resulting in a simplified and more transparent shareholding structure;
4. Reduction in administrative, regulatory, and statutory compliance burdens, including labor laws and establishment-related filings;
5. Cost savings through rationalization, standardization, and simplification of business processes;
6. Elimination of duplication in administrative efforts, leading to more focused operational execution;

The amalgamation is in the best interest of shareholders, creditors, and other stakeholders and does not prejudice the interests of any concerned party or the public at large.

6. The Scheme of Amalgamation of the Petition is filed as **Annexure-A7, Page Nos.125-154**. Item wise details in respect of the Scheme (page-wise) are given below:

Part A – Definitions, Date of Taking Effect and Operative Date	130-134
1. Definitions	
1.1. Act	
1.2. Amalgamation Undertaking	
1.3. Applicable Law(s)	
1.4. Appointed Date	
1.5. Appropriate Authority	
1.6. Board of Directors	
1.7. Effective Date	
1.8. IT Act	

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1.9. National Company Law Tribunal (NCLT)	
1.10. Official Liquidator or OL	
1.11. Permits	
1.12. Regional Director or RD	
1.13. Registrar of Companies or RoC	
1.14. Scheme or this Scheme or Scheme of Amalgamation	
1.15. Shareholders	
1.16. Shares	
1.17. Transferor Company (Diamond Hitech Poultry Feeds Private Limited)	
1.18. Transferee Company (Gold Hen Breeders Private Limited)	
2. Date of Taking Effect and Operative Date	
Part B - Amalgamation of the Transferor Company with the Transferee Company	134-151
3. Transfer and Vesting of Amalgamation Undertaking of Transferor Company	
4. Employees	
5. Legal Proceedings	
6. Contracts	
7. Permits	
8. Saving of Concluded Transactions	
9. Taxation Matters	
10. Validity of Existing Resolutions, etc.	
11. Consideration	
12. Accounting Treatment	
13. Dissolution of the Transferor Company without winding up	
14. Consolidation of Authorized Capital of the Transferor Company with the Authorized Capital of the Transferee Company	
15. Conduct of Business	
Part C – General Terms and Conditions	151-154
16. Impact of the Scheme on Creditors	
17. Conditionally of the Scheme	
18. Application/Petition to the Tribunal	
19. Modification or Amendments to the Scheme	
20. Withdrawal of this Scheme	
21. Severability	
22. Costs, Charges and Expenses	
23. No Cause of Action	

7. **Compliance of Accounting Standard:**

Certificate issued by Mr. K.S. Rao & Co., Chartered Accountants, the statutory auditors have certified that the Accounting Treatment

proposed at clause 12 of the Scheme is in conformity with the Accounting Standards as prescribed under the provisions of Section 133 of the Companies Act, 2013. Copy of the certificate issued by the Statutory Auditors, conforming the Accounting Treatment proposed in the Scheme, is filed as **Annexure – A8, Page Nos.155-158.**

8. **Board Resolution of the Petitioner Companies Approving the Scheme of Amalgamation:**

The Board of Directors of the Petitioner Companies at their respective meetings held on 30.01.2025, have approved the Scheme of Amalgamation of Diamond Hitech Poultry Feeds Private Limited (Transferor Company) with Gold Hen Breeders Private Limited (Transferee Company) and their respective Shareholders and Creditors. Certified true copy of the Board Resolutions passed by the Board of Directors of the Petitioner Companies are filed as **Annexures – A9 and A10, Page Nos.159-166.**

9. **Shareholders of the Petitioner Companies:**

Number of Equity Shareholders and Share Capital of the Petitioner Companies as on 31.01.2025, is as follows:

Name of the Petitioner Companies	No. of Equity Shareholders	Paid-up Share Capital
Diamond Hitech Poultry Feeds Private Limited (Transferor Company)	02	2,99,00,000
Gold Hen Breeders Private Limited (Transferee Company)	09	10,00,020

10. **Creditors of the Petitioner Companies:**

Number of Creditors and the aggregate amount due to them by the Petitioner Companies as on 31.01.2025, is as follows:

Name of the Petitioner Companies	No. of Unsecured Creditors	Amount Due
Diamond Hitech Poultry Feeds Private Limited (Transferor Company)	06	56,86,37,778
Gold Hen Breeders Private Limited (Transferee Company)	01	5,00,000

11. It is submitted that this Tribunal vide its order dated 23.07.2025 in CA (CAA)No.32/230/HDB/2025, read with order dated 29.08.2025, in IA (CA) No.227/2025 was pleased to (i) dispense with the requirement of convening the meeting of the equity shareholders of the Transferor Company; and (ii) convened the meeting of the Equity Shareholders of Transferee Company on 13.10.2025. It is further submitted that Meeting of the Equity Shareholders of the Transferee Company were held as per the directions of this Tribunal under the supervision of Tribunal appointed Chairperson Mr. Aziz Hussain, Advocate and Scrutinizer Ms. Sakhamuri Kavitha Rani, PCS, the Scheme of Amalgamation was approved unanimously by the Equity Shareholders of the Transferee Company.
12. It is submitted that this Tribunal vide its Order dated 23.07.2025, in CA (CAA)No.32/230/HDB/2025, was pleased to dispense with the requirement of convening the meetings of the Unsecured Creditors of both the Petitioner Companies. It is further submitted that the Petitioner Companies does not have any Secured Creditors.
13. Details of Orders passed by this Tribunal, Copy of IA, Notices regarding Meetings, dispatch and Newspaper Publications, Chairperson and Scrutinizer's Reports, Special Resolution and Minutes of the Equity Shareholders are detailed below:

Description	Annexures and Page Nos of the Petition
Copy of the Order passed by this Tribunal in CA (CAA)No.32/230/HDB/2025, dated 23.07.2025.	Annexure-A11, 167-179.
Copy of the IA (CA) No.227/2025 in CA (CAA)No.32/230/HDB/2025 filed with this Tribunal on 25.08.2025.	Annexure-A12, 180-188.
Copy of the Order passed by this Tribunal in IA (CA) No.227/2025 in CA (CAA)No.32/230/HDB/2025 dated 29.08.2025.	Annexure-A13, 189.
Copy of the Notice dated 03.09.2025, calling the Tribunal Convened Meeting of the Equity Shareholders of the Transferee Company.	Annexure-A14, 190-211.

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Copy of the proof of dispatch of Notice, obtained from the Department of post, evidencing dispatch of notices to the Equity Shareholders and statutory authorities on 08.09.2025.	Annexure-A15, 212-213.
Copy of the Newspaper Publications made in the Business Standard, English Daily and Andhra Prabha, Telugu Daily (Hyderabad Editions) on 09.09.2025.	Annexure-A16, 214-215.
Copy of the Affidavit of Service dated 04.10.2025, filed by Mr. Aziz Hussain, Chairperson for the Meeting of the Equity Shareholders of the Transferee Company.	Annexure-A17, 216-221.
Copy of the Chairperson's Report dated 13.10.2025 on the Result of the Tribunal Convened Meeting of the Equity Shareholders of the Transferee Company held on 13.10.2025.	Annexure-A18, 222-227.
Copy of the Scrutinizer's Report dated 13.10.2025 on voting by ballot/poll conducted during the Tribunal Convened Meeting of the Equity Shareholders of the Transferee Company held on 13.10.2025.	Annexure-A19, 228-232.
Copy of the Special Resolution passed by the Equity Shareholders of the Transferee Company approving the Scheme of Amalgamation, at their Meeting held on 13.10.2025.	Annexure-A20, 233-234.
Copy of the Minutes of the Tribunal Convened Meeting of the Equity Shareholders of the Transferee Company held on 13.10.2025.	Annexure-A21, 235-238.

14. **Consideration:**

The Transferor Company is a wholly owned subsidiary of the Transferee Company, and the Transferee Company, being the holding company, cannot issue or allot any shares to itself, no shares whatsoever shall be issued by the Transferee Company in consideration of the amalgamation. Accordingly, all such shares of the Transferor Company held by the Transferee Company along with its nominees and the investment of the Transferee Company in such shares as appearing in the books of the Transferee Company shall stand cancelled upon the Scheme becoming effective without issue or allotment of new shares in lieu of shares of the Transferor Company.

15. **Declaration by the Petitioner Companies:**

a) No Petition under Section 241 or 242 of the Companies Act, 2013, has been filed against any of the Petitioner Companies and there has been no material change in the affairs of Petitioner

Companies, except for what was done in the normal course of business.

- b) There are no proceedings pending under Section 210 to 227 of Companies Act, 2013, against any of the Petitioner Companies.
- c) The Scheme of Amalgamation of Diamond Hitech Poultry Feeds Private Limited (Transferor Company) with Gold Hen Breeders Private Limited (Transferee Company) and their respective Shareholders and Creditors will not have an adverse effect on any of the shareholders or creditors or other stakeholders of the Petitioner Companies in any manner whatsoever.

- 16. As per the directions of this Tribunal vide order dated 21.11.2025, the Petitioner Companies issued notices to the Statutory Authorities.
- 17. Notices were served individually to all the concerned regulatory authorities i.e., Regional Director (SER), Registrar of Companies (RoC), Official Liquidator, Hyderabad, Income Tax Authorities for intimating the Scheme of Amalgamation.
- 18. The Regional Director, vide his Report/Affidavit dated 22.01.2026 filed on 23.01.2026, has not objected to the proposed Scheme, but has made certain observations. In response to the observations made by the RD, the Petitioner Companies have filed Reply/Affidavit dated 06.03.2026 filed on 09.03.2026. The Regional Director vide his report dated 10.03.2026 filed on 10.03.2026 has submitted further observations in response to the Reply/Affidavit of Petitioner Companies dated 06.03.2026 filed on 09.03.2026. The details are given below:

Para Nos.	Regional Director's Observations	Petitioner Companies Reply Affidavit	Regional Director's further Observations
3(a) & (b), 6 (a), (e), (f) & (h)	It is submitted by the Petitioner Companies that the report filed by the office of the Regional Director (SER) reiterates the facts on record and hence need not be traversed.		

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3(c)	That the Transferor and Transferee Companies may be directed to comply with the provisions under Foreign Exchange Management Act, 1999 and other applicable provisions, if any applicable.	The provisions of the Foreign Exchange Management Act, 1999 are not applicable, as there is no Foreign Direct Investment, External Commercial Borrowing, Overseas Direct Investment or any other foreign exposure in any of the Petitioner Companies.	The reply of the Company may kindly be considered in this regard by the Hon'ble Tribunal.
3 (d)	That the Transferor and Transferee Companies may take necessary steps for the compliance under the provisions of Securities and Exchange Board of India Act, 1992, if the same are liable to be complied.	Both the Petitioner Companies are unlisted companies and therefore the provisions of the SEBI Act, 1992 are not applicable.	The reply of the Company may kindly be considered in this regard by the Hon'ble Tribunal.
3 (e)	That the Hon'ble Tribunal may direct the Petitioner Companies involved in the Scheme to comply with rule 17(2) of Companies (Compromises, Arrangements and Amalgamation) Rules 2016 with respect to filing of order for confirmation of Scheme to be filed in eForm No.INC-28 with the Office of RoC by the Petitioner Companies.	The Petitioner Companies do hereby jointly and severally agree, affirm, confirm, declare and undertake to comply with Rule 17(2) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, with respect to filing of the order of this Hon'ble Tribunal confirming the Scheme in e-Form INC-28 within a period of thirty (30) days the date of receipt of the certified copy of the order of this Hon'ble Tribunal, with the concerned office of the Registrar of Companies.	The Petitioner Companies have undertaken to comply with the same.
3 (f)	That the Hon'ble Tribunal may direct the Petitioner Companies to preserve its books of Accounts and papers and records and shall not be dispose off without the prior permission of the Central Government in terms of provisions of Section 239 of the Companies Act, 2013.	The Petitioner Companies do hereby jointly and severally agree, affirm, confirm, declare and undertake to preserve the books of account, papers and records of the Petitioner Companies, and not to dispose of the same without prior permission of the Central Government in terms of provisions of Section 239 of the Companies Act, 2013.	The Petitioner Companies have undertaken to comply with the same.

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3 (g)	That the Hon'ble Tribunal may direct the Petitioner Companies to ensure statutory compliance of all applicable laws and on sanctioning of the present Scheme the applicant company shall not be absolved for any of its statutory liability in any manner.	The Petitioner Companies do hereby jointly and severally agree, affirm, confirm, declare and undertake that the sanction of the present Scheme shall not absolve the Petitioner Companies from any statutory liability in any manner whatsoever and that the Transferee Company shall assume and discharge all statutory liabilities of the Transferor Company.	The Petitioner Companies have undertaken to comply with the same.
4	That the report of the Official Liquidator pointing out the observations separately which may kindly be taken on record by the Hon'ble Tribunal and the Petitioner Companies may be directed to comply with the same before approval of the Scheme.	The Petitioner Companies do hereby jointly and severally, state that the communication or observation from the office of the Official Liquidator shall be duly complied in accordance with the applicable provisions of law and as may be directed by this Hon'ble Tribunal.	No further observations.
5	With reference to this Directorate's letter dated 3.12.2025, issued to the Addl. Commissioner of Income Tax, Hyderabad, till date no reply/comments in the matter has been submitted to this Directorate. Hon'ble Tribunal may be pleased to direct the Petitioner Companies to furnish an undertaking that, if any demand arises from the Income Tax Department with respect to Transferor Company and Transferee Company, the Transferee Company is ready to pay the said statutory dues.	The Regional Director, the Transferee Company do hereby state, affirm, confirm, declare and undertake that if any demand arises from the income tax department with respect to any of the Petitioner Companies, the Transferee Company shall pay such dues in accordance with and subject to the applicable provisions of laws.	The Petitioner Companies have undertaken to comply with the same.

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6 (b)	That the Transferee Company may be directed to amend the objects of the Transferee Company to include the objects of the Transferor Company upon post sanction of the Scheme.	The main object of the Petitioner Companies are substantially one and the same and both the Petitioner Companies carry on the same business activities, however, the Transferee Company undertakes to amend its Memorandum of Association, if required, to include the specific objects of the Transferor Company.	The reply of the company may kindly be considered in this regard by the Hon'ble Tribunal.
6 (c)	That the Appointed Date mentioned in the Scheme is 01.04.2025 and the Petitioner Companies have filed Statutory Returns i.e. Annual Return and Balance Sheet upto 31.03.2024. In this regard, Petitioner Companies may be directed to file the financial statements upto 31.03.2025.	The statutory Financial Statements up to the financial year ended 31.03.2025 have already been duly filed with the Registrar of Companies in accordance with the provisions of the Companies Act, 2013. A copy of the challans evidencing filing of the Annual Return and Financial Statements for the financial year ended 31.03.2025, is filed as Annexure – A2.	The reply of the company may kindly be considered in this regard by the Hon'ble Tribunal.
6 (d)	That as per Clause 4.1 of the Scheme, it is stated that upon the Scheme becoming effective, all the staff and employees of the Transferor Company who are in such employment as on the Effective Date shall become and be deemed to have become, the staff and employees of the Transferee Company, without any break or interruption in their services. In this regard, the Transferee Company may be directed to furnish an undertaking before the Hon'ble Tribunal stating that the interests of the staff, workmen and employees of the Transferor	The Petitioner Companies jointly and severally, do hereby state, affirm, confirm, declare and undertake that all the employees of the Transferor Company as on the Effective Date shall become employees of the Transferee Company without any break or interruption in service. The Transferee Company undertakes to protect the interests of such employees and workmen in accordance with Clause 4.1 of the Scheme.	The Petitioner Companies have undertaken to comply with the same.

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	Company shall be protected by the Transferee Company.		
6 (g)	That as per Clause 14.1 of the Scheme, it is stated that upon the Scheme becoming effective and as an integral part of the Scheme, the authorized share capital of the Transferor Company shall stand transferred, merged and combined with the authorized share capital of the Transferee Company. In this regard, the Transferee Company may be directed to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013 and pay the differential fee after setting of the fee already paid by the Transferor Company and the Petitioner Companies may be directed to furnish an undertaking before the Hon'ble Tribunal.	The Petitioner Companies do hereby jointly and severally, agree, affirm, confirm, declare and undertake that upon the Scheme becoming effective and as an integral part of the Scheme, the authorized share capital of the Transferor Company shall stand transferred, merged and combined with the authorized share capital of the Transferee Company. The Transferee Company further undertakes to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013 and pay the differential fee, if any, after setting off the fee already paid by the Transferor Companies	The Petitioner Companies have undertaken to comply with the same.
6 (i)	That the Transferor Company has incurred loss during the financial year 2024-25 and the revenue from operations is NIL and the Transferee Company has incurred cash losses amounting to Rs.4420/- during the year and Rs.5340/- in the immediately preceding year. Further, Revenue from operations during the last two years in NIL for the Transferee	The object of the amalgamation is not financial synergies but the consolidation of affairs of both the Companies and to carry on the business under one roof of the consolidated entity in view of the fact that the Transferor Company is a wholly owned subsidiary Company of the Transferee Company and both the Companies are controlled, owned and managed by the same individuals and the amalgamation will help achieve attaining a simplified shareholding in addition to reduction of cost, reduction in multiplicity of entities and duplication of administrative,	The reply of the company may kindly be looked into by the Hon'ble Tribunal.

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	Company and Transferee Company is also a loss making company which may kindly be looked into by the Hon'ble Tribunal.	maintenance and compliance cost of multiple entities. The objectives of the Scheme are appearing at Clause (C) of the Scheme of Amalgamation at Page No.128-129 of the Company Petition.	
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19. Hence, from the above reports of the RD, it can be understood that there are no tenable objections and that the queries posed to the companies were also answered. Hence, the reply to the observation as sought by the Regional Director (RD) would stand complied.

20. The Official Liquidator has filed his report, vide OLR No.5/2026 dated 04.02.2026 filed on 05.02.2026 stating certain observations at point no.22 of his report. The observations pointed out have been replied by the Petitioner Companies vide Reply/Affidavit dated 06.03.2026 filed on 09.03.2026, The Official Liquidator filed further Report, vide OLR No.20/2026 dated 09.04.2026 filed on 10.04.2026 to the Reply/Affidavit of the Petitioner Companies dated 06.03.2026 filed on 09.03.2026, which are mentioned below:

Observations of Official Liquidator	Reply/Affidavit by the Petitioner Companies	Further Report by the Official Liquidator
22 (b) That, the Clause 4.1 of PART – B of the Scheme seeks to protect all the staff and employees of the Transferor Company who are in such employment as on the <u>Effective Date</u> shall become, and be deemed to have become, the staff and employees of the Transferee Company, without any break or interruption in their services on terms and conditions which are overall no less favourable than those that were applicable to such employees immediately prior to such amalgamation, with the	The Transferee Company has declared and undertaken that there shall be no retrenchment of any employee of the Transferor Company who was in service as on the Appointed Date i.e., 01.04.2025, and that their interests shall be duly protected upon the Scheme becoming effective.	Observation complied.

<p>benefit of continuity of service. Hence, this Hon'ble Tribunal may be pleased to direct the Transferor and Transferee Companies to submit an undertaking to this Hon'ble Tribunal to the effect that there would be no retrenchment of any employee who were in service as on the <u>Appointed Date i.e, 01.04.2025</u> as well.</p>		
<p>22 (e) That, as per the Auditor's Report dated 27.09.2025 on the Financial Statements as at 31.03.2025 of the Transferor Company, the auditor's has made observations as detailed below: <i>"Basis for Qualified opinion:</i> i. The Company has not adopted and complied with the requirements of AS-15 'Employee Benefits' in respect of the Gratuity liability, which constitutes a departure from the Accounting standards referred to in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. In view of this the liability of the company in this regard could not be ascertained. Consequently, we are unable to comment about the impact of this on the LOSS for the year, income tax and shareholder's funds; ii. The Company's current liabilities exceeded its current assets by Rs.56.92 Crores. Further as indicated by the company's Balance Sheet as at March 31, 2025, the net worth of the</p>	<p>i. The Petitioner Companies submitted that the Transferor Company has made provisions towards gratuity liability in its books of accounts for the relevant financial years based on management estimates. However, such provision is not supported by an actuarial valuation, and accordingly the qualification was made in the Auditor's Report. The Petitioner Companies further submitted that the said qualification pertains only to the methodology adopted for computation of gratuity liability, and does not indicate any non-payment of employee dues. The Transferor Company confirms that there are no outstanding or undischarged gratuity dues or other employee benefit liabilities payable to any</p>	<p>The clarification of the Petitioner Companies may kindly be considered by the Hon'ble Tribunal and it may be decided on merits.</p>

<p>company has eroded completely. These conditions indicate the existence of material uncertainty that may cast significant doubt about the company's ability to continue as a going concern, which fact is not disclosed in the financial statements.”</p> <p>Hence, this Hon'ble Tribunal may be pleased to direct the Transferor Company to submit the clarification/ compliance on the Auditor's observations as detailed above.</p>	<p>employee of the Company. The observation is therefore technical in nature and limited to the accounting treatment, and does not have any adverse impact on the public interest or on the interests of employees, creditors, or shareholders of the Company. Upon the Scheme becoming effective, the Transferee Company do hereby declares and undertakes to take appropriate steps, wherever required, to account for employee benefit obligations of the Transferor Company in accordance with applicable accounting standards.</p> <p>ii. The Petitioner Companies submitted that a substantial portion of the current liabilities of the Transferor Company represents unsecured loans and advances extended by the Directors and / or group companies belonging to the same group. The said lenders, being related parties within the group, have confirmed their continued financial and operational support to</p>	
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	<p>the Transferor Company, and have not sought immediate repayment of such amounts. The Transferor Company has also initiated restructuring measures aimed at strengthening its financial position and restoring its net worth, including operational rationalisation and financial support from the group. In view of the continued financial support from the Directors and group entities, and the ongoing restructuring initiatives, the Company is of the considered opinion that the Company possesses the ability to continue its operations and meet its obligations as and when they fall due. Accordingly, the financial statements of the Company have been prepared on a going concern basis. The Petitioner Companies further submitted that the Transferor Company is a wholly owned subsidiary of the Transferee Company, and the proposed Scheme of Amalgamation is intended, inter alia, to consolidate the affairs</p>	
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	<p>of the group and strengthen the overall capital structure. Upon the Scheme becoming effective, the assets and liabilities of the Transferor Company shall vest in the Transferee Company. Therefore, the financial position of the Transferor Company does not adversely affect the implementation of the proposed Scheme nor does it prejudice the interests of any creditors, employees, shareholders, or the public at large.</p>	
<p>22 (f) That, as per Note-6 of the Financial Statements of the Transferee Company as at 31.03.2025, it is disclosed that the Transferee Company has made Investment in Shares – DHPFPL 29,90,000, however the book value of the said shares has been shown as “zero” (as at 31.03.2025 as well as at 31.03.2024). Hence, this Hon’ble Tribunal may be pleased to direct the Transferee Company to submit the clarification with regard to reasons for showing the book value as “zero” against the huge Investment i.e. 29,90,000 shares @ Rs.10/- each.</p>	<p>The Petitioner Companies submitted that the Transferee Company had made an investment in 29,90,000 equity shares of Rs.10/- each of DHPFPL, which is the Transferor Company and a wholly owned subsidiary of the Transferee Company. Over a period of time, the financial position of the Transferor Company has weakened and its net worth has been substantially eroded, resulting in a significant diminution in the recoverable value of the said investment. In accordance with the principles prescribed under Accounting Standard 13, Accounting for Investments, where there is a decline in the value of a</p>	<p>The clarification of the Petitioner Companies may kindly be considered by the Hon’ble Tribunal and it may be decided on merits.</p>

	<p>long-term investment which is considered to be other than temporary, the carrying amount of such investment is required to be reduced to recognize the diminution in value. Accordingly, the management of the Transferee Company assessed the recoverable value of the investment and, considering the erosion of the net worth of the Transferor Company, full provided for the diminution in value of the said investment. Consequently, the entire amount of the investment has been recognized as a loss in the books of accounts of the Transferee Company. In view of the aforesaid accounting treatment, the carrying value (book value) of the investment has been reflected as “Nil”, while the number of shares held continues to be disclosed for the purpose of proper disclosure of shareholding in the Transferor Company. The Petitioner Companies further submitted that the Transferor Company is a wholly owned subsidiary of the Transferee Company, and upon the Scheme of Amalgamation becoming effective, the investment of the Transferee Company in the shares of the Transferor Company shall stand cancelled as an inter-</p>	
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	<p>company investment. The aforesaid accounting treatment is therefore a prudent recognition of diminution in value in accordance with applicable accounting standards and does not affect the fairness or implementation of the proposed Scheme of Amalgamation, nor does it prejudice the interests of creditors, shareholders, employees, or the public at large.</p>	
<p>22 (g) That, as per the Financial Statements of Transferor and Transferee Companies as at 31.03.2025, both the companies are loss making companies.</p>	<p>The Petitioner Companies submitted that this observation is factual information which is on record and the object of the amalgamation is the consolidation of affairs of both the Companies and to carry on the business under one roof of the consolidated entity in view of the fact that the Transferor Company is a Wholly Owned Subsidiary Company of the Transferee Company and both the Companies are controlled, owned and managed by the same individuals and the amalgamation will help achieve attaining a simplified shareholding in addition to reduction of cost, reduction in multiplicity of entities and duplication of administrative, maintenance and compliance cost of multiple entities. The Objectives of the Scheme are appearing</p>	<p>The clarification of the Petitioner Companies may kindly be taken on record by the Hon'ble Tribunal and it may be decided on merits.</p>

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	at Clause (C) of Scheme of Amalgamation at Page No.128-129 of the Company Petition.	
<p>22(h) That, as per Clause 12.6 of PART-II of the Scheme (under Accounting Treatment in the books of Transferee Company on post Amalgamation) may be suitably modified/amended by stating netting-up the net worth acquired from the Transferor Company against the Investment made in the share capital of the Transferor Company by the Transferee Company shall be adjusted against Capital Reserve/Reserves of the Transferee Company.</p>	<p>The Petitioner Companies submitted that the Transferor Company is a wholly owned subsidiary of the Transferee Company and the Clause 11 of the Scheme deals with the consideration for amalgamation, specifically provided that upon the Scheme becoming effective, the investment held by the Transferee Company in the equity share capital of the Transferor Company shall stand cancelled and in view of the aforesaid provision contained in Clause 11 of the Scheme, the accounting treatment in the books of the Transferee Company shall necessarily involve cancellation of the investment in the share capital of the Transferor Company and recognition of the net assets of the Transferor Company pursuant to the amalgamation.</p> <p>Consequently, the difference, if any, arising upon netting-off the investment held by the Transferee Company in the Transferor Company against the net worth of the Transferor Company acquired pursuant to the Scheme shall be appropriately adjusted</p>	<p>The clarification of the Petitioner Companies may kindly be considered by the Hon'ble Tribunal and it may be decided on merits.</p>

	<p>against Capital Reserve/ other Reserves of the Transferee Company, in accordance with the applicable accounting standards, including the principles prescribed under Accounting Standards for Amalgamations. The Petitioner Companies further submitted that the accounting treatment contemplated under the Scheme is already consistent with the observation made by the Official Liquidator, and the same shall be duly followed in the books of accounts of the Transferee Company upon the Scheme becoming effective.</p>	
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With regard to the observations made in Paragraph Nos.22(a), (c) and (d), of the OL Report are concerned, it is submitted that the observations are same need not be traversed.

From the above reports of the Official Liquidator and reply furnished by the Petitioner Companies, it can be understood that there are no tenable objections and that the queries posed to the companies were also answered. Hence, the observations raised by the Official Liquidator would stand complied.

21. **Income Tax Department:**

The Income Tax Department did not file its reports, inspite of availing many opportunities.

22. We have heard the PCS for the Petitioner Companies and perused the material papers on record. Considering the entire facts and circumstances of the case and on perusal of the Scheme, Report of the Regional Director, Official Liquidator, and reply/undertakings of

the Petitioner Companies thereon, and the documents produced on record, we consider that the Scheme of Amalgamation is fair and reasonable and not contrary to public policy and not violative of any provisions of law. All the statutory compliances have been made under Sections 230 to 232 of the Companies Act, 2013.

ORDER

23. After hearing the PCS for the Petitioner Companies and after considering the material on record. The following order is passed by this Adjudicating Authority:
- i. The Scheme of Amalgamation (Page Nos.125-154) along with this Petition filed by the Petitioner Companies is hereby sanctioned with appointed date as 01.04.2025 which shall be binding on all the equity shareholders, creditors, employees, concerned statutory and regulatory authorities and all other stakeholders of the Petitioner Companies.
 - ii. While approving the Scheme, we make it clear that this order should not be construed as an order in anyway granting exemption from payment of stamp duty, taxes or any other charges, if any, payable, in accordance with law or in respect of any permission/compliance with any other requirement which may be specifically required under any law.
 - iii. The whole of the assets, property, rights and Liabilities of the Transferor Company be transferred to Transferee Company without the requirement of any further act or deed to the Petitioner/Transferee Company.
 - iv. We direct the Petitioner Companies to comply with all the observations pointed out by the Regional Director, Official Liquidator, Hyderabad, if any.

- v. We direct the Petitioner Companies to preserve the books of accounts and papers and records and the same shall not be disposed of without the prior permission of the Central Government in terms of the provisions of Section 239 of the Companies Act, 2013.
- vi. We direct the Petitioner Companies 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.
- vii. We direct the Petitioner Companies involved in the Scheme, to comply with Rule 17(2) of the Companies (Compromise, Arrangement and Amalgamation) Rules, 2013. The Petitioner Companies within 30 days after the date of receipt of certified copy of the order, shall cause certified copy to be delivered in the Form INC-28 to the Registrar of Companies concerned for registration and on such certified copy being delivered, Registrar of Companies concerned shall take all necessary consequential action in respect of the Petitioner Companies.
- viii. The Petitioner Companies are further directed to take all consequential and statutory steps required in pursuance of the approved Scheme of Amalgamation under the provisions of the Companies Act, 2013 and submit necessary compliance and undertaking relating to the objections raised by the Regional Director (SER), MCA, Government of India, Hyderabad and Official Liquidator, Hyderabad.
- ix. All the legal proceedings pending by/or against the Transferor Company shall be continued by/or against the Transferee Company.

- x. In case of any adverse finding or tax implications arising in future on approval of the Scheme is subject to final decision of the Tax Authorities concerned and the decision of the Tax Authorities concerned shall be binding on the Petitioner Companies.
- xi. The Transferee Company is directed to strictly comply with the Accounting Treatment Standards prescribed under Section 133 of the Companies Act, 2013.
- xii. The sanction of the Scheme by this Adjudicating Authority shall not forbid the Revenue Authority from taking appropriate recourse for recovering the existing and previous tax liabilities of the Transferor Company and Transferee Company.
- xiii. The Petitioner Companies shall until the completion of the Scheme of Amalgamation, file a statement in such form and within such time as prescribed with the Registrar every year duly certified by the Chartered Accountant or a Cost Accountant or a Company Secretary to the effect that the Scheme of Amalgamation is being complied in accordance with the orders of this Tribunal as required under Section 232(7) of the Companies Act, 2013.
- xiv. Any person shall be at liberty to apply to this Tribunal in the above matter for any directions that may be necessary.

Accordingly, the CP(CAA) No. 43/230/HDB/2025 is allowed and stands disposed of.

Sd/-

SANJAY PURI
MEMBER (TECHNICAL)

Apoorva

Sd/-

RAJEEV BHARDWAJ
MEMBER (JUDICIAL)